Accounting Analysis Journal 8(2) (2019) 95-101

Accounting Analysis Journal

https://journal.unnes.ac.id/sju/index.php/aaj

Analysis of the Effect of Profitability and Effective Tax Rate on Capital Structure with Conservatism as a Moderating Variable

Annisa Lufi Ningtiyas*[1] and Subowo[2]

[1,2]Accounting Department, Faculty of Economics, Universitas Negeri Semarang

ARTICLE INFO

Article History:
Received Agustus 29, 2018
Accepted March 30, 2019
Available July 30, 2019

Keywords:
accounting conservatism; capital structure; effective tax rate profitability

ABSTRACT

This study aims to investigate the effect of profitability and effective tax rate on capital structure with accounting conservatism as a moderating variable. The population are companies listing on Indonesia Stock Exchange in the last 5 years after the global crisis in 2008 that is 2014-2016 with 115 companies. The research sample was selected using purposive sampling technique. Based on the criteria, there are 67 samples with 201 units of analysis. Data were analyzed using moderate regression with SPSS 21. The results indicated that profitability has a negative effect on the capital structure. In contrast, effective tax rate has a positive effect on the capital structure. Accounting conservatism is a kind of pseudo-moderation that has a positive influence on the capital structure. However, as a moderating variable accounting conservatism is only able to moderate the effect of effective tax rate on capital structure. The results indicated that accounting conservatism significantly weakens the effect of effective tax rates on the capital structure. Based on the results, it can be concluded that the capital structure is influenced by profitability, effective tax rate, accounting conservatism, and the effect of effective tax rate on capital structure moderated by accounting conservatism.

INTRODUCTION

Capital costs are a consequence of using external sources of funds to finance corporate operations. High and low cost of capital depends on funding decisions chosen by the company. Thus, companies need to consider the proportion of their capital structure to prevent capital costs from exceeding the specified estimation limit. In other words, it can be concluded that the capital structure is a mix of sources of permanent funds consisting of debt and equity.

Ramjee & Gwatidzo (2012) stated that every company has a funding target for both debt and equity. Unfortunately, the target actually incurs a large cost when adjusting to the target. Brigham & Houston (2011) argued that the capital structure is said to be optimal when it is able to increase corporate stock price. Meanwhile, Wasis (1993) stated that the optimal capital structure will be able to reduce the capital costs incurred. Wahyudin & Solikhah (2017) argued that one of the corporate goals is to optimize stakeholder value through the implementation of good financial management functions. This is because financial decisions will influence other financial decisions and lead to increased corporate value. Thus, capital structure management is crucial.

Nevertheless, the results of the study of Asian Development Bank and Korea Capital Market Institute (2014) exactly found that Indonesia had the highest equity costs among ASEAN + 3 countries (Japan, Korea and the People's Republic of China) which amounted to 12.3188. This return is higher than the global rate of return of only 9.1 (Shroders 2016). Thus, it can be concluded that investing in Indonesia is very risky, so investors demand a higher rate of return. Shroders (2016) also argued that the 9.1 percent rate of return is considered unrealistic because the interest rate is just under 1 percent and the average equity yield is 3.8 percent. Based on the findings above, domestic investors tend to be irrational in demanding rate of returns.

High cost of equity needs to be considered. This is because every 1 percent decrease in the cost of capital, the demand for investment will increase by $ 1.55-2.02 billion in ASEAN + 3 countries (People's Republic of China, Japan, and Korea). That is, the high cost of capital borne by the company will reduce investment demand from investors, and vice versa (Asian Development Bank and Korea Capital Market Institute, 2014).

* *E-mail: annisa.lufi@gmail.com*
Address: L2 Building 2nd floor, Campus Sekaran, Gunungpati, Semarang, Indonesia, 50229

DOI 10.15294/aaj.v8i2.25252 p-ISSN 2252-6765 e-ISSN 2502-6216

Thus, companies need to minimize their capital costs to attract investment, so that stock prices can increase and achieve an optimal capital structure.

Table 1. Equity Costs of ASEAN+3 Countries 2000-2012

No	Countries	Average Equity Costs from Domestic Markets
1	Indonesia	12.3188
2	Malaysia	9.4224
3	Thailand	7.2956
4	Republic of Korea	7.2436
5	Philippines	4.7632
6	Singapore	3.8324
7	Japan	-2.6468
8	People's Republic of China	-3.0368

Source : Asian Development Bank and Korea Capital Market Institue,2014

The case of financial difficulties experienced by PT Bakrie Telecom in 2016 becomes one example of management failure in the corporate management which resulted in losses and soared corporate expenses. As a result, the company failed to pay off debts. A similar problem was experienced by PT Davomas Abadi, which experienced a default bond, so it had to restructure the company's debt. Hartoyo et al. (2015) argued that capital structure decisions need to pay attention to the risks and returns. In other words, the balance of capital structure is important to be considered. This is to prevent risks that are not desired by the company, one of which is financial difficulties.

The results of the economic survey conducted by the OECD (2015) found that the rate of tax revenue in Indonesia over the past 1 decade was only 12 percent of the predicted income of 50 percent. This result indicates that the realization of tax revenues in Indonesia is still low. In addition, there are government efforts to reduce corporate tax to increase investment competitiveness in ASEAN as reported by www.bisnis.tempo.co in 2018, indicating that the tax rate in Indonesia is one of the factors that reduce the rate of investment due to the set tax rate. In other words, the tax rate also influences investment interest in Indonesia.

The results of previous studies related to profitability and capital structure also experienced inconsistencies, including: the research of Ukaegbu (2014), Chadha & Sharma (2015), Ramjee & Gwatidzo (2012), and Gomez et al. (2014) proving that profitability has a negative effect towards capital structure. As with the study of Puspitasari et al. (2016, Seytawan et al. (2016) found result that profitability positively affected on capital structure. Meanwhile, the results of the study by Widayanti et al. (2016), Ismail et al. (2015), Morri & Parry (2017), and Sofat & Singh (2017) actually found result that profitability does not affect the capital structure.

Research related to effective tax rate (ETR) and capital structure also experienced inconsistencies, including: the research of Ukaegbu (2014), Puspitasari et al. (2016), Setyawan et al. (2016) which stated that tax proved to have a positive influence on the structure capital. Unlike the case with the study of Ramjee & Gwatidzo (2012), Gomez et al. (2014), Li & Stathis (2017) which found empirical evidence that tax negatively affect on capital structure. Meanwhile, the study of Widayanti et al. (2016) actually found result that empirically tax proved not to affect on the capital structure.

This study aims to determine the effect of profitability and effective tax rate on capital structure with conservatism as a moderating variable. The existence of conservatism as a moderating variable is a form of renewal in this study. That is, the higher the application of corporate accounting conservatism, the more mature the company's consideration in deciding its capital structure. Thus, it can be concluded that the application of accounting conservatism will increase the prudence of companies in deciding their capital structure, so as to minimize the risks and costs incurred due to corporate funding decisions. In other words, the application of accounting conservatism can weaken or strengthen the influence of profitability and the effective tax rate on capital structure.

Profitability is an important factor in formulating capital structure. High and low earnings will determine the funding pattern chosen by the company. That is, management will seek to maximize the use of profits for the company's operations. This is because corporate earnings have the lowest risk compared to other funding. Thus, it can be concluded that a high level of earnings will suppress alternative external funding of the companies.

Based on the perspective of pecking order theory, internal funding is more desirable than external funding. That is, the company will try to fund its operations with corporate internal sources first. Brigham & Houston (2011) suggested that companies use relatively small debt when they have a high return on investment. Gomez et al. (2014) stated that high earnings are used to reduce the level of corporate debt. Sofat & Singh (2017) stated that profitability is an important factor when finding significant and negative results on capital structure. This indicates that high earnings can affect the company's funding patterns both in the form of debt and equity.

The results of research conducted by Sheikh & Wang (2011), Ukaegbu (2014), Chadha & Sharma (2015), as well as Murhadi (2011) found result that empirically profitability has a negative effect on capital structure. That is, the increase of corporate profitability by 1 percent will reduce the capital structure in a certain amount. In other words, the company will strive to meet the needs of funds from internal sources first.

H_1: Profitability has a negative and significant effect on capital structure

The existence of tax incentives from the use of debt provides another view for the company. Interest expense that can be deducted from taxes and dividends that do not get the same treatment makes funding through debt more attractive. That is, the benefits of the tax received will be even greater when increasing the amount of debt. In other words, the government eases the debt interest burden and the company can save its tax burden.

This view is in line with trade-off theory which states that tax incentives make funding through debt cheaper than the issuance of new shares. That is, the company will use debt rather than issuing new shares when retained earnings are no longer sufficient for the company's funding needs. This is because funding through debt results in lower capital costs than the issuance of new shares. This is due to interest expense can be deducted from taxes, while dividends cannot be deducted from taxes.

The results of the study conducted by Ukaegbu (2014), Setyawan et al. (2016), and Puspitasari et al. (2016) found that tax has a positive influence on capital structure. That is, a tax increase of 1 percent will increase corporate capital structure in a certain amount. Thus, it can be concluded that companies exchange tax benefits through increasing debt. This result also indicates the efforts of tax management to obtain tax savings and low tax rates.

H_2: Effective tax rate has a positive and significant effect on capital structure.

The use of profitability as a source of corporate funds will reduce external funding. In other words, profitability will reduce corporate capital structure. However, the company realizes that the reported rate of earnings is not real value. The burden and income that have not yet been realized and contained in public financial statements affect the size of profitability. Thus, companies need to be conservative in addressing this

Signal theory states that information reported by companies has an impact on the views of external parties regarding the condition of the company. That is, companies need to pay attention to information that will be consumed by the public, so as to provide a positive signal. High level of profitability indicates that corporate funding contains uncertainty. In other words, the use of profitability as a benchmark gives a bad signal for stakeholders.

This study presents a moderating variable namely conservatism to determine the effect of profitability when companies apply accounting conservatism. According to the FASB, Risdiyani & Kusmuriyanto (2015) conservatism is a form of prudence in facing uncertainty and ensuring that uncertainties and inherent risks can be considered. In other words, the existence of uncertainty will have an impact on management behaviour for each decision that will be taken, especially related to corporate capital structure decisions. The statement is in line with the research of Salama & Putnam (2015) which suggests that conservatism empirically influences capital structure.

Previous research supporting this hypothesis is that Setyawan et al. (2016) and Puspitasari et al. (2016) that find empirical evidence that profitability positively influences capital structure. This finding indicates a form of conservatism application, so companies are more conservative in looking at earnings. In other words, the application of conservatism makes the company perceive that earnings contains uncertainty in the future, so it is necessary to reconsider the use of earnings as a benchmark.

H_3: Conservatism has a significant effect in moderating the effect of profitability on the capital structure.

The use of high debt will bring a big risk to the company. One of them is the risk of default due to unstable income. Meanwhile, the company cannot guarantee that income stability can be maintained. In addition, high level of debt can also bring financial difficulties because of the economic conditions of the company experiencing dynamics, along with macroeconomic uncertainty. Thus, high conservatism is needed to read the risks that exist from using debt.

Conservative companies will pay attention to the capital costs incurred. That is, conservative companies will penetrate their capital costs. This is due to the company's economic uncertainty and the risk of excessive use of external funds. Thus, it can be concluded that a conservative company will tend to limit the level of corporate debt.

Signal theory suggests that information reported by companies has an impact on the views of external parties regarding the condition of the company. A very high level of debt can cause investors to worry about the company's ability to pay especially when the company experiences financial difficulties. In other words, a high level of debt will give a bad signal to investors. Thus, the tax benefits through debt are no longer attractive.

The results of the study conducted by Ramjee & Gwatidzo (2012), Li & Stathis (2017) found empirical evidence that tax negatively affects on capital structure. This finding shows that a 1 percent tax increase will reduce a certain amount of capital structure. Thus, it can be concluded that within a certain time, the tax benefits obtained through debt are no longer attractive for the company. This is because there are large risks that can occur from using excessive debt.

H_4: Conservatism has a significant effect in moderating the effect of effective tax rate on capital structure.

Based on the theoretical framework above, the research model can be arranged as follows:

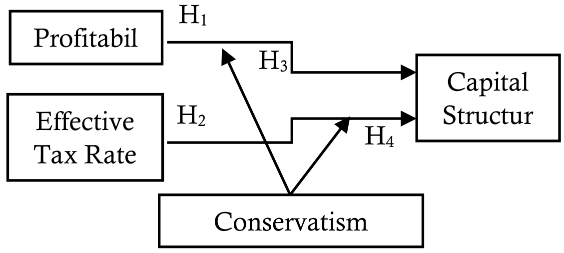

Figure 1. Research Model

RESEARCH METHOD

This study used a quantitative approach using secondary data. In addition, references from articles and books as literature are also used to enrich the understanding and preparation of the framework. The population of this study is companies that are listed on the Indonesia Stock Exchange in the last five years after the global crisis in 2008. The purposive sampling technique was used to determine the research sample. The data is then processed using SPSS 21 by conducting multiple regression moderation. The criteria for the sample used are:

Table 2. Selection of Research Samples

No	Explanation	Beyond Criteria	Number
1	Companies that have just registered on the IDX in the last 5 years after the end of the global economic crisis in 2008, namely companies registered in 2009-2013		115
2	Companies that have never experienced delisting	(3)	112
3	Companies that report financial statements regularly from 2014-2016.	(23)	89
4	Company does not issue new shares during 2014-2016	(8)	81
5	Companies that have not suffered losses for 2 consecutive years	(14)	67
6	Observation Period (3 years)		3
	Number of Analysis Unit		201

Source : secondary data processed, 2018

The operational definitions of the variables used in this study are as follows Table 3.

(Retrieval of data using documentation techniques sourced from secondary data. The data was a summary of corporate performance sourced from the site www.idx.co.id (IDX). Hypothesis testing used moderation regression analysis, namely interaction test. The classical assumption test was carried out before hypothesis testing to meet the Best Linear Unbiased Estimator (BLUE) criteria. As for the statistical equation compiled, namely:

$$SM= \alpha-\beta\_1\ Profit+\beta\_2\ ETR+\beta\_3|Profit*Conservatism|-\beta\_4\ |ETR*Conservatism|+\beta\_5\ Conservatism+e \text{............} (1)$$

RESULTS AND DISCUSSIONS

This study uses four classical assumption tests, namely the normality, multicollinearity, autocorrelation, and heteroscedasticity tests. Asymp sig. value for normality finds result above 0.05 which is equal to 0.220, so it can be concluded that data is normally distributed. The multicollinearity test shows that the largest correlation number occurs in the variables of profitability and conservatism which are equal to -0.204 or 20 percent. The durbin-watson value of 2.128 interprets that the regression model has no symptoms of autocorrelation because the value of du <dw <4-du. Heteroscedasticity test uses a park test and a probability value above 0.05 is obtained. This result indicates that this regression model is homogeneous.

The coefficient of determination in this regression model is equal to 0.240. That is, profitability, ETR, and conservatism as moderating variables can explain the capital structure by 24 percent. Meanwhile, the remaining 76 percent is explained by other variables out-

Table 3. Operational Definition of Research Variables

No	Names of Variables	Definitions	Measurement
1	Capital Structure (SM)	Permanent mix of long-term funding reflected in debt and equity (Horne and Wachowicz, 1998:474)	Murhadi (2013:61)
2	Profitability	The end result of wisdom and decisions (Riyanto, 1999:331)	Murhadi (2013:63)
3	Effective Tax Rate (ETR)	et al. The percentage of the ideal tax rate of a company based on financial information produced Setyawan et al. (2016)	Ardyansah (2014)
4	Conservatism	a form of prudence in facing uncertainty and ensuring that uncertainties and inherent risks can be considered (Risdiyani and Kusmuriyanto,2015)	Wijaya (2012)

Source : processed from various references, 2018

Table 4. Results of Descriptive Statistics Analysis

Variables	Descriptive Statistics			
	Mean	Minimum	Maximum	Std. Deviation
	n = 201			
Dependent Variable				
Capital Structure	1.7176	0,06	13.54	2.22448
Independent Variables				
Profitability	4.77%	-12.00%	24.85%	5.24054
ETR	0.31	-0.97	16.04	1.13449
Moderating Variable				
Conservatism	2.2535	0.06	17.71	2.67691

Source : secondary data processed, 2018

Table 5. Hypothesis Testing Results

Variables B	Unstandardizd Coefficients		Standardid Coefficiens	t-statistics	Prob
	Std. Error	Beta			
(Constant)	1.783	0.245		7.279	0.000
Profit	-0.168	0.042	-0.395	-4.007	0.000
Interaction_1	0.012	0.012	0.127	1.006	0.316
ETR	0.596	0.220	0.304	2.707	0.007
Interaction_2	-0.659	0.163	-0.473	-4.043	0.000
Conservatism	0.343	0.085	0.413	4.035	0.000

a. Dependent Variable: DER

side the regression model in this study. The results of hypothesis testing are explained in Table 5, which are as follows Table 5.

Table 5 shows that profitability has an effect on the capital structure with a coefficient value of -0.168. The effective tax rate has a positive effect on the capital structure with a coefficient value of 0.596. Conservatism does not significantly moderate the effect of profitability on the capital structure because it has a probability above 0.05 which is equal to 0.316. Conservatism has a significant effect in moderating the effect of effective tax rate on the capital structure. The results of the study prove that conservatism weakens the effect of effective tax rate on the capital structure. Conservatism is a quasi moderation and positively influences the capital structure with a coefficient of 0.343. The resulted regression equation is :

$$SM = 1.783 - 0.168\ \text{Profit} + 0.596\ \text{ETR} + 0.012\ \text{Interaction}_1 - 0.659\ \text{Interaction}_2 + 0{,}343\text{Conservatism} + e \quad (2)$$

The Effect of Profitability on Capital Structure

The research findings prove that profitability has a negative effect on the capital structure. This means that the higher the profitability of a company, the lower the capital structure. In other words, the company will maximize the use of earnings to meet operational needs

Pecking order theory states that internal funding is more desirable than external funding. Gomez et al. (2014) stated that debt retention rates will be low when companies have high level of profitability. In line with the statement above, Sofat & Singh (2017) stated that companies tend to use profitability as a deduction from debt or in other words companies tend to choose internal funding compared to external funding.

The research results of Sheikh & Wang (2011), Ukaegbu (2014), Chadha & Sharma (2015), and Murhadi (2011) found that profitability has a negative effect on capital structure. This finding is supported by this study which empirically found evidence that profitability has a negative effect on the capital structure. That is, profitability can reduce the company's capital structure.

The Effect of Effective Tax Rate on the Capital Structure

The results of the study prove that the direction of the relationship between ETR and capital structure is positive and significant. In other words, increasing corporate tax liability will be in line with the increase in capital structure. This finding indicates that when internal funding does not meet the company's funding needs, the company will use debt rather than issuing new shares.

Trade off theory states that companies tend to exchange tax benefits through debt. That is, tax incentives make companies increase debt especially when the tax rate is high. That is, a high tax burden forces management to conduct tax management to reduce the tax burden. Thus, debt funding is more in demand than equity issuance.

Ukaegbu (2014) stated that the higher the corporate tax, the higher the level of debt. This is due to interest expert is able to reduce tax bills. The statement is in line with what expressed by Setyawan et al. (2016) who stated that companies will make tax savings as a result of the implementation of high taxes. The alternative is to increase debt, because interest debt can be a tax deduction. Thus, it can be concluded that companies tend to choose debt as external funding compared to equity.

This statement is supported by this research, namely companies with high tax rates tend to choose debt as alternative funding, because the interest expense which can be a tax deduction. In other words, funding with debt raises lower costs than the cost of equity. Thus, the capital costs can be penetrated. This is in line with the research of Ukaegbu (2014), Puspitasari et al. (2016), and Setyawan et al. (2016) which found that the effective tax rate has a positive effect on capital structure.

Conservatism Significantly Influences in Moderating the Effect of Profitability on the Capital Structure

The role of conservatism in moderating the effect of profitability on the capital structure does not find significant results. That is, conservatism is not able to moderate the influence of profitability on capital structure significantly.

Signal theory states that information published by the company will have an impact on the views of external parties. That is, the selection of funding becomes a description for the stakeholders regarding the company's prospects. Thus, the company needs to be conservative, so that the chosen funding decision gives a positive signal.

The use of profitability as a source of corporate funds will reduce external funding. Thus, profitability will reduce the company's capital structure. However, both companies and stakeholders realize that the reported rate of earnings is not real value. The burden and income that have not yet been realized and contained in the public financial statements affect on the size of profitability.

High level of profitability indicates that corporate funding contains uncertainty. In other words, the use of profitability as the main benchmark gives a bad signal for stakeholders. Thus, companies need to be conservative in addressing this.

Based on the results of the study, conservatism is not able to moderate the effect of profitability on the capital structure significantly. However, from the results of the coefficients, conservatism weakens the effect of profitability on the capital structure. That is, conservative companies tend to be careful in looking at corporate profits. However, the companies continue to use earnings as the first funding. This is because earning has the lowest risk compared to funding through debt or equity. This means that conservative companies will pay attention to the level of security of funding selection even earnings contain economic uncertainty.

The findings of the study support pecking order theory in which companies are more fond of internal than external funding. This is due to the considerations of funding security and low risk. This result is in line with the research of Ukaegbu (2014), Sofat & Singh (2017) who found results that empirically profitability has a negative effect on capital structure.

Conservatism Significantly Influences in Moderating the Effect of Effective Tax Rate on Capital Structure

The role of conservatism in moderating the effect of ETR on the capital structure found significant results. That is, conservatism is able to significantly moderate the influence of ETR on the company's capital structure. The coefficient value of interaction_2 indicates that conservatism weakens the effect of ETR on the capital structure. This means that conservative companies will tend to be careful about using debt to obtain tax benefits. This is because the use of high debt will have an impact that might not be expected by the company. The impact is the possibility of default, financial difficulties to the potential for bankruptcy.

This is certainly contrary to one of the corporate goals that expect going concern. Thus, the tax benefits obtained by increasing debt are not attractive because of the bad possibility of using excessive debt. This finding is in line with the research of Ramjee & Gwatidzo (2012) and Li & Stathis (2017) which found the result that tax affects on the capital structure negatively and significantly.

CONCLUSIONS

Based on the description of the result of the study, empirically profitability has a negative effect on capital structure. This results supports pecking order theory. Conversely, the effective tax rate affects on the capital structure positively. That is, when internal funding is not enough, the company will exchange tax benefits through debt and be in line with the trade off theory. Conservatism is a type of pseudo moderation that has a positive influence on the company's capital structure. However, as a moderating variable, conservatism is only able to moderate the effect of effective tax rate on the capital structure. The results of the study show that conservatism significantly weakens the effect of the effective tax rate on the capital structure. In other words, conservative companies will be careful in using their debt to minimize the impact of using debt. Based on the results of this study, it can be concluded that capital structure is influenced by profitability, effective tax rate, conservatism, and the effect of effective tax rate on the capital structure moderated by conservatism.

Based on the results of these studies, companies are expected to optimize corporate assets and make investments to prevent money idle to boost corporate earnings so that there are no idle assets. In addition, the companies are also expected to improve conservatism practices to minimize the worst risks from future uncertainties both from the use of internal funds and external funds. This is because conservatism as the moderating variable significantly influences on the capital structure. Regulators should renew tax regulations to reduce tax management practices. This is because the companies tend to exchange tax benefits through debt to minimize the company's tax burden. Further research can add measurements for each variable to find the most significant proxy for the capital structure. Further studies are also expected to conduct comparative analysis with pre-crisis conditions and pursing into the corporate sectors to obtain complex and comprehensive results.

REFERENCES

Ahmed Sheikh, N. & Wang, Z. Determinants of capital structure: An empirical study of firms in manufacturing industry of Pakistan. *Manag. Financ.* 37, 117–133 (2011).

Asian Development Bank and Korea Capital Market Institute.2014.Asian Capital Market Development and Integration.India.Oxford University Press.

Ardyansah, Danis. 2014. "Pengaruh Size, Leverage, Profitability, Capital Intensity Ratio Dan Komisaris Independen Terhadap Effective Tax Rate (Etr)." *Diponegoro Journal of Accounting* 3: 1–9.

Brigham, Eugene F. & Joel F. Houston. 2011. *Dasar-Dasar Manajemen Keuangan*.Jakarta.Salemba Empat.

Chadha, S. & Sharma, A. K. Determinants of capital structure: an empirical evaluation from India. *J. Adv. Manag. Res.* 12, 3–14 (2015).

Global Investor Study 2016

Gómez, G., Mena Rivas, A. & Lizarzaburu Bolaños, E. R. The determinants of capital structure in Peru. *Acad. Rev. Latinoam. Adm.* 27, 341–354 (2014).

Hartoyo, A. K. W., Khafid, M. & Agustina, L. Faktor-Faktor yang Mempengaruhi Struktur Modal Perusahaan Tekstil dan Garmen di BEI. *Manag. Anal. J.* 3, 247–254 (2014).

Horne,James C. Van & John M. Wachowicz JR.1998.*Prinsip-Prinsip Manajemen Keuangan*.Jakarta.salemba Empat.

Ismail, A., Triyono & Achyani, F. Faktor – Faktor Yang Mempengaruhi Struktur Modal Pada Perusahaan Property Dan Real Estate. *J. Ekon. Manaj. Sumber Daya* 17, 1–7 (2015).

Li, H. & Stathis, P. Determinants of capital structure in Australia: an analysis of important factors. *Manag. Financ.* 43, 881–897 (2017).

Morri, G. & Parri, E. US REITs capital structure determinants and financial economic crisis effects. *J. Prop. Invest. Financ.* 35, 556–574 (2017).

Murhadi, Werner R.2013.Analisis laporan Keuangan,Proyeksi, dan valuasi Saham.Jakarta.Salemba Empat.

Puspitasari, O. I., Raharjo, K., & Andini, R., Pengaruh Profit ability,Tangible,Leverage,Corporate Tax, dan Inflation Rate terhadap Struktur Modal Pada Perusahaan Manufaktur yang Listing di Bursa Efek Indonesia.*Journal of Accounting* 2(2):1-19 (2016).

Ramjee, A. & Gwatidzo, T. Dynamics in capital structure determinants in South Africa. *Meditari Account. Res.* 20, 52–67 (2012).

Risdiyani, F. & Kusmuriyanto. Analisis Faktor- faktor Yang Mempengaruhi Penerapan Konservatisme Akuntansi. *Account. Anal. J.* 4, 1–10 (2015).

Riyanto, Bambang. 1999. *Dasar-Dasar Pembelanjaan Perusahaan*. Yogyakarta. BPFE-Yogyakarta.

Salama, F. M. & Putnam, K. Accounting conservatism, capital structure, and global diversification. *Pacific Account. Rev.* 27, 119–138 (2015).

Setyawan, A. I. W., Topowijono & Nuzula, N. F. Pengaruh Firm Size , Growth Opportunity , Profitability , Business Risk , Effective Tax Rate , Asset Tangibility , Firm Age Dan Liquidity Terhadap Struktur Modal Perusahaan (Studi pada Perusahaan Sektor Property dan Real Estate yang Terdaftar di BEI Tahu. *J. Adm. Bisnis* 31, 108–117 (2016).

Sofat, R. & Singh, S. Determinants of capital structure: an empirical study of manufacturing firms in India. *Int. J. Law Manag.* 59, 1029–1045 (2017).

Survei Ekonomi OECD Indonesia 2015

Ukaegbu, Ben. 2014. "The Determinants of Capital Structure a Comparison of Financial and Non-Financial Firms in a Regulated Developing Country - Nigeria." *African Journal of Economic and Management Studies* 5(3): 341–68.

Wahyudin, A. & Solikhah, B. Corporate governance implementation rating in Indonesia and its effects on financial performance. *Corp. Gov.* 17, 250–265 (2017).

Wasis.1993.*Manajemen Keuangan Perusahaan*.Semarang.Satya Wacana.

Widayanti, L. P., Triaryati, N. & Abundanti, N. Pengaruh Profitabilitas, Tingkat Pertumbuhan Perusahaan, Likuiditas, Dan Pajak Terhadap Struktur Modal Pada Sektor Pariwisata. *J. Manaj.* 5, 3761–3793 (2016).

Wijaya, A. L. Pengukuran Konservatisme Akuntansi : Sebuah Literatur Review. *ASSET J. Akunt. dan Pendidik.* 1, 100–105 (2012).