Factors Affecting Corporate Income Tax In Healthcare Sector Companies Listed On The Indonesia Stock Exchange For The 2019–2023 Period

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Abstract

This study aims to examine the effect of profitability, leverage, liquidity, capital intensity, and operating expenses on corporate income tax, both partially and simultaneously, in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period. The research applies a quantitative approach using secondary data obtained from company annual financial reports. Data collection was carried out through the official website of the Indonesia Stock Exchange www.idx.co.id and the official websites of the respective companies. The sample was selected using a purposive sampling technique, resulting in 10 companies that met the criteria over a five-year observation period, with a total of 50 data observations. The analytical method used is multiple linear regression, processed using SPSS version 26. The results of the study indicate that, partially, profitability and operating expenses have a significant effect on corporate income tax. Meanwhile, leverage, liquidity, and capital intensity do not show a significant effect. Simultaneously, all independent variables significantly influence corporate income tax.

Keywords : *corporate income tax, leverage, liquidity, operating expenses, profitability.*
JEL Codes : H25, H32

INTRODUCTION

Tax is a mandatory contribution to the state that is coercive in nature, in accordance with Law Number 28 of 2007, without providing direct compensation to taxpayers, and is utilized to the greatest extent for public welfare. Tax serves as the largest source of revenue in the structure of the State Budget (APBN) and functions as a fiscal instrument to finance government administration and national development. At present, state revenue no longer relies solely on natural resources but also on the optimization of tax collection as an indicator of Indonesia's economic progress. Income tax (PPh) is imposed on taxable entities, including corporations, meaning that business entities earning income are obliged to pay corporate income tax. Data from the Central Bureau of Statistics (2024) shows that the taxation sector remains the main contributor to state revenue, with income tax revenue trends during the 2019–2023 period as presented in Table 1.

Table 1. State Income Tax Revenues for the Period 2019–2023

Tax Type	2019	2020	2021	2022	2023
Income Tax Article 21	149,0	139,6	149,89	174,38	201,36
Income Tax Article 22	21,5	16,9	22,79	33,05	33,96
Article 22 Import Income Tax	53,8	27,1	40,47	74,20	69,53
Income Tax Article 23	45,5	40,46	42,86	48,70	58,17
Income Tax Article 25/29 for Individuals	11,6	11,9	12,36	11,58	12,26
Article 25/29 Corporate Income Tax	261,7	160,6	198,47	340,80	409,77
Income Tax Article 26	46,7	44,6	66,28	70,95	82,07
Final Income Tax	130,3	113,4	110,58	166,57	125,19

Corporate Income Tax (CIT) is one of the major types of taxes contributing significantly to state revenue. According to data from the Ministry of Finance, the realization of CIT consistently occupies the highest position compared to other types of income taxes, although it experienced a decline in 2020 due to the

COVID-19 pandemic, which weakened corporate performance, including in the healthcare sector. During the economic recovery period of 2021–2023, CIT revenue showed an increasing trend in line with the improvement of corporate profitability. The healthcare sector itself has unique characteristics, marked by rapid growth in demand for healthcare and pharmaceutical services, yet it faces challenges such as fluctuating production costs, exchange rate volatility, and tax avoidance practices through fictitious claims by private hospitals.

From an accounting and taxation perspective, several financial factors influence CIT, including profitability, leverage, liquidity, capital intensity, and operating expenses. Previous studies have produced mixed findings regarding these factors, with some showing significant effects on CIT, while others did not. In response to these dynamics, the government issued Government Regulation No. 1 of 2020, which reduced the corporate income tax rate from 25% to 22% for the 2020–2023 fiscal years. This policy had significant implications for corporate tax obligations, including those in the healthcare sector. Therefore, this study aims to analyze the influence of these financial factors on Corporate Income Tax in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) for the 2019–2023 period.

LITERATURE REVIEW

Agency Theory

Agency theory explains the contractual relationship between shareholders as principals and management as agents. The principal delegates authority to the agent to manage the company with the expectation that the agent will act in the principal's best interests. However, differences in objectives and information asymmetry often create conflicts of interest (agency conflict) (Jensen & Meckling in Ardins & Mia, 2021). In practice, principals seek optimal profits, while agents may pursue personal benefits, such as incentives or bonuses. This conflict can influence financial policies, including tax management strategies. Agency theory thus provides a foundation for understanding managerial behavior in decision-making and highlights the importance of monitoring mechanisms and incentives to align the interests of principals and agents.

Theory of Justice

According to Rawls, as cited in Wahyuni and Gundardi (2020), justice is a fundamental moral principle in shaping social order, including the tax system. The concept of distributive justice emphasizes that every individual has equal rights to basic freedoms, and economic inequalities must be regulated to provide the greatest benefit to the least advantaged (difference principle). In the context of taxation, this theory requires the application of the *ability to pay* principle, where corporate income tax is imposed proportionally to the company's economic capacity. Companies with higher profits are required to pay higher taxes, while smaller or loss-making firms are granted relief, including fiscal incentives for SMEs. Thus, tax policy can reflect social justice while also supporting state revenue.

Corporate Income Tax

According to Article 1 of the Republic of Indonesia Law No. 36 of 2008, income tax is imposed on income earned by individuals as well as entities within one fiscal year. Furthermore, Article 1 paragraph (3) of Law No. 28 of 2007 explains that an entity includes various forms of organizations, whether engaged in business activities or not, such as limited liability companies, cooperatives, foundations, state-owned enterprises (SOEs), partnerships, and permanent establishments. A taxpayer, as stipulated in Article 1 paragraph (2), refers to any party that holds rights and obligations in the field of taxation, including those appointed as tax withholders or collectors.

Thus, Corporate Income Tax is a tax obligation imposed on the income of entities as taxpayers. Entities are responsible for withholding, collecting, calculating, depositing, and reporting taxes in accordance with the applicable regulations (Law of the Republic of Indonesia No. 28 of 2007).

Profitability

This ratio is used to measure the percentage of net profit generated from total net sales. According to Kasmir (2019), the profit margin on sales is determined by dividing net profit by total sales, or the amount of net profit earned for every dollar of sales. The standard industry ratio for profitability on the Net Profit Margin (NPM) is 20%.Formula for Net Profit Margin:

$$NPM = \frac{Net\ Income}{Net\ Sales}$$

Leverage

The *Debt to Equity* Ratio is a financial indicator that illustrates the proportion between a company's total debt and its total equity. It serves to evaluate how the company finances its assets, whether through debt or its own capital, within its capital structure.Formula for *Debt to Equity* Ratio:

$$DER = \frac{Total\ Liabilities}{Total\ Equity}$$

This ratio is used to compare the total debt with the total equity or capital of a company. According to Kasmir (2019), the average standard for the debt-to-equity ratio is 80%. This ratio is utilized to measure the extent of external funding contributions (creditors) compared to the capital invested by the company's owners in financing operations and assets.

Liquidity

The liquidity ratio serves as a financial measurement tool used to evaluate the extent to which a company is able to meet its short-term obligations that are due in the near future by relying on the availability of its current assets (Kasmir, 2019).Formula for Current Ratio:

$$CR = \frac{Current\ Assets}{Current\ Liabilities}$$

A business's ability to meet its short-term financial obligations increases in line with its current ratio. Current assets in this context include cash, securities, receivables, and inventories. According to Kasmir (2019), the ideal current ratio is at the level of 200% or equivalent to twice the liabilities. This value is often used as a benchmark indicator of a company's liquidity position. By achieving such a ratio, the company can be considered to be in a safe short-term financial condition, as all of its short-term obligations can be fully covered by its current assets

Capital Intensity

According to Indradi (2018), capital intensity or the capital intensity ratio refers to a company's investment strategy directed toward the utilization of fixed assets and inventories. This ratio serves as a benchmark to evaluate how optimally a company's assets are utilized in supporting revenue generation through sales activities. Furthermore, capital intensity can also be interpreted as the extent to which a company allocates funds, both for operational activities and asset financing, in order to generate profits.

The measurement of capital intensity is a ratio generally related to two main aspects: investment in fixed assets and the degree of capital intensity itself.

$$CIR = \frac{Total\ Net\ Fixed\ Assets}{Total\ Assets}$$

Operating Expenses

Operating expenses are an important element that reduce gross profit and play a role in determining taxable income, also known as net fiscal income, which serves as the basis for calculating tax liabilities. In accordance with Law Number 36 of 2008, operating expenses that can be charged as deductions from gross income include all expenditures directly or indirectly related to business activities. Operating expenses refer to expenditures associated with the implementation of a company's operational activities, which include expenses for agreements and organization, publications, as well as costs for damage, repairs, and maintenance (Murhadi in Kurniawan, 2023).

$$Operating\ Expenses = \\ Selling\ Expenses + \ General\ and\ Administrative\ Expenses$$
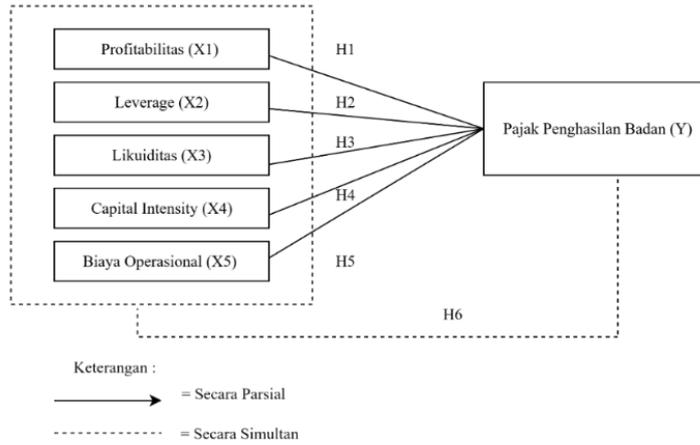
Research Framework

Figure 1. Research Model
Source: Processed Data

RESEARCH METHOD

The type of data used in this study is quantitative data, namely numerical data obtained from company financial statement documents. This information includes various reports such as the statement of financial position, income statement, and balance sheet. The source of data used is secondary data, which is obtained indirectly through third parties accessed from the Indonesia Stock Exchange (IDX) via the website www.idx.co.id as well as the official websites of the respective companies that are the objects of this research. The data consist of audited annual financial statements, internal company data, or routinely published company data, which represent time-series data collected from 2019 to 2023 in healthcare sector companies.

Population and Sampling Procedure

The population in this study consists of all companies operating in the healthcare sector that have been officially listed on the Indonesia Stock Exchange (IDX) during the five-year period from 2019 to 2023. This research employs purposive sampling as the sampling method, which is a technique of selecting samples based on specific criteria relevant to the research objectives. According to Sugiyono (2020), purposive sampling is categorized as a non-probability sampling method, in which not all members of the population have an equal chance of being selected as samples. The following considerations or criteria were applied in determining the research sample:

Table 2 Sampling Criteria

Criteria	Total
Companies included in the Healthcare sector and listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period.	30
Healthcare sector companies that experienced temporary stock trading suspension (suspension) on the Indonesia Stock Exchange (IDX) during the 2019–2023 period.	(2)
Healthcare sector companies that experienced losses during the 2019–2023 period.	(11)
Healthcare sector companies whose financial statements do not contain complete data and components required for the research.	(7)
Number of selected samples	10

Source: processed data (2025)

Based on the established criteria, a total of 10 companies were selected as the research sample over a 5-year period, resulting in 50 observations analyzed. The list of healthcare sector companies included as the research sample is presented as follows:

Table 3. List of Sample Companies

Stock Kode	Company Name
DLVA	Darya_Varia Laboratoria Tbk
HEAL	Medikaloka Hermina Tbk
KLBF	Kalbe Farma Tbk
MERK	Merck Tbk
MIKA	Mitra Keluarga Karya Sehat Tbk
PEHA	Phapros Tbk
PRDA	Prodia Widyahusada Tbk
SCPI	Organon Pharma Indonesia Tbk
SIDO	Industri Jamu dan Farmasi Sido Muncul Tbk
TSPC	Tempo Scan Pacific Tbk

Source: processed data (2025)

Data Collection

In conducting this research, the data collection techniques employed include the literature study method and documentation. This method was carried out by utilizing written information sources obtained through library research as well as internal research.

Data Analysis

The statistical analysis technique used in this study is multiple linear regression analysis, since the type of data is quantitative and the measurement scale is ratio, which falls under numerical data and parametric statistics. This method is applied to examine the relationship between two or more independent variables and a dependent variable at a constant rate of change. The data processing was carried out using the Statistical Product and Service Solutions (SPSS) software version 26.

RESULTS AND DISCUSSION

Table 4. Descriptive Statistical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Profitabilitas	50	.01	.31	.1352	.08316
Leverage	50	.11	.92	.3564	.22212
Likuiditas	50	.01	8.74	3.4608	1.78704
Capital Intensity	50	.17	1.31	.3432	.19197
Biaya Operasional	50	43.669	7.817.922	1.527.023.98	2.034.155.715
PPh Badan	50	1.370	979.475	214.702.50	245.247.954
Valid N (listwise)	50				

Source: processed data (2025), SPSS 26

Based on the SPSS output presented in Table 4, the number of respondents or research samples (N) is 50 data points, consisting of 10 companies observed over 5 years (2019–2023).

Table 5. Classical Assumption Test Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		50
Normal Parameters[a,b]	Mean	0.0000000
	Std. Deviation	47279.08001410
Most Extreme Differences	Absolute	0.113
	Positive	0.113
	Negative	-0.078
Test Statistic		0.113
Asymp. Sig. (2-tailed)		.160[c]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: processed data (2025), SPSS 26

Based on the SPSS output shown in Table 5, the significance value obtained is 0.160, which is greater than the significance level of 0.05. Therefore, it can be concluded that the residual data are normally distributed.

Table 6. Multicollinearity Test

Coefficients^a		
	Collinearity Statistics	
Model	Tolerance	VIF
1 Profitabilitas	0.729	1.371
Leverage	0.708	1.413
Likuiditas	0.693	1.443
Capital Intensity	0.946	1.057
Biaya Operasional	0.839	1.192
a. Dependent Variable: Pajak Penghasilan Badan		

Source: processed data (2025), SPSS 26

The results in Table 6 show that all independent variables have tolerance values greater than 0.10 and VIF values less than 10. This indicates that there are no symptoms of multicollinearity among the independent variables in the regression model, thus the assumption of the multicollinearity test is considered fulfilled.

Table 7. Autocorrelation Test

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.959^a	0.919	0.910	49952.29062	1.997
a. Predictors: (Constant), BiayaOperasional, CapitalIntensity, Profitabilitas, Leverage, Likuiditas					
b. Dependent Variable: Pajak Penghasilan Badan					

Source: processed data (2025), SPSS 26

Based on the output in Table 7, the Durbin-Watson value is 1.997, which falls within the range of 1.5 to 2.5. This indicates that the regression model used does not exhibit autocorrelation. Therefore, the model meets the assumption of no autocorrelation, meaning the residuals can be considered independent across periods.

Table 8. Heteroskedasticity Test

Coefficients^a					
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
1 (Constant)	0.350	0.318		1.102	0.276
Profitabilitas	-0.134	0.081	-0.240	-1.648	0.106
Leverage	-0.139	0.096	-0.200	-1.445	0.156
Likuiditas	0.022	0.065	0.050	0.340	0.735
CapitalIntensity	-0.266	0.151	-0.263	-1.766	0.084
BiayaOperasional	-0.084	0.048	-0.242	-1.757	0.086
a. Dependent Variable: ABS_RES					

Source: processed data (2025), SPSS 26

Based on the SPSS output presented in Table 8, the results of the heteroskedasticity test using the Glejser method indicate that the significance values of all independent variables are above the 0.05 threshold, meaning there is no significant influence between each independent variable and the absolute residual value (ABS_RES). This indicates that the regression model does not exhibit heteroskedasticity. Therefore, it can be concluded that the assumption of the heteroskedasticity test in regression has been satisfied.

Table 9. Multiple Linear Regression Analysis

Coefficientsᵃ					
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
1 (Constant)	-54793.161	17650.916		-3.104	0.003
Profitabilitas	1181024.249	142855.308	0.419	8.267	0.000
Leverage	-51482.177	46658.208	-0.057	-1.103	0.276
Likuiditas	-5245.127	5628.740	-0.048	-0.932	0.357
Capital Intensity	30483.688	38868.174	0.035	0.784	0.437
Biaya Operasional	0.113	0.006	0.946	20.011	0.000
a. Dependent Variable: Pajak Penghasilan Badan					

Source: processed data (2025), SPSS 26

Based on the SPSS output presented in Table 9, the results of the multiple linear regression test can be formulated as follows:

Corporate Income Tax (Y) = -54,793.161 + 1,181,024.249 NPM – 51,482.177 DER – 5,245.127 CR + 30,483.688 CI + 0.113 BOP + e

Table 10. Partial Test (t-test)
Coefficientsᵃ

Model		T	Sig.
1	(Constant)	-3.104	0.003
	Profitabilitas	8.267	0.000
	Leverage	-1.103	0.276
	Likuiditas	-0.932	0.357
	CapitalIntensity	0.784	0.437
	BiayaOperasional	20.011	0.000

a. Dependent Variable: Pajak Penghasilan Badan

Source: processed data (2025), SPSS 26

Based on the t-test results (Table 10), profitability (sig. 0.000) and operating expenses (sig. 0.000) have a significant effect on corporate income tax, while leverage (sig. 0.276), liquidity (sig. 0.357), and capital intensity (sig. 0.437) show no significant effect. Thus, among the five independent variables, only profitability and operating expenses are proven to have a partial influence on corporate income tax.

Table 11. Simultaneous Test (F-test)

ANOVAᵃ						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	*Regression*	1222826507166.200	5	244565301433.240	98.013	.000ᵇ
	Residual	107294947535.031	44	2495231338.024		
	Total	1330121454701.230	49			
a. Dependent Variable: Pajak Penghasilan Badan						
b. Predictors: (Constant), Biaya Operasional, *Capital Intensity*, Profitabilitas, *Leverage*, Likuiditas						

Source: processed data (2025), SPSS 26

Based on Table 11, the significance value is 0.000, which is smaller than $\alpha = 0.05$. Therefore, H_0 is rejected and H_6 is accepted. This indicates that simultaneously, the five independent variables Profitability, Leverage, Liquidity, Capital Intensity, and Operating Expenses have a significant effect on Corporate Income Tax. Thus, the regression model used in this study is considered appropriate as a basis for drawing conclusions.

Table 12. Determinant Test

Model Summary^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.959^a	0.919	0.910	49952.29062
a. Predictors: (Constant), Biaya Operasional, *Capital Intensity*, Profitabilitas, *Leverage*, Likuiditas				
b. Dependent Variable: Pajak Penghasilan Badan				

Source: processed data (2025), SPSS 26

Based on Table 12, the Adjusted R Square value is 0.910, which means that 91.0% of the variation in Corporate Income Tax can be explained by the five independent variables in the model, namely Profitability, Leverage, Liquidity, Capital Intensity, and Operating Expenses. The remaining 9.0% is explained by other variables outside the model that were not examined.

The high adjusted R^2 value indicates that the regression model has a very strong explanatory power, and therefore, this model can be used to explain the factors influencing Corporate Income Tax in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period.

The Effect of Profitability on Corporate Income Tax

The hypothesis test results for H1 indicate that profitability, as measured by Net Profit Margin (NPM), has a significant effect on Corporate Income Tax, with a significance value of 0.000 (< 0.05). Higher profitability leads to greater taxable income and, consequently, higher corporate income tax liabilities. For example, PT Mitra Keluarga Karyasehat Tbk (MIKA) and PT Kalbe Farma Tbk (KLBF) recorded an increase in NPM during the 2019–2022 period, which was accompanied by a rise in tax expenses, despite the reduction of the corporate income tax rate from 25% to 22%. This finding emphasizes that while the rate reduction decreases the proportion of tax payable, it does not alter the positive relationship between profitability and corporate income tax.

The Effect of Leverage on Corporate Income Tax

The hypothesis test results for H2 show that leverage, measured by the Debt to Equity Ratio (DER), has no significant effect on Corporate Income Tax, with a significance value of 0.276 (> 0.05). This indicates that an increase in corporate debt does not substantially impact tax expenses, even though interest expenses can serve as deductible items for fiscal income. This condition occurs because not all interest expenses are fiscally recognized, and the healthcare sector's capital structure tends to be conservative with moderate DER levels. For instance, PT Prodia Widyahusada Tbk (PRDA) and PT Medikaloka Hermina Tbk (HEAL) exhibited DER fluctuations without significant changes in tax expenses. Therefore, leverage is not a dominant factor in determining Corporate Income Tax compared to other variables such as profitability and operating expenses.

The Effect of Liquidity on Corporate Income Tax

The hypothesis test results for H3 indicate that liquidity, measured by the Current Ratio (CR), has no significant effect on Corporate Income Tax, with a significance value of 0.57 (> 0.05). This finding suggests that a higher reserve of current assets, such as cash, bank deposits, receivables, and inventories, does not necessarily increase taxable income as the basis for tax assessment. In fact, excessively high liquidity may reflect suboptimal utilization of assets for productive activities, thereby reducing operating profit and ultimately lowering tax obligations. For instance, PT Prodia Widyahusada Tbk (PRDA), which recorded a high CR but relatively stable tax expenses, and PT Siloam International Hospitals Tbk (SILO), which had a low CR but paid almost the same amount of taxes, support this result. Thus, the level of liquidity is not a primary determinant of Corporate Income Tax, either before or after the tax rate reduc

The Effect of Capital Intensity on Corporate Income Tax

Based on the hypothesis test for H4, the Capital Intensity variable, measured by the ratio of fixed assets to total assets, yielded a t-test significance value of 0.437 (> 0.05), thus H4 is rejected. This indicates that Capital Intensity does not have a significant partial effect on Corporate Income Tax. Capital Intensity reflects the proportion of a company's investment in fixed assets to support long-term operational activities. Although fixed assets contribute to production capacity and operating profit, their impact on taxable income is limited due to depreciation mechanisms and exemptions for certain assets (e.g., assets from grants or those related to final-taxed income). In the healthcare sector during the 2019–2023 period, companies with high capital intensity, such as PT Medikaloka Hermina Tbk (HEAL) and PT Siloam

International Hospitals Tbk (SILO), did not always exhibit significant increases in tax expenses. Conversely, companies with lower capital intensity, such as PT Prodia Widyahusada Tbk (PRDA), continued to pay comparable tax expenses relative to their revenues. Thus, the level of capital intensity is not a dominant factor influencing Corporate Income Tax, even when companies hold substantial fixed assets.

The Effect of Operating Expenses on Corporate Income Tax
The hypothesis test for H5 shows that the operating expenses variable has a significant partial effect on Corporate Income Tax, with a t-test significance value of 0.000 (< 0.05). Operating expenses, which include salaries, marketing, utilities, depreciation, and administrative costs, are deductible expenses in fiscal reconciliation. However, in healthcare sector companies, increases in operating expenses are generally accompanied by higher revenues and operating profits, leading to a rise in taxable income and tax liabilities. This condition is reflected in PT Kalbe Farma Tbk during the 2019–2023 period, where operating expenses increased from IDR 6.94 trillion to IDR 7.92 trillion, while tax expenses rose from IDR 3.40 trillion to IDR 3.61 trillion. Thus, operating expenses are positively associated with Corporate Income Tax as they reflect the growing scale of business operations.

The Effect of Profitability, Leverage, Liquidity, Capital Intensity, and Operating Expenses on Corporate Income Tax
Based on the simultaneous test (F-test), the significance value was 0.000 (< 0.05) with an Adjusted R^2 of 0.910. Thus, H6 is accepted, which means that profitability, leverage, liquidity, capital intensity, and operating expenses simultaneously have a significant effect on corporate income tax in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) during 2019–2023. The Adjusted R^2 value of 91.0% indicates that the five independent variables in this model strongly and significantly explain variations in corporate income tax, while the remaining 9.0% is explained by other factors outside the model, such as changes in national tax policies, tax incentives, or corporate tax management strategies.
These results support the validity of the multiple linear regression model used in this study and reinforce the argument that internal financial factors play an important role in influencing tax obligations. This aligns with the research objective, namely to identify financial factors affecting corporate income tax and provide insights for companies to manage finances more efficiently from a fiscal perspective.
The findings are consistent with research by Denny (2023), who found that liquidity, solvency, profitability, and operating expenses simultaneously have a significant influence on corporate income tax. Similarly, Cici (2022) concluded that profitability, capital intensity, liquidity, and operating expenses simultaneously affect corporate income tax.

CONCLUSION AND SUGGESTION
Conclusion
The results of the multiple linear regression analysis indicate that, partially, profitability and operating expenses have a significant effect on Corporate Income Tax, whereas leverage, liquidity, and capital intensity show no significant influence. Simultaneously, however, all five variables have a significant impact, with an Adjusted R^2 value of 91.9%, indicating that the majority of the variation in Corporate Income Tax can be explained by internal company factors.

Research Implications
The implications of this study encompass three key aspects. Theoretically, the research strengthens the literature on the determinants of Corporate Income Tax in the healthcare sector by confirming the influence of profitability and operating expenses. Practically, the findings provide insights for healthcare companies to manage profits and costs effectively in order to optimize tax burdens through legitimate tax planning. From a policy perspective, these results offer valuable input for fiscal authorities in formulating tax policies for the healthcare sector by considering profitability, cost structure, and potential incentives for companies with high operating expenses.

Suggestions
This study provides two main recommendations. For future researchers, it is suggested to expand the scope to other sectors, extend the observation period to more than five years, and include additional independent variables such as firm size, efficiency, or earnings management to generate more diverse and accurate results. For healthcare companies, although leverage, liquidity, and capital intensity do not have a direct effect on corporate income tax, the management of capital structure, current assets, and operating

expenses should still be carefully monitored to maintain financial stability, improve efficiency, and ensure that deductible expenses are properly recorded in order to optimize profitability and tax planning.
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