

Free Cash Flow as Mediator: Tax Planning, Leverage, and Firm Value in Indonesian Consumer Non-Cyclicals

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ABSTRACT

This study examines the mediating role of Free Cash Flow (FCF) in the relationships among tax planning, leverage, and firm value in the Consumer Non-Cyclicals sector listed on the Indonesia Stock Exchange (IDX) during 2021-2025. Grounded in Signalling Theory and Agency Theory, this study argues that financial strategy decisions must first translate into tangible cash capacity before being reflected in market valuation. Using purposive sampling, 15 companies were selected, yielding 75 balanced firm-year observations. Tax planning is proxied by Cash Tax Saving (0.22 - Cash ETR), leverage by Debt-to-Equity Ratio (DER), FCF by FCF/Assets, and firm value by Price-to-Book Value (PBV). Panel data regression with cross-section fixed effects and Sobel mediation tests were applied. The results indicate that cash tax saving significantly and positively affects FCF/Assets, while leverage significantly and negatively affects FCF/Assets. However, FCF/Assets does not significantly affect, and the Sobel tests confirm that FCF does not mediate either relationship. The findings suggest that while tax and leverage decisions shape internal cash capacity, market valuation in the Indonesian consumer sector responds to broader signals beyond FCF alone, including sales growth, brand strength, dividend expectations, and long-term earnings stability.

Keywords: cash tax saving; firm value; free cash flow; leverage; panel data regression.

Arus Kas Bebas sebagai Mediasi: Manajemen Pajak, Leverage, dan Nilai Perusahaan Sektor Konsumer Indonesia

ABSTRAK

Penelitian ini menguji peran mediasi Arus Kas Bebas (*Free Cash Flow/FCF*) dalam hubungan antara manajemen pajak, leverage, dan nilai perusahaan pada sektor *Consumer Non-Cyclicals* yang terdaftar di Bursa Efek Indonesia (BEI) periode 2021-2025. Berlandaskan Teori Sinyal dan Teori Keagenan, penelitian ini berargumen bahwa keputusan strategi keuangan harus terlebih dahulu menghasilkan kapasitas kas nyata sebelum tercermin dalam penilaian pasar. Menggunakan purposive sampling, dipilih 15 perusahaan dengan total 75 observasi firm-year yang seimbang. Manajemen pajak diproksikan dengan *Cash Tax Saving* (0,22 dikurangi *Cash ETR*), leverage dengan *Debt-to-Equity Ratio* (DER), arus kas bebas dengan *FCF/Assets*, dan nilai perusahaan dengan *Price-to-Book Value* (PBV). Analisis menggunakan regresi data panel dengan *cross-section fixed effects* dan uji Sobel untuk mediasi. Hasil menunjukkan bahwa *cash tax saving* berpengaruh positif signifikan terhadap *FCF/Assets*, sedangkan leverage berpengaruh negatif

signifikan terhadap FCF/Assets. Namun, FCF/Assets tidak berpengaruh signifikan terhadap PBV, dan uji Sobel mengkonfirmasi bahwa FCF tidak memediasi kedua hubungan tersebut. Temuan ini mengindikasikan bahwa meskipun keputusan pajak dan leverage membentuk kapasitas kas internal, penilaian pasar di sektor konsumen Indonesia merespons sinyal yang lebih luas di luar FCF semata.

Kata Kunci: arus kas bebas; *cash tax saving*; leverage; nilai perusahaan; regresi data panel.

INTRODUCTION

The Consumer Non-Cyclicals sector occupies a strategically important position in the Indonesian economy because it provides essential goods and services whose demand remains relatively stable across economic cycles. Companies in this sector include food and beverage producers, staple retailers, pharmaceutical firms, and personal product companies listed under the IDX-IC classification. During 2021-2025, these companies operated in a challenging environment marked by post-pandemic recovery, elevated financing costs, volatile commodity prices, and stronger tax administration following the Tax Regulation Harmonization Law. These conditions make the sector an appropriate setting for examining whether internal financial strategies are translated into cash capacity and, ultimately, market valuation.

The problem addressed in this study arises from the fact that firm value does not always move in line with accounting performance or managerial financial decisions. Price-to-Book Value (PBV) reflects how investors value a company relative to its book equity, but this valuation may be shaped by many signals, including profitability, growth expectations, leverage risk, dividend prospects, and the credibility of cash flows. In an emerging market context, valuation may be particularly sensitive to information asymmetry and investor perception. Therefore, it is important to examine not only whether tax planning and leverage affect firm value, but also through which financial mechanism such effects may occur.

Prior studies have examined tax planning and firm value, but their findings remain mixed. Some studies suggest that tax efficiency may enhance firm value because lower cash tax payments allow firms to retain more internal funds for investment, debt repayment, or dividend distribution (Nasution et al., 2024; Syabila & Bawono, 2025; Wahyuda et al., 2025). Other studies show that aggressive tax behavior may generate uncertainty because investors may associate it with compliance risk, reputational cost, or future tax disputes (Alomair & Metwally, 2025). This inconsistency indicates that tax planning is not automatically perceived as a positive market signal. Its value relevance may depend on whether the tax strategy creates observable cash benefits that investors can interpret as sustainable.

The leverage-firm value relationship is also theoretically and empirically ambiguous. Classical capital structure theory argues that debt may create value through

the tax shield of deductible interest expenses (Modigliani & Miller, 1963), while Agency Theory suggests that debt may discipline managers by limiting free cash flow under managerial discretion (Jensen, 1986; Wijayanti et al., 2023). However, excessive leverage can reduce financial flexibility because interest payments and principal repayments absorb operating cash flows. Recent research on emerging markets also shows that the effect of capital structure on firm value depends on firm characteristics, growth opportunities, and the institutional environment (Dang et al., 2019; Alghifari et al., 2022; Bui et al., 2023). Thus, leverage may either strengthen or weaken firm value depending on whether the benefits of debt exceed its cash flow burden and risk.

Free Cash Flow (FCF) provides a logical channel connecting tax planning and leverage to firm value. FCF represents the cash remaining after a firm finances its operating needs and capital expenditure, making it a direct indicator of internal financial flexibility. From a signalling perspective, higher FCF may indicate operational strength, resilience, and the capacity to support dividends or future investment. From an agency perspective, however, excess FCF may also create room for inefficient managerial spending when governance mechanisms are weak (Jensen & Meckling, 1976; Jensen, 1986). These competing views imply that FCF may not always produce a straightforward positive valuation effect, especially in a sector where brand strength, distribution networks, and revenue momentum are also important market signals.

The state of the art therefore suggests three unresolved issues. First, previous studies often examine tax planning, leverage, and firm value as direct relationships, without testing whether cash flow capacity serves as the transmission channel. Second, many studies use accounting-based tax proxies, while this study uses Cash Tax Saving, a cash-based proxy calculated as the statutory corporate tax rate minus Cash ETR, which is more consistent with the FCF mechanism. Third, limited evidence is available for the Indonesian Consumer Non-Cyclicals sector during 2021-2025, a period in which stable demand coexisted with higher financing costs and changing tax administration. These gaps justify a more focused examination of FCF as a mediating variable.

This study offers the concept that internal financial strategies influence market valuation only when they first create tangible cash capacity. Tax planning is expected to increase FCF/Assets by reducing cash tax outflows, whereas leverage is expected to reduce FCF/Assets when debt servicing dominates tax shield benefits. In turn, FCF/Assets are expected to signal financial flexibility to investors and may become a pathway through which tax planning and leverage affect PBV. Nevertheless, because investor valuation in emerging markets may respond to broader and more structural signals, the mediation role of FCF remains an empirical question rather than an assumption.

Based on this reasoning, the objective of this study is to examine the effect of tax planning and leverage on FCF/Assets, the effect of FCF/Assets on PBV, and the

mediating role of FCF/Assets in the relationships between tax planning, leverage, and firm value. The study contributes to the literature by integrating Signalling Theory and Agency Theory in a cash-flow-based mediation model, using panel data from 15 Consumer Non-Cyclicals companies listed on the Indonesia Stock Exchange during 2021-2025. It also contributes methodologically by applying Cash Tax Saving as a tax planning proxy and comparing the main model with an additional specification that includes sales growth as a control variable.

METHODS

This study uses a quantitative approach with a causal-comparative design. The data are secondary data consisting of audited annual financial statements, cash flow statements, and stock market data for Consumer Non-Cyclicals companies listed on the IDX during 2021-2025. The data were obtained from the official IDX website and the annual reports of each company.

The population consists of all Consumer Non-Cyclicals sector companies listed on the IDX continuously during 2021-2025. Purposive sampling was applied based on the criteria presented in Table 1.

Table 1. Purposive Sampling Criteria

No	Sampling Criteria	Companies	Cumulative
1	Consumer Non-Cyclicals companies listed on IDX 2021-2025	81	81
2	Companies that did not publish complete audited financial statements for all five years	(51)	30
3	Companies with negative equity in any observation year	(8)	22
4	Companies with unavailable market price data	(7)	15
Final sample		15 companies x 5 years	75 firm-year observations

Source: Data processed by the author, 2026

The companies included in the final research sample are presented in Table 2.

Table 2. Research Sample

No	Code	Company Name	Sub-Sector
1	AMRT	PT Sumber Alfaria Trijaya Tbk	Food & Staples Retailing
2	CEKA	PT Wilmar Cahaya Indonesia Tbk	Food Products
3	CLEO	PT Sariguna Primatirta Tbk	Beverages
4	CMRY	PT Cisarua Mountain Dairy Tbk	Food Products
5	DMND	PT Diamond Food Indonesia Tbk	Food Products
6	GOOD	PT Garudafood Putra Putri Jaya Tbk	Food Products
7	ICBP	PT Indofood CBP Sukses Makmur Tbk	Food Products
8	INDF	PT Indofood Sukses Makmur Tbk	Food Products
9	KLBF	PT Kalbe Farma Tbk	Pharmaceuticals
10	MYOR	PT Mayora Indah Tbk	Food Products
11	ROTI	PT Nippon Indosari Corpindo Tbk	Food Products
12	SIDO	PT Industri Jamu dan Farmasi Sido Muncul Tbk	Personal Products
13	SKLT	PT Sekar Laut Tbk	Food Products
14	ULTJ	PT Ultrajaya Milk Industry & Trading Company Tbk	Beverages
15	UNVR	PT Unilever Indonesia Tbk	Personal Products

Source: Data processed by the author, 2026

The operational definitions of all research variables are presented in Table 3.

Table 3. Variable Operationalization

Variable	Role	Proxy	Formula/ Measurement
Firm Value	Dependent	PBV	Closing stock price / book value per share
Tax Planning	Independent	Cash Tax Saving	$0.22 - \text{Cash ETR}$; Cash ETR = cash taxes paid/ pre-tax income
Leverage	Independent	DER	Total liabilities/ total equity
Free Cash Flow	Mediating	FCF/Assets	$(\text{Operating cash flow} - \text{capital expenditure}) / \text{total assets}$
Profitability	Control	ROA	Net income/ total assets
Firm Size	Control	Firm Size	Natural logarithm of total assets
Sales Growth	Control	Sales Growth	$(\text{Sales}_t - \text{Sales}_{t-1}) / \text{Sales}_{t-1}$

Source: Data processed by the author, 2026

The analytical model uses panel data regression with cross-section fixed effects. Model selection was conducted using the Chow test to compare the common effect and fixed effect models and the Hausman test to compare the fixed effect and random effect models. The main model was estimated using cross-section fixed effects with robust standard errors to reduce potential bias caused by heteroskedasticity and residual correlation in panel data.

Two path models were estimated. The first model examines the effects of tax planning and leverage on FCF/Assets, while the second model examines the effects of tax planning, leverage, and FCF/Assets on PBV. The model equations are as follows:

$$\text{FCF/Assets}_{it} = \alpha + \beta_1 \text{TaxSaving}_{it} + \beta_2 \text{DER}_{it} + \beta_3 \text{ROA}_{it} + \beta_4 \text{Size}_{it} + \beta_5 \text{SalesGrowth}_{it} + \mu_i + \epsilon_{it}$$

$$\text{PBV}_{it} = \alpha + \beta_1 \text{TaxSaving}_{it} + \beta_2 \text{DER}_{it} + \beta_3 \text{FCF/Assets}_{it} + \beta_4 \text{ROA}_{it} + \beta_5 \text{Size}_{it} + \beta_6 \text{SalesGrowth}_{it} + \mu_i + \epsilon_{it}$$

The indirect effects were tested using the Sobel test, in which the statistical significance of the product of path coefficients ($a \times b$) was assessed using the formula $z = (a \times b) / \sqrt{(b^2 \text{SE}_a^2 + a^2 \text{SE}_b^2)}$. An additional robustness model including sales growth as a control variable was estimated to verify the stability of the main findings. The model without sales growth uses 75 observations, whereas the model with sales growth uses 60 observations because sales growth requires prior-year sales data.

RESULTS AND DISCUSSION

This section presents descriptive statistics, panel model selection results, panel regression estimates, and mediation tests. All main models use cross-section fixed effects with robust standard errors. Two model specifications are reported: Model 2A (N = 75, without sales growth) and Model 2B (N = 60, with sales growth as an additional control variable). Descriptive statistics for all research variables are presented in Table 4.

Table 4. Descriptive Statistics

Variable	N	Mean	Std. Dev.	Min	Max
PBV	75	5.2482	8.0128	0.4582	46.9567
Cash Tax Saving	75	-0.0101	0.0525	-0.1243	0.1382
DER	75	0.8134	1.0322	0.1086	6.4659
FCF/Assets	75	0.0969	0.1090	-0.0975	0.4052
ROA	75	0.1255	0.0777	0.0445	0.3817
Firm Size	75	29.9987	1.4337	27.5135	33.0154
Sales Growth	60	0.1072	0.1231	-0.2069	0.5573

Source: Data processed by the author, 2026

Table 4 shows that the mean PBV is 5.2482 with a standard deviation of 8.0128, indicating substantial cross-firm heterogeneity in market valuation. The mean Cash Tax Saving of -0.0101 indicates that, on average, sample companies paid slightly more in cash taxes than the 22% statutory rate implies. The mean DER of 0.8134 indicates moderate leverage across the sample, while the mean FCF/Assets of 0.0969 suggests that most sample companies generated positive free cash flow relative to total assets. These distributional characteristics support the importance of controlling for firm heterogeneity in the panel data estimation.

Model selection results confirm the relevance of controlling for firm-specific effects. The Chow test rejects the common effect model in favor of cross-section fixed effects for the main path models. Although the Hausman test results vary across specifications, cross-section fixed effects are retained as the main estimation approach to maintain consistent control for unobserved, time-invariant firm characteristics such as management quality, brand equity, and corporate governance structure. The panel regression estimation results are presented in Table 5.

Table 5. Panel Regression Results

Model	Dependent Variable	Variable	Coefficient	p-value	Decision
2A Path 1	FCF/Assets	Cash Tax Saving	0.5766	0.0122	Sig. at 5%
2A Path 1	FCF/Assets	DER	-0.0439	0.0195	Sig. at 5%
2A Path 1	FCF/Assets	ROA	-0.1493	0.7907	Not sig.
2A Path 1	FCF/Assets	Firm Size	-0.0195	0.6915	Not sig.
2A Path 2	PBV	Cash Tax Saving	-4.1898	0.3975	Not sig.
2A Path 2	PBV	DER	-3.0472	0.0779	Sig. at 10%
2A Path 2	PBV	FCF/Assets	11.6338	0.2485	Not sig.
2B Path 1	FCF/Assets	Cash Tax Saving	0.6492	0.0150	Sig. at 5%
2B Path 1	FCF/Assets	DER	-0.0668	0.0156	Sig. at 5%
2B Path 1	FCF/Assets	Sales Growth	-0.2454	0.0447	Sig. at 5%
2B Path 2	PBV	FCF/Assets	18.7026	0.1570	Not sig.
2B Path 2	PBV	Sales Growth	10.9321	0.0481	Sig. at 5%

Source: Data processed by the author, 2026

The regression results in Table 5 show that Cash Tax Saving has a positive and significant effect on FCF/Assets in both Model 2A (beta= 0.5766; p = 0.0122) and Model 2B (beta= 0.6492; p = 0.0150). This finding indicates that companies with higher cash-based tax efficiency tend to retain more cash after paying taxes, which strengthens their

free cash flow relative to total assets. The result is consistent with the cash preservation logic in tax planning research and supports the argument that Cash Tax Saving is a more suitable proxy than book ETR when the dependent mechanism is cash flow. It also aligns with studies showing that tax-related decisions can influence liquidity and risk profiles when they affect actual cash tax payments (Guenther et al., 2017; Hossain et al., 2024; Alomair & Metwally, 2025).

This result strengthens the first part of the proposed mediation framework. From Signalling Theory, tax efficiency may be viewed as beneficial when it reflects disciplined cash management rather than aggressive avoidance. From Agency Theory, additional retained cash can improve internal financing capacity, but it must still be allocated productively to create shareholder value. Therefore, the significant relationship between Cash Tax Saving and FCF/Assets confirms that tax planning matters at the internal cash-flow level, although it does not necessarily imply that the market immediately rewards such efficiency through higher PBV.

Leverage has a negative and significant effect on FCF/Assets in Model 2A (beta= -0.0439; $p = 0.0195$) and Model 2B (beta= -0.0668; $p = 0.0156$). This result indicates that higher indebtedness constrains free cash flow availability because debt servicing absorbs a larger share of operating cash flows. Although debt can create tax shield benefits, the empirical pattern in this sample suggests that the cash outflow effect of interest and principal obligations dominates the potential tax advantage. This finding is consistent with the view that leverage can reduce financial flexibility when firms face higher borrowing costs or weaker cash flow buffers (Hanlon & Heitzman, 2022; Bui et al., 2023; Ermalini & Badera, 2025).

The negative leverage effect also fits the macroeconomic context of 2021-2025. During a period of elevated interest rates, debt may become less attractive as a value-enhancing instrument because its cost places direct pressure on cash flow. In Consumer Non-Cyclicals companies, stable demand does not eliminate the need for working capital, inventory financing, and distribution expenditure. As a result, firms with higher DER may have fewer residual cash available after meeting financing obligations. This finding clarifies that the disciplinary role of debt proposed in Agency Theory is not costless; debt can discipline managers, but excessive reliance on debt can weaken the free cash flow channel.

The negative coefficient of Sales Growth on FCF/Assets in Model 2B (beta= -0.2454; $p = 0.0447$) suggests that faster-growing companies may deploy more cash into working capital and capital expenditure, thereby reducing current FCF availability. This result should not be interpreted as a negative growth signal. Instead, it indicates a trade-off between current cash availability and expansion needs. Companies experiencing higher sales growth may need to finance larger inventories, receivables, production capacity, or distribution networks, especially in consumer-related industries. Hence,

growth can temporarily reduce FCF even when it remains valuable for long-term market valuation.

However, FCF/Assets does not have a significant effect on PBV in either Model 2A (beta= 11.6338; p= 0.2485) or Model 2B (beta= 18.7026; p= 0.1570). This finding indicates that, in the Indonesian Consumer Non-Cyclicals sector during 2021-2025, annual changes in FCF/Assets are not sufficient to explain market valuation. The result differs from studies that find a positive direct relationship between free cash flow and firm value, but it is theoretically plausible because PBV may reflect investors' expectations about long-term earnings, competitive position, dividend consistency, and growth prospects rather than short-term cash flow changes alone (Delima & Linawati, 2023; Wibowo et al., 2021; Suryanata & Susanto, 2025).

The significance of Sales Growth in the PBV model provides an important clue. Market participants appear to respond more strongly to revenue momentum than to FCF/Assets in the same period. In a consumer sector, sales growth may be interpreted as a forward-looking signal of market share, brand acceptance, and distribution strength. By contrast, FCF may be interpreted more cautiously because high FCF can result from efficient operations, but it can also reflect underinvestment or delayed capital expenditure. Therefore, the non-significant FCF-PBV relationship should not be treated as a weakness of the study; rather, it reveals that the valuation mechanism in this sector is more complex than a simple cash-flow signal. The mediation test using the Sobel test is presented in Table 6.

Table 6. Sobel Test Results

Model	Mediation Path	Indirect Effect	Sobel Z	p-value	Decision
2A	Cash Tax Saving -> FCF/Assets -> PBV	6.7081	1.0482	0.2945	Not sig.
2A	DER -> FCF/Assets -> PBV	-0.5103	-1.0347	0.3008	Not sig.
2B	Cash Tax Saving -> FCF/Assets -> PBV	12.1410	1.2233	0.2212	Not sig.
2B	DER -> FCF/Assets -> PBV	-1.2493	-1.2215	0.2219	Not sig.

Source: Data processed by the author, 2026

The Sobel test results in Table 6 confirm that FCF/Assets does not significantly mediate the effects of Cash Tax Saving ($z= 1.0482$; $p = 0.2945$ in Model 2A) or DER ($z= -1.0347$; $p = 0.3008$ in Model 2A) on PBV. Robustness checks in Model 2B yield consistent results. Because the b-path from FCF/Assets to PBV is not significant, the mediation chain is statistically broken even though the a-paths from Cash Tax Saving and DER to FCF/Assets are significant. This finding means that tax planning and leverage decisions shape internal cash capacity, but the market does not translate that cash capacity into valuation in a direct and immediate way.

These findings imply that the Signalling Theory chain from financial strategy to cash signal and market response is incomplete in this context. One possible explanation

is a lag effect: investors may respond to FCF improvements only after they are confirmed through dividend announcements, debt reduction, or productive reinvestment. Another explanation is signal competition. In Consumer Non-Cyclicals companies, investors may place greater weight on brand equity, market penetration, product portfolio strength, and earnings stability. Thus, FCF may be a necessary indicator of financial health, but it is not a sufficient valuation signal when other firm-specific attributes dominate investor attention.

The Agency Theory perspective offers a complementary interpretation. In companies with relatively predictable demand, investors may assume that basic cash flow generation is already embedded in firm quality and therefore assign limited incremental value to within-firm FCF fluctuations. Moreover, when FCF increases, investors may still ask whether the cash will be distributed, reinvested efficiently, or held without clear strategic use. This interpretation is consistent with the agency-cost argument that free cash flow creates value only when supported by disciplined governance, credible investment policy, or shareholder-oriented distribution decisions ([Jensen, 1986](#); [Dang et al., 2019](#)).

The results also highlight the methodological importance of selecting appropriate measurement proxies. Measuring tax planning using Cash Tax Saving rather than conventional book ETR provides a more direct link to the cash flow channel tested in this study. The consistent significance of Cash Tax Saving across both model specifications supports the argument that cash-based tax planning is relevant for explaining FCF/Assets. At the same time, the absence of mediation suggests that future research should consider more complex mechanisms, such as lagged FCF effects, dividend policy as a channel of market recognition, or corporate governance as a moderator of the FCF-value relationship.

CONCLUSION

This study examines the mediating role of Free Cash Flow in the relationships among tax planning, leverage, and firm value in the Consumer Non-Cyclicals sector listed on the IDX during 2021-2025. Based on 75 balanced firm-year observations from 15 companies, with cross-section fixed effects panel regression and Sobel mediation tests, three main findings emerge.

First, Cash Tax Saving significantly and positively affects FCF/Assets, confirming that tax-efficient companies retain more cash internally. Second, leverage significantly and negatively affects FCF/Assets, indicating that higher debt burdens constrain free cash flow capacity through debt servicing obligations. Third, FCF/Assets does not significantly affect PBV and does not mediate the effects of either tax planning or leverage on firm value. Thus, while FCF is confirmed as an outcome of financial strategy

decisions, it does not function as the transmission mechanism through which those strategies influence market valuation in this sector and period.

These findings indicate that tax efficiency and capital structure affect companies' internal cash flow capacity, but the market does not directly or immediately translate these cash improvements into higher PBV. Market valuation in the Indonesian Consumer Non-Cyclicals sector appears to be shaped by broader and more structural signals, including sales growth momentum, brand strength, dividend expectations, long-term earnings stability, and investor sentiment. This conclusion contributes to the literature by showing the contingent nature of FCF's signalling role in an emerging market context.

From a practical standpoint, managers should maintain tax efficiency and disciplined leverage management to strengthen free cash flow capacity, even if these efforts do not immediately manifest in higher market valuations. For investors, FCF should be interpreted as one important signal of financial health rather than the sole determinant of market value in this sector. Future research may examine the lag structure of the FCF-PBV relationship using dynamic panel models, incorporate dividend policy and growth opportunities as mediating or moderating variables, and extend the sample to other sectors to assess the generalizability of these findings.

This study is limited by its five-year observation period and single-sector sample, which may restrict the generalizability of the findings. In addition, the Sobel test assumes a normal distribution of indirect effects; future studies may apply bootstrapping-based confidence intervals for stronger mediation inference. Future research should also examine lagged FCF effects, include dividend policy and corporate governance variables, and extend the sample to other sectors to evaluate whether the non-significant mediation result is specific to Consumer Non-Cyclicals firms or reflects a broader characteristic of emerging capital markets.

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