ABSTRACT

This study aimed to examine on the Influence of liquidity, profitability, institutional ownership, business risk and tax of the capital structure in manufacturing companies listed in the Indonesia Stock Exchange during the period 2011-2015. In independent variable examined in this study is Liquidity, profitability, institutional ownership, business risk and tax. The dependent variable examined in this study is Capital Structure.

The sampling method used in this study is purposive sampling there were 42 companies. Statistic descriptive, classical assumption, multiple linear regression, coefficient of determination, f test, t test to analyze the data. Tool analyze using Eviews 7.0.

Based on results of study showed liquidiy, institutional ownership, business risk have negative effect to capital structure, tax positive effect to capital structure Meanwhile variable profitability not effect the capital structure.

Keywords: Capital Structure, Liquidity, Profitability, Institutional Ownership, Business Risk, Tax.