



Board diversity and tax planning in the context of Malaysian listed firm

Mohd Waliuddin Mohd Razali^{1,*}
Nurul Amirah Sujak Subandera¹
Noraisyah Abd Rahman²
Josephine Tan-Hwang Yau³
Dyg Haszelinna Abg Ali⁴

¹Faculty Economics & Business,
Universiti Malaysia Sarawak,
Malaysia.

²Email: waliirazali@yahoo.com

³Email: amiera1896@gmail.com

⁴Email: ythjosephine@unimas.my

²Faculty of Economics & Management,
Universiti Kebangsaan Malaysia,
Malaysia.

³Faculty of Management and Economics,
Universiti Pendidikan Sultan Idris,
Malaysia.

⁴Email: noraisyahabdrahman@yahoo.com

¹Centre for Policy Research &
International Studies, Universiti Sains
Malaysia, Malaysia.

²Email: dyghaszelinna@usm.my

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(* Corresponding Author)

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1. Introduction

Taxes have broadly been assumed to be a motivating factor in many firms' decisions, and this aspect has received significant attention in past literature (Hanlon & Slemrod, 2009; Landolf, 2006; Lanis & Richardson, 2011). One of the main reasons for this is the increasing complexity of tax regulations and the changing tax landscape in many countries. As tax laws become more intricate and subject to change, firms must devote more resources to ensure compliance and optimise their tax strategies. Investors may perceive ineffective tax planning as a missed opportunity to increase earnings and shareholder value (Henderson Global Investors, 2005). Tax planning can increase firms' after-tax profits and improve investors' investment returns.