

***THE INFLUENCE OF CURRENT TAX EXPENSE TAX PLANNING AND
PROFITABILITY TO EARNING MANAGEMENT***

***(Study on Financial Institutions Listed on Indonesia Stock Exchange Period
2010 - 2017)***

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ABSTRACT

This study aims to analyze the impact on current tax expense, tax planning and profitability to earning management in financial institution listed in Indonesia Stock Exchange 2010-2017 period. Earning management is measured using earning scaled changes.

The method use in this research is quantitative with descriptive and verifikatif approach. The population in this study is the financial statement of financial institute of the period 2010 -2017. The sample of research is 8 financial institute selected using purposive sampling during study period, data were analyzed using panel data to describe data as well as chow and hausman to determine which model is most appropriate for testing the proposed hypothesis.

The result of this study indicate that partially, current tax expense has a significant positive impact on earning management, tax planning has a significant positive impact on earning management, and profitability has a significant negative impact on earning management. Simultaneous result show current tax expense, tax planning and profitability has a significant impact on earning management.

Keywords : Current tax expense, Tax Planning, Profitability, Earning Management.