

## ABSTRACT

*Experts claim that the primary goal of a company is to maximize shareholder wealth. When investing, investors will expect profits from the shares invested. As Muslim investors, we can undoubtedly use this wealth to do good things. One of the returns on Islamic stocks is in the form of dividends (dividends are more attractive to investors). The problem is that there needs to be a specific rule/consensus regarding the necessity for a company to go public to provide dividends to shareholders. This study aims to determine the determinants of dividend policy in terms of liquidity, profitability, and firm size from 2017 to 2021.*

*The analytical method used in this research is panel data regression analysis. The data used is panel data with 81 public companies on ISSI (Indonesian Sharia Stock Index), which routinely pay dividends during the study period.*

*The results showed that simultaneously the variable liquidity by proxy current ratio, profitability by proxy return on equity, and firm size by proxy asset growth significantly affect dividend policy by proxy dividend payout ratio. Partially, the liquidity variable positively and significantly affects the dividend payout ratio. Profitability has a positive and significant effect on the dividend payout ratio. Meanwhile, firm size has no significant effect.*

*Keywords: Dividend Policy, Liquidity, Profitability, Firm Size*