

ABSTRACT

This study aims to examine the effect of tax planning and deferred tax expense on earnings management with Good Corporate Governance (GCG) as a moderating variable in manufacturing companies listed on the Indonesia Stock Exchange.

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange (IDX) for period 2017-2019. The number of samples used as objects in this study as much as 109 observations, which are obtained through the purposive sampling method by first determining some characteristics related to the research objectives. The data analysis method used in this study is descriptive statistical test, classical assumption test, and Moderated Regression Analysis (MRA) with multiple linear regression, as well as first performed factor analysis to determine the factors of GCG variable.

Based on the analysis that has been done, the results of this study show that the tax planning has no significant effect on earnings management, while the deferred tax expense has a significant effect on earnings management. The results of this study also show that Good Corporate Governance (GCG) cannot moderate the effects of both tax planning and deferred tax expense on earnings management.

Keywords: *Tax Planning, Deferred Tax Expense, Good Corporate Governance (GCG), Earnings Management*