ABSTRACT

This study aims to analyze the differences in deferred tax assets, deferred tax liabilities, and discretionary accruals before and after the change in corporate tax rates. The policy taken to mitigate the impact of the COVID-19 pandemic and ensure consistent state revenue is a reduction in the corporate income tax rate. The reduction in corporate income tax rates can affect all company activities. Therefore, a test was conducted to determine whether there were deferred tax assets, deferred tax liabilities and discretionary accruals before and after the change in corporate tax rates.

The population of this study uses companies with the LQ45 Index listed on the Indonesia Stock Exchange (IDX) with the observation period before the change in corporate income tax rates, namely 2018 and 2019 and after the change in corporate income tax rates, namely 2020 and 2021. The total sample used in this study amounted to 18 companies determined through purposive sampling with predetermined criteria. The study uses secondary data in the form of the company's annual financial statements for 2019-2020 sourced from the official website of the Indonesia Stock Exchange (www.idx.com). The method used is a non-parametric t-test, namely the Wilcoxon Signed-rank test with the statistical tool SPSS Ver. 25.

The results showed differences in the deferred tax asset variable in the period before and after the change in corporate income tax rates. While the deferred tax liabilities and discretionary accruals variables did not show differences in the period before and after the change in corporate income tax rates.

Keywords: tax rate changes, deferred tax assets, deferred tax liabilities, discretionary accruals