

ABSTRACT

This study test the relation between corporate tax avoidance and disclosure of operation segment earnings for Indonesian's Public Companies. The research find that before the adoption of "Pernyataan Standar Akuntansi Keuangan Nomer 05 (PSAK No. 05)" thats about operation segmen disclosure, firm that non-disclosure of operation segment earnings have lower wordlwide effective tax rates. The result are consistent with manager perceiving that non-disclosure of operation segment earnings helps mask tax avoidance behavior.

The samples used in this research are 38 public companies listed at Indonesia Stock Exchange that publish the 7 years (2008 – 2014) of Financial Statement. With the Purposive sampling method. The type of data used in this study is a secondary data, in the annual reports of public companies in Indonesia Stock Exchange in 7 years (2008-2009). The analysis method use in regression annalysis.

The conclusion that can be drawn from this study is the variable non-disclosure of operation segment earnings for indonesian public companies have significant and positive impact to the tax avoidance behavior. While before and after the implementation of "Pernyataan Standar Akuntansi Keuangan Nomor 05 (PSAK No. 05)" is the same of effective tax rate.

Keywords : tax avoidance,operation segment disclosure, PSAK No.05