

ABSTRACT

The aim of this research is to examine factors which predicted will influence voluntary internet financial reporting by local government. Factors which are going to be tested are political competition, size, leverage, wealth, and type of local government.

The population of this research are local governments of Indonesia. The number of samples is 85, calculated using Slovin calculation formula. Analysis method used to test hypothesis in this research is logistic regression.

The result of this study indicates that regency government type significantly has negative influence to voluntary internet financial reporting by local government. This is due to regency government, as the location where urbanization is come from, exists a lower rate of monitoring action as the result of the low amount of voter coalition formed, as well as the lower rate of internet acces and usage. It indicates that local government tends to not engage internet financial reporting if the population is low. The other factors, such like political competition, size, leverage, wealth, do not influence voluntary internet financial reporting by local government significantly.

Key words : internet financial reporting, voluntary, local government, political competition, size, leverage, wealth, regency government type