

## **ABSTRACT**

*This study aims to examine the influence of book tax differences toward earning growth. Independent variables used in this study are permanent differences and temporary differences which are proxy of book tax differences, while the dependent variable is earning growth.*

*The population of this study is manufacturing companies listed in Indonesia Stock Exchange in 2009-2011. Sampling is conducted with a purposive sampling method. Based on purposive sampling method, the total of sample obtained are 33 companies. The analysis method used to test the independent variables influence the dependent variable is the multiple regression.*

*The results showed that permanent differences is negative significant affect toward earning growth. Temporary differences is negative significant affect toward earning growth.*

*Keywords: book tax differences, permanent differences, temporary differences, earning growth*