ABSTRACT

Income smoothing is a from reduction of earnings fluctuations from year to year. The reduction may be to transferring income from the higher income periods to less profitable periods. Income smoothing is a common form of earnings management. Income smoothing, measured using an index Eckel (1981). Index Eckel differentiate between companies that doing the income smoothing or are not doing. Index Eckel use coefficient variation (CV) net income and coefficient variation (CV) net sales . If the results of the index is more than one (1) means the company does not doing income smoothing, while if the results of the index is less than one (1) means the company do the income smoothing

This study aims to determine the effect of independent variables such as company size, profitability, leverage and dividend payout ratio to income smoothing. The object of this study is the property and real estate sectors listed in Indonesia Stock Exchange from 2011 to 2014. The sampling technique in this study using purposive sampling which produces 56 units of the sample with 14 samples within a period of 4 (four years). The analytical method used is logistic regression analyzes were processed using SPSS 20.

The results showed the firm size, Profitability, leverage and dividend payout ratio simultaneous influence on income smoothing. Partially, the firm size, Profitability and dividend payout ratio committee has no influence on income smoothing, leverage has a positive and significant on income smoothing.

Keywords: *Firm Size, Profitability,Leverage, Dividend Payout Ratio, Income Smoothing*