

ABSTRACT

Earnings management is an action taken by managers to manipulate financial statements, especially earnings, intentionally for personal gain. This is because the management is motivated by many factors, namely bonus plans, long-term debt contracts, tax motivation, and political motivations.

This study aims to determine the effect of deferred tax assets, deferred tax expense, and the board of directors on earnings management with firm size as a control variable in manufacturing companies in the food and beverage sub-sector for the 2015-2020 period listed on the Indonesian Stock Exchange.

Sample identification determined by purposive sampling methods and established data by 12 companies or 72 data. Data analysis uses regression data panel analysis using software reviews 12.

The result show that the variables of deferred tax asset, deferred tax expense, board of directors, and firm size simultaneously has effect to earnings management. Patrially deferred tax aset, deferred tax expense, and board of directors do not has effect to earnings management.

For further reaserches, it is recommended to use research variables that are more varied because, in this study only 28,90% could explain the dependent variable of earnings management. In comparison, other variables could explain the rest (71,10%) outside of this study.

Keywords: *Earnings Management, Deferred Tax Asset, Deferred Tax Expense, Board of Directors, Firm Size*