

ABSTRACT

Transfer pricing is a policy used in determining the transfer price for a transaction that has a special relationship. Transactions between related parties can be in the form of sales or purchases of goods, services, intangible assets, or financial transactions. This action relates to transactions between companies related to special relationships owned by these companies and affects state revenues on the tax side.

This study aims to determine the effect of intangible assets, foreign ownership and profitability on transfer pricing indications simultaneously and partially in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2016 to 2020.

In this study, the technique used in sample collection uses a non-probability sampling approach with sample selection using a purposive sampling technique. The study was conducted for 5 years with a total of 80 observation from 16 company samples. The research uses the company's financial statement data. The research method used is quantitative with logistic regression analysis techniques.

The results show that the variables of intangible assets, foreign ownership and profitability simultaneously affect the indication of transfer pricing. Partially, intangible assets and profitability variables have a positive effect on transfer pricing indications and foreign ownership variables negatively affect transfer pricing indications for mining sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2016 to 2020.

Based on the results of this study, further researchers are expected to be able to conduct research by adding a research period and using other independent variables such as multinationality, leverage and audit quality that can have an influence on transfer pricing indications. Company management and regulators can pay attention to any policies that have been set regarding indications of transfer pricing through intangible assets, foreign ownership and profitability in making every decision.

Keywords: *Intangible Assets, Foreign Ownership, Profitability, Transfer Pricing.*