Deferred Tax On Real Profit Management With Tax Planning As Moderating

Marlina Permatasari¹ and Estralita Trisnawati²
¹,²Magister Accounting Program, Faculty of Economics and Business, Tarumanegara University, Jakarta Indonesia

Email Address: marlina.127202014@stu.untar.ac.id; estralitat@fe.untar.ac.id
*Corresponding author

Abstract: This research examines the effect of current taxes, deferred tax and tax amnesty on real earnings management and tax planning as moderating. The sample is from the property and real estate companies listed on IDX-IC during 2013 until 2019. Based on purposive sampling, the selected sample is 23 companies, the total sample is 138 observations. The hypothesis is carried out using MRA through Eviews 10. The results of this study indicate that current taxes, deferred tax expense, tax amnesty and tax planning have a positive effect on real earnings management. In addition, this study reveals that there is moderating effect of tax planning on the relationship between current tax and deferred tax expense with real earnings management. In addition, management can use the results of this study as consideration in deciding whether to take real earnings management actions or not, which in turn will affect the sustainability of the company.

Keywords: Current Tax; Deferred Tax; Tax Amnesty; Tax Planning; Real Earning Management.


Kata Kunci: Pajak Kini; Pajak Tangguhan; Pengampunan Pajak; Perencanaan Pajak; Manajemen Laba Riil.
INTRODUCTION

The infrastructure plan encourages the government to increase national income by 1882.5 trillion rupiah for 2016, with a tax revenue target of 1360.2 trillion rupiah, which is 74 percent of national income. However, as of May 2016 the total tax revenue received was only 364.1 trillion rupiah, which is only 26.800 percent of the targeted amount according to the 2016 State Revenue and Expenditure Budget (Mulyani, 2017). From the last two years, the amount of tax revenue has decreased to 82 percent, which is illustrated in Figure 1. This condition encourages the government to look for alternative fiscal policy as a new source of funds (Mahestyanti et al., 2018).

![Figure 1. Target and Realization of Indonesia's Tax Revenue for 2006-2016](Source: Directorate General of Taxes, 2016)

Challenged by the need for income for infrastructure development and low taxes in Indonesia, the government chose to carry out a tax amnesty program (tax amnesty) volume 1 which was held from July 1, 2016 to March 31, 2017 (Ismi, 2017). Based on Law Number 11 of 2016, tax amnesty is the abolition of taxes that should be owed. This act is not subject to tax administration sanctions and criminal sanctions in taxation of assets obtained in 2015 and previously reported in the SPT with all tax arrears owned and paying a certain amount of tax ransom (Mahestyanti et al., 2018). At the end of the tax amnesty program period, taxpayers who pass the examination and are proven not to have reported all their assets will be given 200 percent penalty (Ismi, 2017).

Reflecting on the tax amnesty program, it has brought success such as increasing the number of state revenues and tax compliance. Apart from increasing revenues in a short period of time, the tax amnesty also acts as a smooth transition to a stricter tax system (Kurniawati, 2017). Several countries have implemented tax amnesty programs such as Argentina, Italy, South Africa and including Indonesia itself (Aliandu, 2016). According to (Ragimun, 2014), tax amnesty in South Africa applies pull and push. The pull strategy is to provide incentives to taxpayers to attract them to participate in the program, namely by canceling tax interest and providing tax redemption at the lowest possible rate. The
push strategy is to put pressure on tax violators by increasing the quantity and quality of possible tax audits. This strategy led to a succession of tax amnesty in South Africa.

The tax amnesty program is closely related to operating profit and income from outside the business is an element of the income statement and assets and liabilities are elements of the balance sheet. Reported operating profits for tax purposes and which are intentionally not reported with the aim of companies being reluctant to pay taxes are too large (Annisa, 2018). The company's performance appraisal can simply be reflected in the company's profit achievement. Related parties in one company use profit information in determining decisions to be taken for the continuity of the company's operations (Bunaca and Nurdayadi, 2019).

Currently, companies are faced with very tight competition to survive in the global market. Companies are required to have various competitive advantages in order to compete with other companies, not only from the quantity and quality of the products and services offered but also include good financial management, which means that various policies in financial management must be able to ensure the sustainability of the company's business, indicated by the amount of profit that is high achieved by a company. This situation usually encourages manager to carry out deviant behavior in presenting and reporting earnings information known as earnings management (Bunaca and Nurdayadi, 2019). Earnings management actions are not just management mistakes. This is because International Financial Accounting Standards (IFRS) allow management to choose various alternative accounting methods to manage company profits (Widiatmoko and Mayangsari, 2016).

Real earnings management is a deviation from the company's normal operating practices which is motivated by management's desire to provide a wrong understanding to stakeholders by ensuring that financial reporting objectives have been achieved in accordance with the company's normal operating activities (Machdar and Nurdiniah, 2021). Real earnings management practices are carried out to accelerate earnings by changing several business activities, for example manipulation of research and development costs, overproduction, manipulation of advertising costs, and manipulation of sales (Roychowdhury, 2006).

The phenomenon that makes researchers interested in taking this research is the fact that only around 194 (34.700 percent) companies listed on the Indonesia Stock Exchange participated in the 2016 tax amnesty program, and among these 194 companies, 46 (23.710 percent) companies do not disclose the net value of their tax amnesty assets. Companies that participate in the tax amnesty program tend to be companies that used to be tax evaders whose financial statements indicate fraud (Hermawan et al., 2020). (Geraldina and Jasmine, 2019) also say that companies that participate in the tax amnesty program tend to be companies that carry out earnings management. According to (Ferdiawan and Firmansyah, 2017), multinational companies have a great opportunity to practice earnings management and tax planning to avoid income tax (withholding tax) by placing their operations in countries that have low income tax rates. MNC companies can withhold dividends from overseas subsidiaries to reduce the value of global sales mitigated by PMK-256/PMK.03/2008.

Corporations in Indonesia prepare financial statements using the basis of Indonesian accounting standards known as the Statement of Financial Accounting Standards (PSAK) and the taxation law. Companies cannot calculate taxable income
directly. This is due to the difference between taxable income according to the taxation law and income before tax according to PSAK. This difference affects the financial statements, so it is necessary to adjust the balance between taxable income and profit before tax through fiscal reconciliation (Machdar and Nurdiniah, 2021).

In the context of accounting for income tax, these differences result in two types of differences, namely temporary differences and permanent differences (Amanda and Febrianti, 2015). The difference arising from the difference between commercial profit and fiscal profit is called a fiscal correction which can be in the form of a positive fiscal correction and a negative fiscal correction. The temporary difference between accounting profit and fiscal profit gives rise to deferred tax (Purnamasari, 2019).

The implication of PSAK 46 is related to the issue of earnings management where many manager take advantage of this opportunity to manage profit figures in their companies with an accrual approach to get bonuses or rewards for good performance by minimizing the income tax burden that must be paid. The first factor that is tested for its effect on real earnings management in this study is the current tax burden, which is the amount of tax that must be paid by taxpayers for one period (Suandy, 2016). The amount of current tax must be self-calculated by the taxpayer based on the taxable income multiplied by the tax rate, then self-paid and reported in the tax return in accordance with the applicable tax laws and regulations (Setia et al., 2020).

Tax planning is a major tax consideration that can be associated with earnings management. According to (Hoffman, 1961), tax planning is defined as the ability of taxpayers to arrange financial transactions in a way that reduces the tax burden. Tax planning is theoretically known as effective tax planning that one should try to get tax savings through tax avoidance procedures systematically in accordance with tax regulations (Mei, 2019). Although tax planning actions are mostly legal, some tax planning actions may fall into the gray zone in terms of legal definitions, such as using procedures that violate tax evasion laws, understate taxable income or overstate expenses (Abdalla et al., 2018)

Other researches on earnings management have been carried out by researchers (Kurnia and Pradipta, 2016; Baig and Khan, 2016; Bortoluzzo et al., 2016; Elnahass et al., 2018; Geraldina and Jasmine, 2019; Li et al., 2018). However, according to the researcher's knowledge, it is still rare to link it with the tax amnesty program. For this reason, this study examines how real earnings management exists in the company in the period before and after the tax amnesty volume 1.

THEORETICAL REVIEW

Signalling Theory. Signaling theory was first published by (Spence, 1973) in which the sender (the owner of the information) tries to provide relevant pieces of information that can be utilized by the recipient. Signal theory is based on the assumption that the information received by each party is different, in other words, information asymmetry occurs between the company's management and the parties with an interest in information.

According to (Guest et al., 2020) signal theory explains how a company should give signals to users of financial statements (users). The signal given by the company can be in the form of a good signal (good news) or the signal theory explains how a company should give a signal to users of financial statements (users) with bad signals (bad news).
Good signals indicate management actions that are in line with user interests as well as other information stating that the company's profits are in good condition and also predictable in the future. Investors will be attracted to invest their capital. On the other hand, if the bad signal is reflected in the company's information, investors will switch to other companies that have complete, relevant, accurate and timely information (Connelly et al., 2011).

Signal theory by manager to reduce information asymmetry through financial statements. Complete, relevant, accurate and timely information is needed by investors in the capital market as an analytical tool for making investment decisions (Yassar et al., 2020). This theory also provides a signal to prevent companies from taking earnings management actions such as presenting profits and assets that are not overstated (Abdalla et al., 2018). The signal theory in this study is the grand theory of the dependent variable, namely earnings management.

**Agency Theory.** Agency theory was initiated by (Ross, 1973) which was later expanded by (Jansen and Meckling, 1976). (Jansen and Meckling, 1976) define agency theory as the relationship between business management (agent) and shareholders (principal). (Eisenhardt, 1989) states that agency theory uses three assumptions of human nature, namely: (1) humans are generally self-interested (self-interested), (2) humans have limited thinking power about perceptions of the future (bounded rationality), and (3) Humans always avoid risk (risk averse).

In an agency relationship, there is a work agreement (contract) in which one or more people (principal) arrange for another person (agent) to perform services on behalf of the principal and agent who is authorized to provide the best decision for shareholders. Agency theory states that management and owners have different interests (Jansen and Meckling, 1976). True shareholders also play a vital role in the company and therefore their interests cannot be underestimated (Amidu et al., 2019).

When the agent and principal have different interests and goals, a conflict of interest between the two cannot be avoided. Conflicts of interest are increasing because shareholders cannot monitor the day-to-day activities of manager to ensure that manager acts as expected by shareholders. Manager who are directly involved with company activities have more information than shareholders. This is called information asymmetry. Conflicts of interest and information asymmetry can encourage agents not to convey true information to the principal and may affect the presentation of financial statements. The financial statements made may be irrelevant and not neutral because the financial statements are for the benefit of the agent. This condition tends to be used by agents to take inappropriate actions (manipulation).

According to (Yusof, 2016), the auditor is one of the parties capable of bridging the interests of the shareholders (principal) with the interests of the management (agent) in managing company finances. This third party functions to monitor the behavior of the manager (agent) whether it has acted appropriately in accordance with the wishes of the owner or shareholder (principal). The auditor performs the function of monitoring the manager's work through a facility, namely the annual report. Company data will be more easily trusted by investors and users of financial statements that reflect the company's performance and the company's financial condition has received a fair statement from the auditor (Kazemiana and Zuraidah, 2015). Agency theory in this study as a theory that
explains the independent variables namely current tax, deferred tax assets, deferred tax liabilities and tax amnesty and the moderating variable is tax planning.

Effect of Current Tax on Real Earnings Management. The current tax variable has something to do with agency theory with the assumption that human nature is risk averse which means that manager always avoids risk. Manager tend to avoid the risk of paying a high tax burden. Agency theory states that in minimizing the level of misinformation, direct supervision is needed so that it becomes evidence of weak supervision from the principal. According to (Natalia, 2017) the high motivation of management to carry out earnings management will cause a difference between accounting profit and taxation profit.

Current tax burden is the amount of tax that must be paid by the taxpayer which is calculated from the taxable income resulting from the fiscal reconciliation multiplied by the tax rate (Setia et al., 2020). Fiscal corrections must be made because of the different treatment of income and costs between accounting standards and applicable tax regulations (Amanda and Febrianti, 2015). In some cases, taxpayers have the freedom to make accounting policies related to determining the time of recognition of income and expenses, although the accounting policies that have been set must be applied in a consistent manner from year to year (Junery, 2016).

When the current tax burden is high, it will reduce the company's profits so as to provide greater opportunities for manager to carry out earnings management. On the other hand, when the current tax burden is low, it will increase company profits so as to provide smaller opportunities for manager to carry out earnings management (Tanra et al., 2017) (Setia et al., 2020; Warsono, 2017; Mansyur et al., 2017; Annisa, 2018; Junery, 2016; Amanda and Febrianti, 2015) is able to prove that the current tax has a positive effect on earnings management. Research conducted by (Rahmi and Hasan, 2019; Fajarwati et al., 2020; Wijaya et al., 2017; Natalia, 2017) proves that current taxes have a negative effect on earnings management. Based on the previous discussion, the first hypothesis in this study is:

H1: Current tax has a positive effect on real earnings management.

Effect of Deferred Tax Asset on Real Earnings Management. The positive difference between accounting profit and fiscal profit makes a positive correction resulting in deferred tax assets (Widiatmoko and Mayangsari, 2016). Deferred tax assets are recognized as a temporary difference that can be reduced, as long as it is probable that the difference can be used to reduce taxable profit in the future. PSAK 46 states that the value of deferred tax assets must be reviewed at the end of each reporting period, thus providing an opportunity for management to review and determine the new value of deferred tax assets, which is subjective.

The flexibility of deferred tax asset valuation will provide an opportunity for manager to manipulate this value for their own benefit (Warsono, 2017). This is in line with agency theory on the assumption that human nature is self-interested, meaning that manager will act as agents to maximize their needs. According to (Rahma, 2020), a higher value of deferred tax assets will minimize future tax debts. Then, in the end, it will increase the company's profits in the future, so that manager will get a good appraisal
from shareholders and get compensated for their performance. This reasoning is in line with the research of (Warsono, 2017; Rassang, 2020; Timuriana et al., 2015; Machdar and Nurdiniah, 2021; Rahma, 2020) which proves that deferred tax assets have a positive effect on earnings management. Not in line with the five studies, (Widiatmoko and Mayangsari, 2016; Nuning et al., 2019; Setia et al., 2020; Fajarwati et al., 2020) states that deferred tax assets have a negative effect on earnings management. Based on the previous discussion, the second hypothesis in this study is:

**H2:** Deferred tax assets have a positive effect on real earnings management.

**Effect of Deferred tax expense on Real Earnings Management.** Earnings management practice is based on agency theory which causes information asymmetry and conflicts of interest between agents and principals. According to (Annisa, 2018), information asymmetry occurs due to differences in the interests of the agent and the principal so that the agent hides information that is not known to the principal and presents irrelevant information. This condition is supported by the freedom of SAK (Financial Accounting Standards) to companies in choosing accounting methods to prepare commercial financial reports, while fiscal financial statements are prepared based on tax rules which do not give management the freedom to choose accounting methods. That way the company can regulate the size of the accounting profit through the tax burden (Junery, 2016).

Deferred tax expense can be used to detect earnings management practices by looking at the results of fiscal corrections in the form of negative corrections (Negara and Suputra, 2017). Negative correction is a condition in which the income according to fiscal accounting is smaller than commercial accounting. This is what causes an increase in deferred tax liabilities on the balance sheet (Nuning et al., 2019).

(Mulyani et al., 2018; Destiana et al., 2020; Soliman and Ali, 2020; Timuriana et al., 2015; Negara and Suputra, 2017; Machdar and Nurdiniah, 2021; Kisno and Istianingsih, 2016; Rahma, 2020; Wijaya et al., 2017; Annisa, 2018) show that deferred tax expense has a positive effect on earnings management. This means that every increase in deferred tax expense, the possibility of the company making management profits will increase and vice versa. This is not in line with research conducted by (Alfian and Nuryadi, 2019; Nuning et al., 2019; Setia et al., 2020; Rassang, 2020; Amanda and Febrianti, 2015; Rahmi and Hasan, 2019; Dwi et al., 2019; Fadillah, 2020; Setyawan and Harnovinshah, 2015) which show that deferred tax liabilities have a negative effect on earnings management. Based on the previous discussion, the third hypothesis in this study is:

**H3:** Deferred tax expense has a positive effect on real earnings management.

**Effect of Tax Amnesty on Real Earnings Management.** Tax amnesty is tax relief for taxpayers by reporting their wealth and paying taxes owed at a lower tax rate (Ulfanur et al., 2016). Many rich people in Indonesia park their money abroad to avoid tax obligations (Tundjing and Haryanto, 2015). Therefore, this study categorizes tax amnesty as a substantive tax on tax avoidance planning.

The government considers that company owners participate in the tax amnesty program as an indication that their company may be tax evasion, although there is no formal evidence of such tax avoidance behavior (Geraldina and Jasmine, 2019). Therefore,
this study investigates the effect of earnings management on the likelihood of company owners participating in the tax amnesty program.

In particular, signal theory investigates whether the incentives of corporate owners to participate in tax amnesty programs signal the quality of corporate financial reporting. Higher quality of financial reporting means lower earnings management (Arief and Paramita, 2019). This reasoning is in line with the research by (Mappadang, 2020) that tax amnesty has a positive effect on earnings management. However, this research is not in line with the research by (Geraldina and Jasmine, 2019) that tax amnesty has a negative effect on earnings management. Based on the previous discussion, the fourth hypothesis in this study is:

**H4:** Tax amnesty has a positive effect on real earnings management.

**Effect of Tax Planning on Real Earnings Management.** The tax planning variable is related to the managerial extraction agency theory, namely the justification for the opportunistic behavior of manager manipulating profits or inappropriate resource placement which creates opportunities for management to cover up bad information and mislead stakeholders. Tax planning activities can be carried out by making explicit tax deductions (Saputra, 2020).

Tax planning can be explained as a management effort in minimizing tax payments as long as it is still within the applicable tax rules. Companies that have good tax planning will have a significant impact on decreasing profits through tax obligations (Alfian and Nuryadi, 2019).

Tax planning is related to corporate profit reporting. High profits will also result in a high tax burden. Earnings planning and management are interrelated with each other, because both have the same goal, namely achieving profit targets with engineering profit figures in financial reports (Nuning et al., 2019).

Previous research (Purnamasari, 2019; Mei, 2019; Memory and Tipa, 2020; Negara and Suputra, 2017; Alfian and Nuryadi, 2019; Nuning et al., 2019; Rahmi & Hasan, 2019; Negara and Suputra, 2017: Ika et al., 2016; Annisa, 2018) which show that tax planning has a positive effect on earnings management. earnings management is getting bigger. However, this is different from the results of research by (Mulyani et al., 2018; Widiatmoko and Mayangsari, 2016; Warsono, 2017; Setyawan and Harnovinsah, 2015; Khotimah, 2014) which show that tax planning has a negative effect on earnings management. Based on the previous discussion, the fifth hypothesis in this study is:

**H5:** Tax planning has a positive effect on real earnings management.

**Tax Planning Moderates the Effect of Current Taxes on Real Earnings Management.** Companies carry out tax planning as effectively as possible, not only to gain fiscal benefits, but in fact the company also gains profits in obtaining additional capital from investors through the sale of company shares (Junery, 2016). The status of companies that have gone public generally tends to be high profile than companies that have not gone public. In order to increase the value of the company’s shares, management is motivated to provide the best possible company performance information. Therefore, current tax and deferred tax which is an element of profit deduction that is available to be shared with investors or invested
by the company, will be managed by management to be minimized to optimize the amount of the company's net profit (Baraja et al., 2019). Based on the previous discussion, the sixth hypothesis in this study is:

**H6:** Tax planning moderates the relationship between current taxes and real earnings management.

**Tax Planning Moderates the Effect of Deferred Tax Asset on Real Earnings Management.** In carrying out earnings management, management will be faced with a condition where if profits are increased it will reflect good company performance, but on the other hand it will also have an impact on increasing corporate income tax. In the case of tax revenue between the government and corporate taxpayers, in particular they have different perspectives. The government expects an increase in income from income tax, while business entities minimize the company's tax burden, by doing tax planning. Tax planning refers to the process of minimizing the tax burden but does not violate the applicable tax regulations (Tundjung and Haryanto, 2015).

The calculation of the amount of income tax is caused by the difference in revenue and expense recognition between commercial and fiscal. These differences must be recorded and reflected in commercial financial statements, in a deferred tax account, both deferred tax assets and deferred tax liabilities (Rahma, 2020). The assets contained in the company's balance sheet can be used to reduce taxable income so that it can reduce the tax imposed on the company. If deferred tax assets are high, earnings management actions will be reduced (Machdar and Nurdiniah, 2021). Based on the previous discussion, the seventh hypothesis in this study is:

**H7:** Tax planning Tax moderates the relationship between deferred tax assets and real earnings management.

**Tax Planning Moderates the Effect of Deferred Tax Expense on Real Earnings Management.** The information contained in financial statements is often engineered by management to optimize company profits and also for their own interests or known as earnings management (Serdarevic and Muratovic, 2021). There are several methods used to test earnings management and earnings management is often related to tax planning and deferred tax expense. The company carries out tax planning as effectively as possible, not only to obtain fiscal benefits, but actually the company also benefits in obtaining additional capital from investors through the sale of each share (Purnamasari, 2019). Therefore, the tax, which is a reduction in profits available to be shared with investors or invested by the company, will be sought by management to be minimized in order to optimize the amount of the company's net income (Mulyani et al., 2018). In this case, there are indications that management carries out earnings management in the tax planning process, and deferred tax expense is one approach that can be used to detect earnings management practices (Serdarevic and Muratovic, 2021).

(Suandy, 2016) explains that if the purpose of planning tax is to engineer so that the tax burden can be reduced as low as possible by utilizing existing but different regulations for the purpose of making laws, then tax planning seeks to maximize after tax income because tax is a deduction of profits available, both for distribution to shareholders

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and for reinvestment. Based on the previous discussion, the eighth hypothesis in this study is:

**H8**: Tax planning moderates the relationship between deferred tax expense and real earnings management.

**Tax Planning Moderates the Effect of Deferred tax expense on Real Earnings Management.** Based on The Organization for Economic Cooperation and Development/OECD Year 2013, BEPS is a tax planning strategy that takes advantage of gaps and weaknesses contained in tax laws and regulations to eliminate or transfer company profits to other countries with low tax rates or even free taxation. The end goal is that companies do not have to pay taxes or the taxes paid are of very small value to the company's overall income (Rakhmindyarto, 2014).

BEPS strategy is one of the earnings management practices carried out by the company. Earnings management practices are supported by information asymmetry, manager knows more about financial information and company conditions than the government which collects taxes. This condition is used by the company's management to carry out earnings management so that the reported profit information is in accordance with the interests of management and does not describe the actual profit (Fitri and Mulyaningtyas, 2018).

Companies as corporate taxpayers have an obligation to pay taxes for the state as regulated in the law. However, there are still many companies that carry out tax planning to reduce the taxes that must be paid, this is because tax payments are considered a cost burden for the company and its owners.

Another effort that can be made to minimize earnings management practices is monitoring. One of them is by auditing financial statements on a regular basis, especially by external auditors (Rahma, 2020). The main purpose of the audit of financial statements is to identify errors and irregularities in the financial statements that will have a material impact. Financial statement audits can also reduce the information asymmetry that exists between manager and stakeholders (Widyasari et al., 2018). Based on the previous discussion, the ninth hypothesis in this study is:

**H9**: Tax planning moderates the relationship between tax amnesty and real earnings management.

**METHODS**

This research methodology uses quantitative methods. This study uses financial data. The population in this study are property and real estate sector companies registered as public companies listed on IDX-IC in the 2015 until 2019 period. The data will be obtained from the IDX official website at [https://www.idx.co.id/](https://www.idx.co.id/). This study also uses cross-sectional data.

The sample selection method used in this research is purposive sampling. Based on purposive sampling, the selected sample is 23 companies, so the total sample is 138 observations. The hypothesis is carried out using Moderated Regression Analysis through
Eviews 10. The sample selection process using purposive sampling method in this study with the following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Property and real estate companies listed on IDX-IC in 2013 until 2019</td>
<td>44</td>
</tr>
<tr>
<td>2. State-owned property and real estate companies because there are no indications of doing tax planning</td>
<td>(0)</td>
</tr>
<tr>
<td>3. Property and real estate companies that experience dissolution (merger/delisting/relisting)</td>
<td>(0)</td>
</tr>
<tr>
<td>4. Property and real estate companies that suffered losses in 2013 until 2019</td>
<td>(7)</td>
</tr>
<tr>
<td>5. Property and real estate companies that have complete data for 2013 until 2019</td>
<td>(14)</td>
</tr>
<tr>
<td>6. Property and real estate companies that do not carry out tax amnesty based on 2016 Financial Statements</td>
<td>(0)</td>
</tr>
</tbody>
</table>

Total companies observed (N) 23
Number of observation samples (N x 6 Years) 138
Number of observation samples before Tax Amnesty volume 1 69
Number of observation samples Tax Amnesty volume 1 69

Source: Processed

The dependent variable in this study is real earnings management, while the independent variables are current taxes, deferred tax assets, deferred tax liabilities, and tax amnesty. The moderating variable of this research is tax planning. This study also uses a control variable, namely leverage.

In this study, real earnings management was measured using 3 proxies as used by (Roychowdhury, 2006):

Abnormal cash flow operations (Abnormal CFO)

\[
\frac{CFO}{A_{t-1}} = \alpha_0 + \alpha_1 \left(\frac{1}{A_{t-1}}\right) + \beta_1 \left(\frac{S_t}{A_{t-1}}\right) + \beta_2 \left(\frac{\Delta S_t}{A_{t-1}}\right) + \epsilon_t \dots \quad (1)
\]

Where:
- \(\frac{CFO}{A_{t-1}}\) = cash flow from operating activities in year t which is scaled to a total assets in year t-1.
- \(\alpha_1 \left(\frac{1}{A_{t-1}}\right)\) = intercept which is scaled by total assets in year t-1 with the aim that operating cash flow does not have a value of 0 when sales and sales lag is 0.
- \(\frac{S_t}{A_{t-1}}\) = sales in year t scaled by total assets in year t-1.
- \(\Delta S_t/A_{t-1}\) = sales in year t minus sales in year t-1 which scaled by total assets in year t-1.
- \(\alpha_0\) = constant.
- \(\epsilon_t\) = error term in year t.

Abnormal production cost (Abnormal PROD)

\[
\frac{PROD_t}{A_{t-1}} = \alpha_0 + \alpha_1 \left(\frac{1}{A_{t-1}}\right) + \beta_1 \left(\frac{S_t}{A_{t-1}}\right) + \beta_2 \left(\frac{\Delta S_t}{A_{t-1}}\right) + \beta_3 \left(\frac{\Delta S_{t-1}}{A_{t-1}}\right) + \epsilon_t \quad (2)
\]

Where:
\[ \text{PROD}_t / \text{A}_t \] = production cost in year \( t \) scaled by total assets in year \( t-1 \), where \( \text{PROD}_t = \text{COGS}_t + \text{INV}_t \)

\[ \alpha (1 / \text{A}_t) \] = intercept scaled by total assets in year \( t-1 \) with the aim that the value of production costs does not have a value of 0 when sales and sales lag are 0.

\[ S_t / \text{A}_t \] = sales in year \( t \) scaled by total assets in year \( t-1 \).

\[ \Delta S_t / \text{A}_t \] = sales in year \( t \) minus sales in year \( t-1 \) which scaled by total assets in year \( t-1 \).

\[ \Delta S_{t-1} / \text{A}_{t-1} \] = sales change in year \( t-1 \) scaled by total assets in year \( t-1 \).

\[ \alpha_0 \] = constant

\[ \epsilon_t \] = error term in year \( t \).

Abnormal discretionary expenses (Abnormal DISC)

\[ \text{DISEXP}_t / \text{A}_t = \alpha_0 + \alpha_1 (1 / \text{A}_t) + \beta (S_{t-1} / \text{A}_{t-1}) + \epsilon_t \] ........................................................... (3)

Where:

\[ \text{DISEXP}_t / \text{A}_t \] = discretionary expense in year \( t \) scaled by total assets year \( t-1 \)

\[ (1 / \text{A}_t) \] = intercept scaled by total assets in year \( t-1 \) with the goal that discretionary costs do not have a value of 0 when sales and sales lag is 0.

\[ S_{t-1} / \text{A}_{t-1} \] = sales in year \( t-1 \) scaled by total assets in year \( t-1 \).

The independent tax variable now uses the current tax proxy, the same as the proxy used by research by (Amanda and Febrianti, 2015; Warsono, 2017; Setia et al., 2020). The current tax burden referred to in this study is measured using the following ratio scale:

\[ \text{CT} = \frac{\text{Current Tax Expense}_{it}}{\text{Total Asset}_{t-1}} \] ............................................................................................................. (4)

The independent variable of deferred tax assets uses the same proxy as the proxies used by research by (Waluyo, 2008; Rassang, 2020; Timuriana et al., 2015). The deferred tax assets referred to in this study are measured using the following ratio scale:

\[ \text{DTA} = \frac{\Delta \text{Deferred Tax Asset}_{it}}{\text{Deferred Tax Asset}_{t-1}} \] ............................................................................................................. (5)

The independent variable deferred tax expense uses the same proxy as the research used by (Harnanto, 2003; Nunung et al., 2019; Setia et al., 2020). The deferred tax expense referred to in this study is measured using the following ratio scale:

\[ \text{DTE} = \frac{\text{Deferred Tax Expense}_{it}}{\text{Total Asset}_{t-1}} \] ............................................................................................................. (6)

To test the hypothesis, whether or not the company participates in tax amnesty during the tax amnesty period, this study uses the same nominal scale as the proxy used by (Trisnawati et al., 2021). If the company participates in the tax amnesty, it will be given a point of 1. Otherwise, it will be given a number of 0. The moderating variable is tax planning using the tax retention rate formula. This research proxy is the same as the proxy
used in the study of (Wild et al., 2004):

\[
TRR = \frac{\text{Net Income}_{it}}{\text{Pretax Income (EBIT)}_{it}}
\]  

The leverage proxy in this study is the same as the proxy used by (Setyawan and Harnovinsah, 2015; Gunawan, 2015; Khotimah, 2014). The leverage referred to in this study was measured using a ratio scale according to (Kasmir, 2013) as follows:

\[
\text{DER} = \frac{\text{Total Debt}}{\text{Total Equity}}
\]  

The main research model of this research can be described in the following equation:

Model 1 (Multiple Regression)

\[
\text{REM} = \beta_0 + \beta_1 \text{CT} + \beta_2 \text{DTA} + \beta_3 \text{DTE} + \beta_4 \text{TA} + \beta_5 \text{TRR} + \beta_6 \text{DER} + \epsilon
\]  

Model 2 (MRA)

\[
\text{REM} = \beta_0 + \beta_1 \text{CT} + \beta_2 \text{DTA} + \beta_3 \text{DTE} + \beta_4 \text{TA} + \beta_5 \text{TRR} + \beta_6 \text{DER} + \beta_7 \text{CT}\ast\text{TRR} + \beta_8 \text{DTA}\ast\text{TRR} + \beta_9 \text{DTE}\ast\text{TRR} + \beta_{10} \text{TA}\ast\text{TRR} + \epsilon
\]  

Explanation:

REM = Real Earnings Management (dependent variable)

\(\beta\) = Constant

CT = Current Tax (independent variable)

DTA = Deferred Tax Assets (independent variable)

DTE = Deferred tax expense (independent variable)

TA = Tax Amnesty (independent variable)

TRR = Tax Planning (moderation variable)

DER = Leverage (control variable)

\(\epsilon\) = Error

RESULT

Assumption Test Results Before Tax Amnesty Momentum Period Volume 1.

Descriptive statistical analysis is used to explain some of the data characteristics of the research variables contained in Table 2:

<table>
<thead>
<tr>
<th>Table 2. Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variabel</strong></td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>CT</td>
</tr>
<tr>
<td>DTA</td>
</tr>
<tr>
<td>DTE</td>
</tr>
<tr>
<td>TA</td>
</tr>
<tr>
<td>REM</td>
</tr>
<tr>
<td>TRR</td>
</tr>
<tr>
<td>DER</td>
</tr>
</tbody>
</table>

Source: Processed
Furthermore, the results of the cross section data regression test using multiple regression are shown in Table 3:

**Table 3. The Summary of Hypothesis Tests**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Prediction Direction</th>
<th>Coefficient B</th>
<th>Sig. 1 Tailed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td></td>
<td>-1.148</td>
<td>0.127</td>
</tr>
<tr>
<td>CT</td>
<td>+</td>
<td>4.949</td>
<td>0.000*</td>
</tr>
<tr>
<td>DTA</td>
<td>-</td>
<td>-0.449</td>
<td>0.327</td>
</tr>
<tr>
<td>DTE</td>
<td>+</td>
<td>3.175</td>
<td>0.001*</td>
</tr>
<tr>
<td>TA</td>
<td>+</td>
<td>4.233</td>
<td>0.000*</td>
</tr>
<tr>
<td>TRR</td>
<td>+</td>
<td>-2.325</td>
<td>0.011*</td>
</tr>
<tr>
<td>DER</td>
<td></td>
<td>-1.673</td>
<td>0.049*</td>
</tr>
<tr>
<td>CT*TRR</td>
<td>+</td>
<td>3.079</td>
<td>0.001*</td>
</tr>
<tr>
<td>DTA*TRR</td>
<td>-</td>
<td>-0.749</td>
<td>0.228</td>
</tr>
<tr>
<td>DTE*TRR</td>
<td>+</td>
<td>-3.514</td>
<td>0.000*</td>
</tr>
<tr>
<td>TA*TRR</td>
<td>-</td>
<td>-1.386</td>
<td>0.085</td>
</tr>
<tr>
<td>Adj. R²</td>
<td></td>
<td>0.538</td>
<td></td>
</tr>
<tr>
<td>Prob F-statistic</td>
<td></td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed
* level of significant = 0.050

**Assumption Test Results After Tax Amnesty Momentum Period Volume 1.**

Descriptive statistical analysis is used to explain some of the data characteristics of the research variables contained in Table 4:

**Table 4. Descriptive Statistics**

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>CT</td>
<td>69</td>
<td>0.000</td>
<td>0.005</td>
<td>0.001</td>
<td>0.001</td>
</tr>
<tr>
<td>DTA</td>
<td>69</td>
<td>0.003</td>
<td>0.042</td>
<td>0.015</td>
<td>0.010</td>
</tr>
<tr>
<td>DTE</td>
<td>69</td>
<td>0.002</td>
<td>0.043</td>
<td>0.017</td>
<td>0.010</td>
</tr>
<tr>
<td>TA</td>
<td>69</td>
<td>0.000</td>
<td>0.400</td>
<td>0.005</td>
<td>0.048</td>
</tr>
<tr>
<td>REM</td>
<td>69</td>
<td>1.029</td>
<td>2.390</td>
<td>1.665</td>
<td>0.349</td>
</tr>
<tr>
<td>TRR</td>
<td>69</td>
<td>0.000</td>
<td>0.004</td>
<td>0.000</td>
<td>0.001</td>
</tr>
<tr>
<td>DER</td>
<td>69</td>
<td>0.001</td>
<td>0.003</td>
<td>0.001</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Processed

The results of the cross section data regression test using multiple regression are shown in Table 5:
Table 5. The Summary of Hypothesis Tests

<table>
<thead>
<tr>
<th>Variable</th>
<th>Prediction Direction</th>
<th>Coefficient B</th>
<th>Sig. 1 Tailed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td></td>
<td>6.885</td>
<td>0.000</td>
</tr>
<tr>
<td>CT</td>
<td>-</td>
<td>0.481</td>
<td>0.316</td>
</tr>
<tr>
<td>DTA</td>
<td>+</td>
<td>3.635</td>
<td>0.000*</td>
</tr>
<tr>
<td>DTE</td>
<td>-</td>
<td>0.832</td>
<td>0.204</td>
</tr>
<tr>
<td>TA</td>
<td>-</td>
<td>-0.215</td>
<td>0.415</td>
</tr>
<tr>
<td>TRR</td>
<td>+</td>
<td>-2.625</td>
<td>0.005*</td>
</tr>
<tr>
<td>DER</td>
<td></td>
<td>1.828</td>
<td>0.036*</td>
</tr>
<tr>
<td>CT*TRR</td>
<td>-</td>
<td>-0.939</td>
<td>0.175</td>
</tr>
<tr>
<td>DTA*TRR</td>
<td>+</td>
<td>2.216</td>
<td>0.015*</td>
</tr>
<tr>
<td>DTE*TRR</td>
<td>-</td>
<td>-0.195</td>
<td>0.422</td>
</tr>
<tr>
<td>TA*TRR</td>
<td>-</td>
<td>0.197</td>
<td>0.421</td>
</tr>
<tr>
<td>Adj. R²</td>
<td></td>
<td>0.361</td>
<td></td>
</tr>
<tr>
<td>Prob F-statistic</td>
<td></td>
<td>0.002</td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed

* level of significant = 0.050

DISCUSSIONS

Assumption Test Results Before Tax Amnesty Momentum Period Volume 1. Based on Table 3, the value of R square is 0.5385, which means that the independent variable can affect the dependent variable by 53.85 percent. While 46.15 percent of the remaining value is influenced by other variables outside the regression model of this study. The calculated F value in the regression model of this study with a significance value of 0.000. Proven simultaneously to have a significant effect because the significance value less than alpha value 0.05. The independent variable of current tax has a significance value of 0.0000 less than 0.05 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of current tax on real earnings management so that H1 is accepted. A large current tax burden will reduce the level of profit earned by a company, and conversely a small current tax burden will increase company profits (Amanda and Febrianti, 2015). The amount of current tax must be calculated by the taxpayer himself based on the taxable income multiplied by the tax rate. Current tax calculation where the results obtained are self-calculated figures by this taxpayer which provides management opportunities as taxpayers to carry out real earnings management (Rahma, 2020). In the current condition that the tax burden is large, real earnings management is carried out with the aim of reducing the tax burden. Therefore, if the company has a large amount of tax burden in the current year, then the company's management practices real earnings management so that it can reduce the tax burden (Mansyur et al., 2017). These results are in accordance with research conducted by (Setia et al., 2020; Warsono, 2017; Mansyur et al., 2017; Annisa, 2018; Junery, 2016; Amanda and Febrianti, 2015) who state that there is a positive relationship between current taxes and real earnings management.

The independent variable of deferred tax asset has a significance value of 0.327 greater than 0.05 with a significance rate of 5 percent. Statistically, it can be concluded
that at the 95 percent confidence level there is a negative effect of deferred tax asset on real earnings management so that H2 is rejected. There are several possibilities that can be used as reasons for management not to use deferred tax assets as a tool for earnings management. First, management does not take advantage of the opportunity to determine the value of deferred tax assets at the end of each reporting period as stipulated in PSAK 46 because it can harm the company when it is revealed that management has manipulated the value of earnings because of suspicion of fiscal. Second, earnings management practices by management have been discovered by internal and external auditors and will be revised prior to publication. These results are in accordance with research conducted by (Widiatmoko and Mayangsari, 2016; Nuning et al., 2019; Setia et al., 2020; Fajarwati et al., 2020) states that there is a negative relationship between deferred tax assets and real earnings management.

The independent variable of deferred tax expense has a significance value of 0.001 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of deferred tax expense on real earnings management so that H3 is accepted. Every increase in deferred tax expense, the probability of the company doing earnings management will increase, and vice versa. In this study, it was also found that real earnings management did occur with the aim of avoiding reporting losses on property and real estate sector companies listed on IDX-IC in 2013 until 2015. These results are in accordance with research conducted by (Purnamasari, 2019; Mulyani et al., 2018; Destiana et al., 2020; Soliman and Ali, 2020; Timuriana et al., 2015; Negara and Suputra, 2017; Machdar and Nurdiniah, 2021; Kisno and Istianingsih, 2016; Rahma, 2020; Wijaya et al., 2017; Annisa, 2018) which state that there is a positive relationship between deferred tax assets and real earnings management.

The independent variable of tax amnesty has a significance value of 0.000 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of tax amnesty on real earnings management so that H4 is accepted. This shows that there is a tendency for real earnings management behavior in the period before the tax amnesty volume 1 and companies tend to reduce profits. These results are in accordance with research conducted by (Geraldina and Jasmine, 2019) which states that there is a negative relationship between tax amnesty and real earnings management.

The independent variable of tax planning has a significance value of 0.011 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of tax planning on real earnings management so that H5 is accepted. Manager in making profit decisions considers tax planning as a reference for achieving profit targets with engineered profit figures in financial statements (Nuning et al., 2019). This shows that tax planning can be used as an indicator in detecting earnings management and has a high influence on earnings management. These results are consistent with research conducted by (Purnamasari, 2019; Mei, 2019; Memory and Tipa, 2020; Negara and Suputra, 2017; Alfian and Nuryadi, 2017; Nuning et al., 2019; Rahmi and Hasan, 2019; Negara and Suputra, 2017; Ika et al., 2016; Annisa, 2018) which state that there is a positive relationship between tax planning and real earnings management.

The moderating variable of tax planning between current tax and real earnings management has a significance value of 0.001 less than 0.05 with a significance rate of 5
percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is able to moderate the effect of current taxes on real earnings management so that H6 is accepted. These results support the hypothesis which means that the lower the tax retention rate value achieved by the company, it means that the company's desired profit achievement is low. A large current tax burden will reduce the level of profit earned by a company, and conversely a small current tax burden will increase company profits (Amanda and Febrianti, 2015). Current tax calculation where the results obtained are self-calculated figures by this taxpayer which provides management opportunities as taxpayers to carry out real earnings management (Rahma, 2020).

The moderating variable of tax planning between deferred tax asset and real earnings management has a significance value of 0.228 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is able to moderate the effect of deferred tax asset on real earnings management so that H7 is rejected. The reason management does not use deferred tax assets as a tool for earnings management is that management does not determine the value of deferred tax assets at the end of each reporting period because management has manipulated the value of earnings and earnings management practices have been discovered by auditors before being issued.

The moderating variable of tax planning between deferred tax expense and real earnings management has a significance value of 0.000 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is able to moderate the effect of deferred tax expense on real earnings management so that H8 is accepted. (Alfian and Nuryadi, 2019) explain that manager tend to complete earnings management practices using their own policies and usually manager will follow accounting standards rather than laws and tax regulations in making these policies and manager will look for loopholes in appropriate accounting standards to increase earnings company, so management behavior will result in a higher temporary difference which leads to a higher deferred tax expense because management tends to increase the company's income without paying attention to the applicable tax laws and regulations. It can be concluded that the increasing deferred tax expense, high earnings will lead to earnings management practices carried out by management in accordance with an increase in company income.

The moderating variable of tax planning between tax amnesty and real earnings management has a significance value of 0.085 greater than 0.05 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is able to moderate the effect of tax amnesty on real earnings management so that H9 is rejected. This is because there are few companies that do tax planning to reduce the taxes that must be paid. Tax payments are not too considered as a burden for the company and its owners.

**Assumption Test Results After Tax Amnesty Momentum Period Volume 1.** Based on Table 5, the value of R square is 0.361, which means that the independent variable can affect the dependent variable by 36.110 percent. While 63.890 percent or the remaining value is influenced by other variables outside the regression model of this study. The calculated F value in the regression model of this study with a significance value of 0.002.
Proven simultaneously to have a significant effect because the significance value less than alpha value 0.050.

The independent variable of current tax has a significance value of 0.316 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a negative effect of current tax on real earnings management so that H1 is rejected. Fiscal correction on the current tax expense there is a difference in treatment between accounting standards and tax regulations. However, this difference does not provide an opportunity for manager to carry out real earnings management because the current tax burden is charged based on taxable income multiplied by the corporate income tax rate. However, the corporate income tax rate of each company can be different depending on the amount of gross sales, so manager are not free to do earnings management. These results are consistent with research conducted by (Rahmi and Hasan, 2019; Fajarwati et al., 2020; Wijaya et al., 2017; Natalia, 2017) which state that there is a negative relationship between current taxes and real earnings management.

The independent variable of deferred tax asset has a significance value of 0.000 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of deferred tax asset on real earnings management so that H2 is accepted. The amount of deferred tax assets that is enlarged by the manager motivates to minimize the tax to be paid so that the company is not harmed. Taxes that should be paid in the current year are transferred to the following year thereby increasing the profit of a company because the tax burden to be paid is smaller (Rassang, 2020). To indicate the existence of earnings management actions taken by the company on the reported financial statements, manager is given the freedom to determine the accounting policies used in assessing deferred tax assets in their financial statements. These results are in accordance with research conducted by (Warsono, 2017; Rassang, 2020; Timuriana et al., 2015; Machdar and Nurdiniah, 2021; Rahma, 2020) which state that there is a positive relationship between deferred tax assets and real earnings management.

The independent variable of deferred tax expense has a significance value of 0.2043 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a negative effect of deferred tax expense on real earnings management so that H3 is rejected. The sample companies in the observation period do not use deferred tax liabilities as a means to take earnings management actions, this is possible because in general the company’s income statement which is fiscally reconciled will result in a positive correction where expenses are lower, so that the taxable income results are higher, higher than the commercial tax burden. Deferred tax expense cannot provide an illustration that the company performs earnings management because deferred tax expense is not effective in detecting earnings management. These results are in accordance with research conducted by (Alfian and Nuryadi, 2019; Nuning et al., 2019; Setia et al., 2020; Rassang, 2020; Amanda and Febrianti, 2015; Rahmi and Hasan, 2019; Dwi et al., 2019; Fadillah, 2020; Setyawan and Harnovinsah, 2015), which state that there is a negative relationship between deferred tax expense and real earnings management.

The independent variable of tax amnesty has a significance value of 0.415 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a negative effect of tax amnesty on real earnings management so that H4 is rejected. This shows that there is a tendency that there is no real
earnings management behavior in the period before the tax amnesty volume 1 and companies tend to increase profits. These results are in accordance with research conducted by (Geraldina and Jasmine, 2019) which states that there is a negative relationship between tax amnesty and real earnings management.

The independent variable of tax planning has a significance value of 0.005 less than 0.05 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level there is a positive effect of tax planning on real earnings management so that H5 is accepted. The company does not want to be subject to too large a tax so that the company carries out earnings management with tax planning activities so that the tax will be smaller (Negara and Suputra, 2017). Tax planning affects earnings management, where the implementation of tax planning in the company goes well, the earnings management applied in the company also becomes better. These results are consistent with research conducted by (Purnamasari, 2019; Mei, 2019; Memory and Tipa, 2020; Negara and Suputra, 2017; Alfian and Nuryadi, 2019; Nuning et al., 2019; Rahmi and Hasan, 2019; Ika et al., 2016; Annisa, 2018) which state that there is a positive relationship between tax planning and real earnings management.

The moderating variable of tax planning between current tax and real earnings management has a significance value of 0.175 greater than 0.05 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is not able to moderate the effect of current taxes on real earnings management so that H6 is rejected. Fiscal correction on the current tax expense there is a difference in treatment between accounting standards and tax regulations. However, this difference does not provide an opportunity for manager to carry out earnings management because the current tax burden is charged based on taxable income multiplied by the corporate income tax rate. However, the corporate income tax rate for each company can be different depending on the gross sales amount. So that manager is not free to do earnings management.

The moderating variable of tax planning between deferred tax asset and real earnings management has a significance value of 0.015 less than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is able to moderate the effect of deferred tax asset on real earnings management so that H7 is accepted. Business entities minimize the company's tax burden, by doing tax planning. Tax planning refers to the process of minimizing the tax burden but does not violate the applicable tax regulations (Tundjung and Haryanto, 2015). Deferred tax assets can be used to reduce taxable income so that it can reduce the tax imposed on the company.

The moderating variable of tax planning between deferred tax expense and real earnings management has a significance value of 0.4227 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is not able to moderate the effect of deferred tax expense on real earnings management so that H8 is rejected. The sample companies in the observation period did not carry out tax planning by making deferred tax liabilities as a means to take earnings management actions, this is possible because in general the company's income statement which is fiscally reconciled will result in a positive correction in which the expenses are lower, so that the resulting income taxable income becomes higher than the commercial tax burden.
The moderating variable of tax planning between tax amnesty and real earnings management has a significance value of 0.421 greater than 0.050 with a significance rate of 5 percent. Statistically, it can be concluded that at the 95 percent confidence level, tax planning is not able to moderate the effect of tax amnesty on real earnings management so that H9 is rejected. This is because there are few companies that do tax planning to reduce the taxes that must be paid. Tax payments are not too considered as a burden for the company and its owners.

CONCLUSION

Based on the results of tests that have been conducted, it can be concluded that: (1) Before the tax amnesty momentum period volume 1, current tax, deferred tax expense and tax amnesty has a positive effect on real earnings management. Deferred tax assets have a negative effect on real earnings management. Tax planning is able to moderate by strengthening the relationship between current taxes and deferred tax expense on real earnings management. (2) After the tax amnesty momentum period volume 1, deferred tax asset has a positive effect on real earnings management. Current tax, deferred tax expense and tax amnesty have a negative effect on real earnings management. Tax planning is able to moderate by strengthening the relationship between deferred tax asset on real earnings management.

Limitation. Based on this results of tests, there are still some limitations of the study. The results of the study only produced a coefficient of determination of less than 50 percent. This shows that there are other variables that can influence the company's decision to take real earnings management actions.

Recommendation. Based on the discussion and conclusions, the authors suggest the future research is expected to add other variables, especially factors that can affect real earnings management. Variables that can be added are related to factors that can affect real earnings management such as company performance, corporate governance, free cash flow and firm value. This is intended so that the results of subsequent studies can be used more broadly.

REFERENCES


Permatasari and Trisnawati: Deferred Tax On Real Profit


