

ABSTRACT

The aim of this study is to examine the effect of earning management to tax aggressiveness. The earning management measured by Discretionary Accrual and the tax aggressiveness measured using proxy Book Tax Difference.

This research use descriptive verification which is correlational method. The population in this study are food and beverage companies listed on Indonesia Stock Exchange in the period 2010-2015. Sampling method use nonprobability sampling with purposive sampling that make 7 sampled companies. The analysis technique use panel data regression analysis with random effect

*The result showed that earning management to tax aggressiveness effected significantly. The significant value is $0.0031 < 0.05$ and the *t* arithmetic $3.143 > t_{table}$ 2.0211*

Keyword : Earning Management, Tax Aggressiveness, Book Tax Difference