## ***ABSTRACT***

*The earnings management pattern that is often used by companies is income smoothing. Income smoothing is done by reducing excess fluctuations in profit so that the company's profit each period looks flat or stable because investors generally prefer relatively stable profits. This is what encourages companies to carry out income smoothing practices. The income smoothing can be formulated using the Eckel index.*

*In general, this study aims to add insight into the factors that affect earnings computation. In particular, this research was conducted to determine how the effect simultaneously and partially between profitability, dividend policy, and corporate governance on income smoothing in companies listed in the Kompas 100 index. This research was conducted by analyzing the annual report. Companies that are included in the Kompas 100 Index period 2015-2019.*

*The method used in this research is quantitative method. The sampling technique in this study was using purposive sampling technique. Obtained as many as 38 sample companies from the purposive sampling technique with an observation period of 5 years. The data analysis method used in this research is logistic regression analysis using the IBM SPSS 25 software.*

*The results of this study indicate that profitability, dividend policy and corporate governance simultaneously affect income smoothing. Partially, profitability as measured by the net profit margin has a negative effect on income smoothing. Meanwhile, the dividend policy variable as measured by the dividend payout ratio and corporate governance as measured by the corporate governance disclosure index's has no effect on income smoothing.*

*This study is expected to be a reference for further research and it is recommended for further research that will examine the factors that influence income smoothing practices to use other variables such as financial leverage, audit quality, public ownership, and so on.*

***Keywords****: profitability, dividend policy, net profit margin, dividend payout ratio, corporate governance, income smoothing*