ABSTRACT

Shareholders as users of financial statements tend to pay attention to profit information as an indicator in making investment decisions. High and stable profit gains become the main attraction for shareholders because it shows good company performance. Earnings information is often the object of opportunistic actions by company management by manipulating financial statement information. The behavior of company management in manipulating financial statements by diverting high annual income to low annual income (less profitable) in a certain period is known as income smoothing. This research aims to determine how the effect of cash holding, managerial ownership, public ownership, and dividend policy on income smoothing in mining sector companies listed on the Indonesia Stock Exchange in 2017-2020 either simultaneously or partially.

This research uses secondary data obtained from the company's annual report data which can be accessed through the company's official website and the Indonesia Stock Exchange. The population in this research are mining sector companies listed on the Indonesia Stock Exchange in 2017-2020. The sampling technique in this research used purposive sampling method and produced a sample of 18 companies for four years, resulting in 72 research data. This research uses descriptive analysis methods and logistic regression analysis with the help of SPSS 25.0 software to test the hypotheses in this study.

The results of this study indicate that simultaneously cash holding, managerial ownership, public ownership, and dividend policy have an effect on income smoothing in mining sector companies listed on the Indonesia Stock Exchange in 2017-2020. The partial test results show that cash holding and managerial ownership have a significant positive effect, while public ownership and dividend policy does not have a significant effect on income smoothing in mining sector companies listed on the Indonesia Stock Exchange in 2017-2020.

Keywords: *Cash Holding, Dividend Policy, Income Smoothing, Managerial Ownership, Public Ownership*