ABSTRACT

THE INFLUENCE OF THE BOOK-TAX DIFFERENCES AGAINST THE GROWTH OF PROFIT (EMPIRICAL STUDIES ON FOODS AND BEVERAGES THAT ARE LISTED IN THE INDONESIA STOCK EXCHANGE IN 2010-2013)

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This research aims to obtain empirical evidence about the influence of the book tax differences against the profit growth. Independent variables used in the study was temporary differences permanent differences and while the variable dependennya is the control with variable profit growth i.e. ROA, the size of the company and the operating cash flow.

The population in this research is the company's foods and beverages that are listed on the Indonesia stock exchange in 2010-2013. Based on the method of purposive sampling, for four years of observations samples obtained as many as 36 of the company. The hypothesis in this study was tested using multiple regression analysis to test the influence of the dependent variable against the independent variable.

The results showed that the book tax differences measured using permanent differences and temporary differences do not affect significantly to profit growth. It is caused by a number of permanent differences and temporary differences that are not significant in influencing the amount of taxable profit, average less than 10% of the total net profit of the company so that these will not have an effect on profit growth.

Keywords: permanent differences temporary differences, tax differences, book, profit growth.