

## **ABSTRACT**

This study aims to analyze the relationship among deferred expense and tax planning toward earnings management on the non-manufacturing companies listed in Indonesia Stock Exchange in the period in 2008-2012. the sampled use in this study are 207 non-manufacturing companies. The analysis method used is multiple regression analysis. Multiple regression analysis used is used to determine the effect that occurs between deferred tax expense and tax planning towards earnings management. The deferred tax has an influence on earnings management in the company which is done by by minimizing its taxable income. The company size is used because it has a role as a wide stakeholder; the company provides earnings management to give a good impression on the public. In addition, tax planning also has a role in earnings management in terms of minimizing tax payments. These result indicate that: (1) The Deferred Tax Variable has significant effect toward the earning management, (2) Company Size Management has no significant effect toward the earnings management practices, (3) Tax Planning variable has no significant effect on the increase in earnings management practises.

**Keywords:** Deferred Tax Expense, Company Size, Tax Planning, and Earning Management.