THE EFFECT OF TAX PLANNING, DEFERRED TAX EXPENSE, CURRENT TAX EXPENSE AND DEFERRED TAX ASSETS ON EARNINGS MANAGEMENT

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ABSTRACT
The purpose of this study was to determine the effect of Tax Planning, Deferred Tax Expense, Current Tax Expense, and Deferred Tax Assets, on Earnings Management of Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange in 2016-2020. This study uses panel data regression analysis with the Eviews version 12.0 program and the sampling technique is purposive sampling. The results of this study show that simultaneously tax planning, current tax expense, deferred tax expense, and deferred tax assets have an effect on earnings management. Partially Tax Planning has no effect on Earnings Management, Deferred Tax Expense has no effect on Earnings Management, Current Tax Expense has no effect on Earnings Management, and Deferred Tax Assets has no effect on Earnings Management.

Keywords: Earnings Management, Tax Planning, Deferred Tax Expense, Current Tax Expense, Deferred Tax Assets

1. INTRODUCTION

The main purpose of the company being established is to maximize profits. The owner of the company usually submits the resources owned by the company to be managed by management, so it is management who is responsible for reporting the activities of these resources through a financial report. Financial statements are the final process of a series of processes for recording and summarizing business transaction data. Financial statements are basically the result of an accounting process that can be used as a tool to communicate financial data or company activities to interested parties. In its management, the company pays attention to every thing that is considered important because it affects the performance of management. One of them is related to the imposition of income tax on profits earned by the company.

Earnings management is an effort made by the management to intervene in the preparation of financial statements with the aim of obtaining profits from the company. The amount of company profit is the most important information contained in the financial statements. Profit is a description of activities or businesses in advancing the company. Profit is an engineering target carried out by management to minimize or maximize company profits.

With the management's desire to suppress and make taxes as small as possible, the management tends to minimize tax payments. Efforts to minimize the payment of this tax burden are often called tax planning or tax sheltering. Tax planning or (tax planning) is also the process of organizing the taxpayer's business, the ultimate goal of this tax planning process is to cause tax debts, both PPh or other taxes, to be at a minimum position. Therefore, tax planning is a legal action because it is allowed by the government as long as it is within the corridor of the applicable tax laws in Indonesia. Tax is one of the sources of state revenue, including Indonesia which relies on tax revenue as the main source of state revenue One of the tax sectors that the state receives the most is income tax.

The earnings management case that recently occurred was the case of PT Tiga Pilar Sejahtera Food Tbk (AISA) which was suspected of having an inflated amount of Rp. 4 trillion by the old management in the company's 2017 financial statements. The results of a Fact-Based Investigation conducted by PT Ernst & Young Indonesia (EY) to the new management of AISA, dated March 12, 2019, the alleged inflation was suspected to have occurred in accounts receivable, inventories, and assets. remains AISA Group. Tiga's financial statements audited by the Public Accounting Firm (KAP) of RSM International were questioned by the new management who took over the company in October 2018. The results of the investigation into the financial statements stated that there were findings of alleged inflation in accounting posts of Rp. 4 trillion and several other conjectures.

The financial statements of PT Tiga Pilar Sejahtera Food Tbk for the 2017 financial year were restated in 2020, including the 2018 and 2019 financial statements, which at that time had not been reported. The company posted a net loss of Rp 5.23 trillion throughout 2017, in the restated financial statements. This amount is Rp 4.68 trillion higher than the previous version of the financial report, which only lost Rp 551.9 billion. This confirms the allegations of PT Ernst & Young Indonesia and proves that there are earnings management practices carried out by the old management of the company, namely by increasing reported profits (decreasing losses) from actual profits (losses) so that the losses experienced by the company appear to be lower. small. Earnings management carried out by this company aims to maintain the value of the company so that it does not fall in the eyes of the stakeholders, but what actually happened in this case was that the company experienced a significant decline in company value. IDX suspended AISA shares at a price of Rp. 168 on 6 July 2018 to protect investors from bigger losses.

For companies, taxes are costs or expenses that can reduce a company's profits. This makes the company look for ways to reduce the tax burden and make arrangements for taxes that must be paid. Tax planning is not much different from efforts to reduce spending, for example electricity payments. Of course, saving electricity can be done by legal means, such as the discipline of turning off unused electrical equipment. Likewise with the tax burden, taxpayers can make savings in a legal way so that waste of tax payments can be avoided.

Tax planning can be measured using the Effective Tax Rate (ETR). The effective tax rate is the percentage of the applicable tax rate or that must be applied on the basis of a certain tax imposition. In terms of income tax, the tax base used is usually net income. According to Lanis and Richardson (2012) the effective tax rate is considered to be an indicator of tax planning if it has a nominal value that is close to zero. The lower the value of the effective tax rate owned by the company, the higher the level of tax planning. A low effective tax rate indicates that the income tax burden is less than the pre-tax income. According to research conducted by Ayu (2020) that the effect of tax planning has a positive and significant effect on earnings management. Meanwhile, according to Endriati (2016) concluded that tax planning has no significant effect on earnings management in non-manufacturing companies listed on the Indonesia Stock Exchange.

Deferred tax expense is an expense arising from the difference between accounting profit (ie in financial statements for the benefit of external parties) and profit (profit used as the basis for calculating taxes) (Harnanto, 2003:115) in Ayu (2020). Deferred tax expense can affect the company in conducting earnings management because the deferred tax expense can reduce the level of profit in the company.

As according to PSAK No. 46, deferred tax is the amount of income tax for future periods as a result of the deductible difference and the remaining compensation for losses. Meanwhile, deferred tax expense is defined as an expense arising from temporary differences between accounting profit and fiscal profit. In other words, this deferred tax expense arises from the fiscal correction process, where there is a negative correction, namely the value of income based on accounting is higher than the value of income and vice versa based on taxes.

Current tax expense is the amount of income tax payable on taxable income for a period. The amount is calculated from taxable income which has previously taken into account the existence of a fixed difference as well as a time difference, multiplied by the applicable tax rate because the difference between accounting profit and taxable income reflects the level of managers in manipulating earnings to be higher, the current tax burden which shows the effect the value of the difference (fixed difference and time difference) is also used as an independent variable that will complement the deferred tax expense in detecting earnings management (Anggraeni, 2014) in (Rahma, 2020).

Deferred tax assets are assets that occur if the time difference causes a positive correction which results in the tax burden according to commercial accounting being smaller than the tax burden according to the Tax Law (Waluyo, 2008: 217) in (Ningsih, 2017). Deferred tax assets are due to the amount of income tax recoverable in future periods as a result of deductible temporary differences and the remaining compensation for losses. The amount of deferred tax is recorded if it is possible to realize future tax benefits. Therefore, judgment is needed to estimate how likely the deferred tax assets can be realized (Sediani, 2018). Research conducted by Ningsih (2017) states that deferred tax assets have no effect on earnings management, while research conducted by Sediani (2018) shows that deferred tax assets have a positive effect on earnings management.

For companies, taxes are costs or expenses that can reduce a company's profits. This makes the company look for ways to reduce the tax burden and make arrangements for taxes that must be paid according to S.M. Faisal (2013, p. 285) tax planning is not much different from efforts to reduce spending, for example electricity payments. Of course, saving electricity can be done by legal means, such as the discipline of turning off unused electrical equipment. Likewise with the tax burden, taxpayers can make savings in a legal way so that waste of tax payments can be avoided.

So on the above phenomenon, the author is interested in conducting a research entitled "THE EFFECT OF TAX PLANNING, DEFERRED TAX EXPENSE, CURRENT TAX BURDEN AND DEFERRED TAX ASSETS ON EARNINGS MANAJEMENT (Empirical Study on Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange 2016-2020).

2. LITERATURE REVIEW

Agency Theory

The explanation of the concept of earnings management uses the agency theory approach which states that management and owners have different interests. Different interests often lead to conflicts of interest between shareholders/owners (principals) and management (agents), this is because management sometimes abuses the trust of owners to take advantage for themselves, which encourages management to carry out earnings management (Arif, 2016).

Positive Accounting Theory

Positive accounting theory is very closely related to earnings management, this positive accounting theory describes the factors that influence management in determining maximum accounting procedures and having certain goals. In positive accounting theory, the company determines one of the accounting procedures from several available alternatives with the aim of minimizing costs and maximizing the value of the company. From several alternative accounting procedures available and management is free to choose one of these alternatives for this purpose, managers have a tendency to take opportunistic actions (Scott, 2003: 369) in (Andro, 2019).

Compliance Theory

The relationship between the theory of compliance with taxation is that in collecting taxes all taxpayers must obey, obey, and comply with applicable tax regulations, this is the fulfillment of tax obligations carried out by taxpayers in order to contribute to development which is expected to be fulfilled voluntarily. Taxpayer compliance is an important asset considering that the Indonesian tax system adheres to a self-assessment system. This self-assessment system is a tax collection system that gives confidence to taxpayers to calculate, pay, and self-report the taxes owed in accordance with applicable tax provisions (Arestani, 2016).

One of the factors that influence the lack of taxpayer compliance is earnings management. Officers of the Directorate General of Taxes continue to seek to conduct investigations, one of which is by intensifying the search for tax avoidance practices against companies that carry out earnings management (Djoko, 2009) in (Tina, 2019). Earnings management is a tax avoidance trick carried out by multinational companies, one way is by transacting with affiliated companies abroad at unreasonable prices (Narliswandi, 2010) in (Tina, 2019). therefore the government must be firm in conducting searches so that taxpayer compliance will increase, and there will be no more tax evasion by companies that have large profits.

This study uses two types of variables, namely the dependent variable and the independent variable. The dependent variable (related variable) is earnings management. While the independent variables (independent variables) are tax planning, deferred tax expense, current tax expense and deferred tax assets carried out by companies that can affect earnings management from financial statements.

The Effect of Tax Planning, Deferred Tax Expense, Current Tax Expense and Deferred Tax Assets on Earnings Management

The relationship between agency theory and earnings management is based on agency theory, so the financial statements presented by management contain policies that lead to earnings management. Management is motivated by opportunistic behavior and signaling. In opportunistic motivation, management tends to present higher profits than actual profits, thus leading to earnings blurring. In signaling motivation, management tends to present earnings reports that contain earnings persistence so that earnings are more informative. Opportunistic motivation is related to the compensation that will be received by the management, while signaling motivation is related to the prosperity of shareholders.

Armita (2018), explains that tax planning, deferred tax expense, and deferred tax assets simultaneously affect earnings management. And research conducted by Hidayatul (2020), explains that deferred tax expense, current tax expense and deferred tax assets affect earnings management.

The Effect of Tax Planning on Earnings Management

The relationship between tax planning and earnings management can be explained by agency theory. Tax planning is done because of the differences in interests between the company and the government. Where companies try to pay taxes as little as possible, while the government expects companies to pay taxes as much as possible. The higher the tax planning, the greater the opportunity for earnings management (Lestari, et al: 2018).

The results of research conducted by Ayu (2020), show that the tax planning variable has a positive effect on earnings management. Fatimatu (2017), explains that tax planning has a significant effect on earnings management, this indicates that the better the company in tax planning, the better the company's earnings management.

The Effect of Deferred Tax Expense on Earnings Management

Agency theory states that in minimizing the level of misinformation, direct supervision is needed and this error is one proof of weak supervision and control from the principal's time, the greater the motivation of management to carry out earnings management, the greater the difference between accounting profit and taxation profit (Mills and Newberry, 2003). in (Ghafara, 2017). To prevent agency problems, the company must provide appropriate compensation for managers to remain loyal to the company.

Ayu (2020) states that partially, the variable deferred tax expense has a positive and significant effect on earnings management. Lutfi, et al (2019) also stated that the deferred tax expense variable has a significant positive value, which means that the deferred tax expense variable has a positive effect on earnings management disclosure.

The Effect of Current Tax Expenses on Earnings Management

The difference between accounting principles and tax rules will cause a difference that includes components of time difference and fixed difference. Current tax expense is the amount of income tax payable on taxable income for a period. The amount is calculated from taxable income which has previously taken into account the existence of a fixed difference as well as a time difference, multiplied by the applicable tax rate.

Nabil and Nurul (2020), explained that the current tax burden has a significant effect on earnings management. The results of the study were also conducted by Rahma (2020), explaining that the current tax burden has a significant influence in improving earnings management in a positive direction. This shows that a large current tax burden will reduce the level of profit earned by a company, and conversely a small current tax burden will increase the company's profit.

The Effect of Deferred Tax Assets on Earnings Management

Deferred tax assets occur when accounting profit is greater than taxable profit due to temporary differences. Bigger accounting than fiscal profit causes the company to postpone the tax payable for the next period (Fitriany, 2016). The existence of a role between deferred tax assets that will be possible can be used as an indicator of earnings management. If the amount of deferred tax assets is greater, the higher the management performs earnings management (Hakim, 2016).

Sediani (2018), explains that deferred tax assets have an effect on earnings management. The results of the study were also carried out by Rahma (2020), explaining that deferred tax assets have a significant influence on earnings management. This shows that the deferred tax assets will be used as an indicator of earnings management. If the amount of deferred tax assets is greater, the higher the management performs earnings management.

3. DATA AND RESEARCH TECHNIQUE ANALISYS

This research was conducted on manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange in 2016-2020. This research was conducted in May 2021 – October 2021.

Data analysis technique

The data analysis method in this study used the help of Microsoft Excel 2007 and Eviews 12 software.

Panel Data Regression

Panel data regression is a combination of cross section and time series data, where the same cross section unit is measured at different times. So in other words, panel data is data from the same individuals who are observed in a certain period of time.

Classic assumption test

The classical assumption test is carried out to determine whether the estimation model has met the standard econometric criteria, in the sense that there are no serious deviations from some of the assumptions that must be met in the Ordinary Least Square (OLS) method. If there is a deviation from the classical assumptions on the basis of the proposed linear model (negative), the estimation results cannot be accounted for or are not reliable. According to Ghozali (2017), to detect deviations from the classical assumptions, normality tests, multicollinearity tests, heteroscedasticity tests, and autocorrelation tests are carried out.

Multiple Linear Regression Test

Multiple linear regression analysis is a linear relationship between two independent variables (X1, X2, X3, …, Xn) with the dependent variable (Y). According to (Sugiono, 2017) multiple linear regression analysis intends to predict how the condition (up and down) of the dependent variable (criteria), if two or more independent variables as prediator factors are manipulated (increases in value). The data used is usually internal or ratio scale. The data processing of this research uses the Interaction Moderated Regression Analysis (MRA) test tool, which is a special application of Multiple Linear Regression in the Regression equation containing elements of Interaction (multiplication of two or more Independent variables) with the help of Eviews 12. The general form of the regression equation is formulated as follows (Ghozali, 2017):
$Y = + b1\ X1 + b2\ X2 + b3\ X3 + b4\ X4 + e$

Simultaneous Test (F Test)

The F test is intended to test the regression model for the effect of all independent variables simultaneously on the related variables (Ghozali, 2017). In other words, the F test looks at the effect of all independent variables on the dependent variable.

Partial Test (Test Statistical t)

According to Ghozali (2017), the statistical t test basically shows how far the influence of one independent variable individually in explaining the dependent variation. The test was carried out using a significant level of 0.05 (α=5%).

Coefficient of Determination Test (R2)

Testing the determination of the sample regression function in estimating the actual statistical value that can be measured, one of which is the coefficient of determination test value. This test aims to measure how far the ability of a model in explaining the variation of the dependent variable. The value of the coefficient of determination is between 0 and 1. A small value of R2 means that the variation of the dependent variable is very limited. And a value close to 1 (one) means that the independent variables can provide all the information needed to predict the dependent variable (Ghozali, 2017).

Adjusted R-Square only measures R-Square with significant independent variables. Therefore, the value of Adjusted R-Square must be lower than R-Square, unless there is only one independent variable, the value of Adjusted R-Square = R-Square. Adjusted R-Squqre serves to measure the level of confidence in adding the right independent variable to increase the predictive power of the model. The Adjusted R-Square value will never exceed the R-Square value, it can even decrease if there is an unnecessary addition of independent variables.

4. RESULT AND DISCUSSION

The analysis of the results of this study will be in the form of an outline in graph 1 and table 1 to table 10.

Panel Data Regression

Chow test

Table. 1 Chow Test Results

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	0.472151	(10,40)	0.8981
Cross-section Chi-square	6.136637	10	0.8037

Source : Self Proceed

Table 1 shows that the Chi square cross-section value is 0.8037 > 0.05, so H0 is accepted. So that the Common Effect Model is more appropriate to use in estimating the panel data regression compared to the Fixed Effect Model.

Hausman test

Table. 2 Hausman test results

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	3.060883	4	0.5477

Source : Self Proceed

Table 2 shows that the random cross section value is 0.5477 > 0.05, so H0 is accepted. So that the Random Effect Model is more appropriate to use in estimating the panel data regression compared to the Fixed Effect Model.

Test Lagrange Multipliers

Table. 3 Multipliers . Test Results

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided
(all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	2.635213 (0.1045)	1.849071 (0.1739)	4.484284 (0.0342)

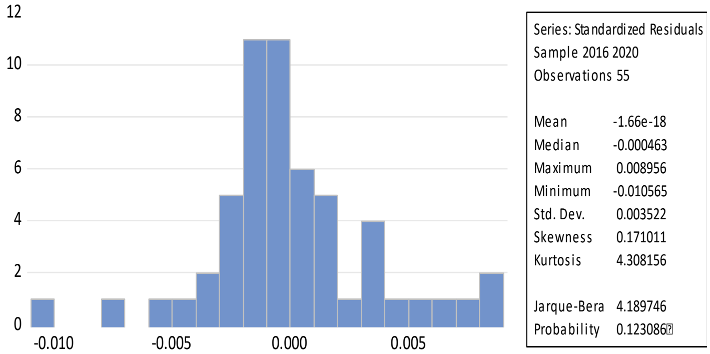
Source : Self Proceed

Table 3 shows that the Breusch-Pagan cross-section value is 0.0342 < 0.05, so H0 is rejected. So the Random Effect Model is more appropriate to use in estimating the panel data regression compared to the Common Effect Model.
Based on the panel data regression model selection test, it can be concluded that the Random Effect Model is used further in estimating the effect of tax planning, deferred tax expense, current tax expense, and deferred tax assets on earnings management listed on the Indonesia Stock Exchange (IDX) in 2016- 2020.

Classic assumption test

Normality test

Graph 1 Normality Test Results



Source : Self Proceed

In graph 1 above, it can be seen that the Jarque-Bera value is 4.189746 while the Chis-Square value in the table with the number of independent variables 2 variables and the significant value used is 0.05, then the Chi-Square value is 9.48773. It means that the Jarque-Bera value is smaller than the Chi-Square value (4.189746 < 9.48773). While the probability value is 0.123086 > 0.05, it can be concluded that the sample data in this study is normally distributed.

Multicollinearity Test

Table 4 Multicollinearity Test Results

	X1	X2	X3	X4
X1	1.000000	0.108119	-0.252245	-0.115498
X2	0.108119	1.000000	-0.097656	0.164205
X3	-0.252245	-0.097656	1.000000	-0.065878
X4	-0.115498	0.164205	-0.065878	1.000000

Source : Self Proceed

Based on table 4 that the value of the correlation coefficient between the independent variables in this study is less than 0.9, it can be concluded that the data used in this study is free from the problem of multicollinearity.

Heteroscedasticity Test

Table 5 Heteroscedasticity Test Results

Dependent Variable: RESABS
Method: Panel Least Squares
Date: 09/25/21 Time: 21:42
Sample: 2016 2020
Periods included: 5
Cross-sections included: 11
Total panel (balanced) observations: 55

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.006597	0.005262	1.253762	0.2158
X1	-0.006300	0.006621	-0.951590	0.3459
X2	-0.013244	0.059120	-0.224026	0.8237
X3	0.025411	0.019142	1.327487	0.1904
X4	3.35E-05	0.001183	0.028360	0.9775

Source : Self Proceed

Table 5 shows that the probability value of X1 is 0.3459, the value of X2 is 0.8237, the value of X3 is 0.1904, and the X4 value is 0.9775, which means that the value is greater than the alpha value of 0.05, so it can be concluded that the data is free from heteroscedasticity and is homoscedasticity.

Autocorrelation Test

Table 6 Autocorrelation Test Results

R-squared	0.272102	Mean dependent var	0.001466
Adjusted R-squared	0.017338	S.D. dependent var	0.003904
S.E. of regression	0.003870	Akaike info criterion	-8.044132
Sum squared resid	0.000599	Schwarz criterion	-7.496678
Log likelihood	236.2136	Hannan-Quinn criter.	-7.832427
F-statistic	1.068055	Durbin-Watson stat	1.815449
Prob(F-statistic)	0.412914		

Source : Self Proceed

Based on table 6, the results of the D-W autocorrelation test show the number 1.815449 this value is compared with the significant table value of 0.05, the number of samples (n = 55), and the number of independent variables (k = 4), the dL value is 1.4136 and the dU value is 1.7240. So that the 4-dL value is 2.5864 and the 4-dU value is 2.276. So it can be concluded that there is no negative or positive autocorrelation.

Multiple Linear Regression Test

Table 7 Multiple Linear Regression Test Results

Dependent Variable: Y
Method: Panel Least Squares
Date: 09/26/21 Time: 00:55
Sample: 2016 2020
Periods included: 5
Cross-sections included: 11
Total panel (balanced) observations: 55

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.023485	0.007860	-2.987967	0.0043
X1	0.031288	0.009890	3.163593	0.0027
X2	-0.091781	0.088311	-1.039286	0.3037
X3	0.044513	0.028594	1.556754	0.1258
X4	0.000303	0.001767	0.171566	0.8645

R-squared	0.186183	Mean dependent var	0.001466
Adjusted R-squared	0.121077	S.D. dependent var	0.003904
S.E. of regression	0.003660	Akaike info criterion	-8.296193
Sum squared resid	0.000670	Schwarz criterion	-8.113708
Log likelihood	233.1453	Hannan-Quinn criter.	-8.225625
F-statistic	2.859713	Durbin-Watson stat	1.677193
Prob(F-statistic)	0.032777		

Source : Self Proceed

Based on table 7, the regression equation for multiple linear regression of panel data can be formulated as follows:
Y = α + β1X1 + β2X2 + β3X3 + β4X4 + e
Y = -0.023485 + 0.031288 – 0.091781 + 0.044513 + 0.000303 + e

Hypothesis testing

Simultaneous Test (F Test)

Table 8 F . Test Results

R-squared	0.186183	Mean dependent var	0.001466
Adjusted R-squared	0.121077	S.D. dependent var	0.003904
S.E. of regression	0.003660	Sum squared resid	0.000670
F-statistic	2.859713	Durbin-Watson stat	1.677193
Prob(F-statistic)	0.032777		

Source : Self Proceed

Based on table 8, it can be seen that the probability value is 0.032777, which means the value is smaller than 0.05 (0.032777 < 0.05), and the F-statistic value is 2.859713. while the ftable value with the number of samples (n) = 55, the number of variables (k) = 5, the significant level = 0.05 df1 = k-1 = 5-1 = 4, and df2 = nk = 55-5 = 50, then in get ftable of 2.56 means tcount > ttable. This means that tax planning, deferred tax expense, current tax expense, and deferred tax assets simultaneously have a significant effect on earnings management.

Partial Test (t Test)

Table 9 t test results

Dependent Variable: Y
Method: Panel EGLS (Cross-section random effects)
Date: 09/25/21 Time: 20:59
Sample: 2016 2020
Periods included: 5
Cross-sections included: 11
Total panel (balanced) observations: 55
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.023485	0.008311	-2.825849	0.0068
X1	0.031288	0.010457	2.991947	0.0043
X2	-0.091781	0.093378	-0.982897	0.3304
X3	0.044513	0.030234	1.472290	0.1472
X4	0.000303	0.001868	0.162257	0.8718

Source : Self Proceed

Based on table 9 it can be explained as follows:

1. The tax planning variable (X1) has a tcount value of 2.991947 and a probability value of 0.0043, which means the value is smaller than 0.05 (0.0043 < 0.05), so the hypothesis is accepted, this means that tax planning has a significant effect on earnings management.
2. The deferred tax expense variable (X2) has a tcount of -0.982897 and a probability value of 0.3304, which means that the value is greater than 0.05 (0.3304 > 0.05), so the hypothesis is rejected, this means that the deferred tax expense has no significant effect on earnings management.
3. The variable current tax expense (X3) has a tcount value of 1.472290 and a probability value of 0.1472, which means the value is greater than 0.05 (0.1472 > 0.05), so the hypothesis is rejected, this means that the current tax burden has no significant effect on earnings management.
4. The deferred tax asset variable (X4) has a tcount of 0.162257 and a probability value of 0.8718, which means the value is greater than 0.05 (0.8718 > 0.05), so the hypothesis is rejected, this means that the deferred tax asset has no significant effect on earnings management.

Coefficient of Determination Test (R2)

Table 10 Results of the Coefficient of Determination (R2)

R-squared	0.186183	Mean dependent var	0.001466
Adjusted R-squared	0.121077	S.D. dependent var	0.003904
S.E. of regression	0.003660	Sum squared resid	0.000670
F-statistic	2.859713	Durbin-Watson stat	1.677193
Prob(F-statistic)	0.032777		

Source : Self Proceed

Based on table 10 explains that the value of the coefficient of determination (R2), Adjusted R-Square is 0.121077 which means that the effect of the independent variables (tax planning, deferred tax expense, current tax expense, and deferred tax assets) on the dependent variable (earnings management) is equal to 12.1% and the remaining 87.9% is explained by other variables that are not included in this research model.

5. CONCLUSION

Based on the analysis and discussion of the research results by testing hypotheses using panel data regression analysis, the following conclusions can be drawn:

1. Tax Planning, Deferred Tax Expense, Current Tax Expense, and Deferred Tax Assets significantly affect Earnings Management in Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange 2016-2020.
2. Tax Planning significantly affects Earnings Management in Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange 2016-2020.
3. Deferred Tax Expenses have no significant effect on Earnings Management in Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange 2016-2020.
4. Current Tax Expenses have no significant effect on Earnings Management in Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange 2016-2020.

5. Deferred Tax Assets have no significant effect on Earnings Management in Manufacturing Companies in the Consumer Goods Industry Sector listed on the Indonesia Stock Exchange 2016-2020.

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