I. INTRODUCTION

A simple assessment of the work of a company within a company can reflect the level of profit that has been achieved in that company. The company has interested parties who can use the profit information in making decisions for the continuity of the company's operations. Information on the profits of a company can be used by internal and external parties of the company as a basis for making decisions related to bonuses, compensation, performance benchmarks and management performance as well as the basis for determining the amount of a tax. Therefore, the quality of the profit information that has been presented by the company has certainly attracted attention from various directions, both investors, creditors, and accounting policy makers, as well as the government, namely the Directorate General of Taxes.

In managing a company, management can directly earn very high profits, this of course has a direct effect on bonuses that will be obtained from management for the performance that has been carried out which later if the bonuses obtained are high then the achievement of profit gains will also follow increasingly also the high
success achieved by the company. On the other hand, estimating the power of earnings in estimating investment and credit risk from the profit information will be able to help owners (stakeholders) so that management can be responsible for the profit information, whose performance is measured through the achievements of the profits earned.

Companies currently face various kinds of very tight competition in order to survive in the global market, of course the manufacturing industry in Indonesia is not immune from the onslaught of competition. Companies must have a competitive advantage in order to be able and able to compete with many other companies, not only in terms of quantity and quality but also includes good financial management. That is, various kinds of policies in financial management must be able to guarantee the sustainability of the company's business and this is indicated by the amount of profit that has been achieved by the company. This situation usually encourages managers to engage in deviant behavior in presenting and reporting earnings information which is known as earnings management or earnings management practices (Aditama & Purwaningsih, 2014)

A. Agency Theory

According to (Jensen & Meckling, 1976) in (Ujiyantho & Pramuka, 2007) agency theory explains a contract between the manager (agent) and the owner (principal). Between principals and agents, investors prefer reports from agents because agents who manage company management know more about the actual conditions of the company, while the principal is only the owner of the company who receives reports from management.

B. Tax Planning

Tax planning (tax planning) is the initial stage to carry out a systematic analysis of various alternative tax treatments with the aim of achieving fulfillment of minimum tax obligations. Tax planning (tax planning) is part of tax management broadly. However, it cannot be denied that the term tax planning is more popular than the term tax management. Tax planning is an integral part of tax management. Tax planning can be applied when the taxpayer will start their business activities until closing the business (liquidation), if it really happens. Tax planning begins when setting up a company, when running a business, and when closing a business. Therefore, tax planning in its implementation requires qualified personnel, adequate work tools, and work procedures that are timely, accurate, and accurate in information (Pohan, Drs. Chairil Anwar.MSi, 2013)

C. Deferred Tax Expense

Income tax expense is calculated using tax rules on the company's operating results during the period of the year concerned. According to the tax rules, companies must make fiscal corrections because there are differences in the method of measuring income, the concept of income, the method of measuring costs, the concept of costs and the method of allocating costs between Financial Accounting Standards (SAK) and tax regulations. Tax rules continue to use accounting information and data that have been regulated by Financial Accounting Standards (SAK), namely as a basis for determining these corrections based on applicable tax regulations. Income tax expense consists of current tax expense and deferred tax expense on deferred tax income. Current tax or current tax is the amount of income tax payable on taxable income in one period. Deferred tax expenses will give rise to deferred tax liabilities while deferred tax revenues will give rise to deferred tax assets (Agoes et al., 2010).

D. Managerial Skills

According to (Isnugraha & Kusuma, 2009) the key to the success of a company is the success of managers designing efficient business processes. In addition, managers must also be able to make decisions that add value to the company. So that a capable manager is needed, namely a manager who has qualified abilities in the field for which he is responsible.

E. Managerial ownership

According to (Jensen & Meckling, 1976) suggests that managerial ownership has succeeded in becoming one of the determining factors for reducing agency problems from managers by aligning the interests of managers with shareholders.

F. Earnings management

Earnings management is a form of deviation in the process of preparing financial statements, which affects the level of profit shown in the financial statements. According to (Abdelghany, 2005) earnings management is income manipulation done to meet the targets set by management. Meanwhile (Lo, 2008) classifies earnings management in two categories, namely real earnings management such as actions to influence cash flows, and accrual management through changes in estimates and accounting policies. Other researchers (Yoon et al., 2006) classify earnings management into two groups, namely beneficial earnings management and opportunistic earnings management.
E. Research Framework
The following will explain the research framework, namely:

From the model above, the research hypothesis is arranged as follows:

H1: Tax planning has a positive significant effect on profit management
H2: Deferred tax expense has a positive significant effect on profit management
H3: Managerial ability has a positive significant effect on profit management
H4: Managerial ownership has a positive significant effect on earnings management
H5: Tax planning, deferred tax expense, skills managerial, and managerial ownership of earnings management

II. METHODS

A. Types of Research
Judging from the type of research used in this study is a quantitative approach. The quantitative method is a research method carried out based on the philosophy of positivism, used for research on certain populations or samples, by collecting data using research instruments, data analysis is quantitative/statistical. (Sugiyono, 2018)

Sugiono (2017: 130) says the population is a generalization consisting of objects/subjects that have certain quantities and characteristics according to what the researcher has determined to study and then draw conclusions. In this study the population used is manufacturing companies listed on the Indonesia Stock Exchange (IDX) from 2017-2021.

According to Sugiono (2017: 131) the sample is part of the number and characteristics possessed by the population that has been selected by the researcher. The sample selection in this study used a non-probability sampling technique, namely purposive sampling technique. Sugiono (2017: 138) says that purposive sampling is a sampling technique based on certain considerations.

Considerations for selecting the sample to be used include:
The Influence of Tax Planning, Deferred Tax Expenses, Managerial Proficiency, and Managerial Ownership on Earnings Management (Case Study in The Food Sector IDX 2017-2021)

Ariyani, Aisyah Milafatma Noeraini

1. Food and beverage manufacturing companies that publish annual financial reports consecutively on the IDX website during the 2017-2021 period.
2. Food and beverage manufacturing companies using the rupiah currency in 2017-2021.
3. Food and beverage manufacturing companies on the IDX that experienced successive profits during 2017-2021.

B. Data Types and Sources
   Types of Data This researcher uses secondary data types. Secondary data is data that is already available. The data needed in this research is in the form of company financial reports that have been published on the Indonesia Stock Exchange (IDX) website via www.idx.co.id as well as through the official website of food and beverage manufacturing companies listed on the IDX for the 2017-2021 period.

C. Variable Operational Definition
   The variables in this study consist of independent variables and dependent variables. The variables involved in this study include:
   
   Dependent Variable
   According to (Sugiyono, 2017) the dependent variable that will be affected or which is the result of the independent variable. In this study the dependent variable used is earnings management. 

   Earnings Management
   Measurements made can be proxied using the discretionary accrual (DA) method which is measured using a modified (Jones, 1991) model (Modified Jones model), namely:

   1. Calculating total assets with the formula:
      \[ TAC = (NI - CFO) \]
      Information:
      \[ TAC = \text{total accruals in year } t \]
      \[ NI = \text{net profit in year } t \]
      \[ CFO = \text{cash from operating activities in year } t \]

   2. Do a search for the regression coefficient using the formula:
      \[ \frac{TAC}{At - 1} = \beta_1 \left( \frac{1}{At - 1} \right) + \beta_2 \left( \frac{\Delta REV}{At - 1} \right) + \beta_3 \left( \frac{PPE}{At - 1} \right) + \epsilon \]
      Information:
      \[ At - 1 = \text{Total assets of company } i \text{ in period } t - 1 \text{ (beginning of the year)} \]
      \[ \Delta REV = \text{Revenue of company } i \text{ in period } t \text{ minus revenue in period } t - 1 \]
      \[ PPE = \text{gross tangible fixed assets of company } i \text{ in period } t \]

   3. Perform non-discretionary accrual calculations with the formula:
      \[ NDA = \beta_1 \left( \frac{1}{At - 1} \right) + \beta_2 \left( \frac{\Delta REV - \Delta REC}{At - 1} \right) + \beta_3 \left( \frac{PPE}{At - 1} \right) \]
      Information:
      \[ \Delta REV = \text{revenue of company } i \text{ in period } t \text{ minus revenue in period } t - 1 \]
      \[ \Delta REC = \text{receivables of company } i \text{ in period } t \text{ minus receivables in period } t - 1 \]
      \[ PPE = \text{gross tangible fixed assets of company } i \text{ in period } t \]
      \[ \beta_1, \beta_2, \beta_3 = \text{coefficients obtained from the regression equation} \]

   4. Perform discretionary accrual calculations using the formula:
      \[ DA = \left( \frac{TAC}{At} \right) - NDA \]
      Information:
      \[ DA = \text{company } i \text{ discretionary accruals in period } t \]
      \[ NDA = \text{non-accrual discretionary company } i \text{ in period } t \]
      \[ TAC = \text{total accruals of company } i \text{ in period } t \]
      \[ At - 1 = \text{total assets of company } i \text{ in period } t - 1 \text{ (beginning of the year)} \]

D. Independent Variable
1. Tax Planning

   Tax planning (tax planning) is the initial stage to carry out a systematic analysis of various alternative tax treatments with the aim of achieving fulfillment of minimum tax obligations. According to (Wild, 2005) the measurement of tax planning uses the Tax Retention Rate Formula. The formula is as follows:

   \[ TRR = \frac{\text{Net Income } i}{\text{Net Income } i} \]
   Information:
   \[ TRR = \text{Tax Retention Rate of company } i \text{ in year } t \]
   \[ \text{Net Income } i = \text{net profit of company } i \text{ in year } t \]
   \[ \text{Pretax Income (EBIT) } i = \text{Profit before tax } i \text{ in year } t \]
2. Deferred Tax Expense

According to (Pratita et al., 2017) states that deferred tax expense is an expense arising from temporary differences between accounting profits prepared based on Financial Accounting Standards (SAK) and fiscal profits prepared based on tax regulations.

\[
BPT_{it} = \frac{\text{Deferred Tax Expense Company } i \text{ in year } t}{\text{Total assets at the end of year } t-1}
\]

3. Managerial Skills

Managerial ability is the relative level of efficiency of a company in managing resource and operational factors so that output (sales) increases. There are 2 factors that become input in calculating managerial skills, namely the resource factor (total assets and number of employees) and operational factors (Days Cost of Good Sold in Inventory and Days Sales Outstanding).

4. Total manpower

The number of workers is a factor of a resource that plays a role in producing a sale. In assessing certain sales, if the number of workers to produce a sale is getting smaller, the company is more efficient.

5. Total Assets

Total assets are one of the input calculations because assets are a very important resource in producing a sale (output).

6. Days Cost of Good Sold in Inventory (DSI)

DSI measures the number of company inventory turnover in days. If less time (days) is used to make inventory turnover, the company is more efficient. Managers who have the skills are expected to be able to take the necessary steps to minimize the amount of this DSI.

\[
\text{DSI} = \frac{365}{\text{COGS/Inventory}}
\]

Information:
COGS = Total cost of goods sold
Inventory = Inventory

7. DSO (Days Sales Outstanding)

DSO is used to measure the time needed by a company to be able to obtain cash after making a sale. Companies that can get a cash back, the faster the management of the company by competent managers is shown. The formula for calculating DSO is as follows:

\[
\text{DSO} = \frac{\text{receivable}}{\left(\frac{\text{Sales}}{365}\right)}
\]

Information:
Receivable = Accounts Receivable
Sales = Credit net sales
The input above will form an equation, namely:
Total inputs = Total assets + total workforce + DSI + DSO

8. Managerial ownership

The managerial ownership ratio in this study is expressed through a comparison between the shares owned by management and the total outstanding shares (Sugiarti & Widyawati, 2020). Managerial ownership is used in this study because of differences in interests between management and shareholders which will result in management being able to behave fraudulently which can harm shareholders. Therefore a mechanism is needed to control and align the different interests between management and shareholders so that management can be motivated to increase the value of the company.

\[
\text{Managerial Ownership} = \frac{\sum \text{Share owned by management}}{\sum \text{Share outstanding}} \times 100\%
\]

III. RESULTS AND DISCUSSION

A. Descriptive statistics

Descriptive statistics can provide an overview or description in a data obtained from the average value (mean), standard deviation, variance, maximum and minimum (Ghozali, 2016).
The Influence of Tax Planning, Deferred Tax Expenses, Managerial Proficiency, and Managerial Ownership on Earnings Management (Case Study in The Food Sector IDX 2017-2021)

Ariyani, Aisyah Milafatma Noeraini

### Table 1. Descriptive statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Planning</td>
<td>85</td>
<td>-1.44</td>
<td>4.76</td>
<td>.7808</td>
<td>.57709</td>
</tr>
<tr>
<td>Deferred Tax Burden</td>
<td>85</td>
<td>.00</td>
<td>.20</td>
<td>.0342</td>
<td>.03677</td>
</tr>
<tr>
<td>Managerial Skills</td>
<td>85</td>
<td>25.39</td>
<td>32.82</td>
<td>28.6912</td>
<td>1.61446</td>
</tr>
<tr>
<td>Managerial Ownership</td>
<td>85</td>
<td>.00</td>
<td>.25</td>
<td>.0205</td>
<td>.05910</td>
</tr>
<tr>
<td>Profit Management</td>
<td>85</td>
<td>-.61</td>
<td>.66</td>
<td>-.0664</td>
<td>.13753</td>
</tr>
</tbody>
</table>

Based on the statistical descriptive table, it can be described that the tax planner obtains a sample size of 85 and obtains the lowest value of -1.44 and the highest value of 4.76 with an average value of 0.7808 and a standard deviation of 0.57709.

For the deferred tax expense variable, the number of samples is 85 and the lowest value is 0.00 and the highest value is 0.20 with an average value of 0.0342 and a standard deviation of 0.003677.

For the managerial skills variable, the sample size is 85 and the lowest value is 25.39 and the highest value is 32.82 with an average value of 28.6912 and a standard deviation of 1.61446.

For the managerial ownership variable, the number of samples is 85 and the lowest value is 0.00 and the highest value is 0.25 with an average value of 0.0205 and a standard deviation of 0.05910.

For the earnings management variable, the sample size is 85 and the lowest value is -0.61 and the highest value is 0.66 with an average value of -0.0664 and a standard deviation of 0.13753.

### B. Significant test (F test / Simultaneous test)

The F test (Simultaneous Test) is to test how the independent variables jointly influence the dependent variable. In testing the hypothesis, the first step that must be taken by researchers is to know the basis for making decisions in the F Test (simultaneous). There are methods used in the basis of decision making, namely as follows:

1. If the Significance value (Sig.), <0.05 then there is a joint effect of the independent variable (X) on the dependent variable (Y). Hypothesis accepted.
2. If the Significance value (Sig.), > 0.05 then there is no joint effect of the independent variable (X) on the dependent variable (Y). The hypothesis is rejected.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>.230</td>
<td>4</td>
<td>.057</td>
<td>3.384</td>
<td>.013b</td>
</tr>
<tr>
<td>Residual</td>
<td>1.359</td>
<td>80</td>
<td>.017</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Influence of Tax Planning, Deferred Tax Expenses, Managerial Proficiency, and Managerial Ownership on Earnings Management (Case Study in The Food Sector IDX 2017-2021)

Ariyani, Aisyah Milafatma Noeraini

Based on the results of the F test table, it can be seen that the simultaneous test results (Test F) have a significance value of 0.013 so that it is less than 0.05 (5%) (0.013 <0.05) thus indicating that simultaneously tax planning, deferred tax expense, managerial skills and managerial ownership affects earnings management.

C. Significant test (t test / Partial test)

According to Astuti, et al (2017) Partial test (t test) is carried out to find out whether the independent variables partially have an influence on the dependent variable. This test is carried out by determining the significant level (α) which is 5%.

Table 3. Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tax Planning</strong></td>
<td>.049</td>
<td>.025</td>
<td>.207</td>
<td>1.998</td>
<td>.049</td>
</tr>
<tr>
<td><strong>Deferred Tax Burden</strong></td>
<td>1.146</td>
<td>.394</td>
<td>.306</td>
<td>2.910</td>
<td>.005</td>
</tr>
<tr>
<td><strong>Managerial Skills</strong></td>
<td>-0.007</td>
<td>.009</td>
<td>-0.077</td>
<td>-0.707</td>
<td>.482</td>
</tr>
<tr>
<td><strong>Managerial Ownership</strong></td>
<td>.298</td>
<td>.250</td>
<td>.128</td>
<td>1.190</td>
<td>.237</td>
</tr>
</tbody>
</table>

Based on table 3 the results of the t test on the independent variables can be explained in detail as follows:

1. Tax Planning Against Profit Management

The tax planning variable has a significance value of 0.049 so that it is less than 0.05 (5%) (0.049 <0.05) thus indicating that partially the tax planning variable has an effect on earnings management, due to carrying out a very good tax planning so that tax benefits can be obtained. Excellent tax planning can reduce the company's net profit. There is an influence between tax planning and earnings management, that is, the higher the tax planning, the greater the chance for a company to do earnings management. One way to do tax planning is to regulate reported profits so that there will be indications of earnings management practices. Therefore, in order to avoid these things, a company will carry out an earnings management so that the profits reported to the fiscal will be smaller so that the tax burden that will be borne by the company can be reduced. These results support research (Wijaya & Martani, 2011) suggesting that tax planning greatly influences earnings management practices. This can be reinforced by research (Sumomba & Hutomo, 2012) which shows that tax planning has a significant influence on earnings management, the better the tax planning, the greater the company's earnings management. Thus, the existence of a tax plan can affect the company in the implementation of earnings management because implementing tax planning can reduce the level of profit in the company.

2. Deferred Tax Expense on Profit Management

The size variable of deferred tax expense has a significance value of 0.005 so it is less than 0.05 (5%) (0.005 <0.05) thus indicating that partially the variable of deferred tax expense has an effect on earnings management. Because deferred tax expense is a tax whose recognition can be deferred or postponed, because as an anticipation that can be made of the consequences of income tax debt, which appear in the present or in the future (Prasetyo et al., 2019). The higher the percentage of a deferred tax expense to the total of a company tax burden, it can indicate a wider accounting standard. It is often assumed that managers tend to report higher accounting profits but never report higher taxes. A large burden will make the company's profit decrease, so that the company has the opportunity to obtain greater profits in the future by reducing the taxes that will be paid. If management's motivation to carry out an earnings management is greater, it can cause a high difference between accounting and taxation profits. So that deferred tax expense can be used as an indicator.
in earnings management (Sylvia et al., 2016). These results support research (Lestari & Puji, 2018), (Negara & Suputra, 2017) proving that deferred tax expense has an influence on earnings management to avoid losses in the company.

3. Managerial Proficiency Against Earnings Management
The managerial ability variable has a significance value of 0.482 so that it is more than 0.05 (5%) (0.482 > 0.05) thus indicating that partially the managerial ability variable has no effect on earnings management. Because a capable manager is a success factor for the company. A competent manager does not need earnings management to improve earnings. Capable managers are able to make the right economic decisions and are able to achieve a high level of efficiency in managing company resources because they have experience and a fairly high level of education. By achieving a high level of efficiency, the company will achieve optimal profit. Capable managers will consider continuing to improve the quality of their performance by using resources appropriately so that they will add added value to the company, rather than having to carry out earnings management which risks failing to maintain public and stakeholder trust. These results support research conducted by (Permatasari & Wulandari, 2021), (Septiana, 2012) suggests that managerial ability has no effect on earnings management.

4. Managerial Ownership of Earnings Management
The managerial ownership variable has a significance value of 0.237 so that it is more than 0.05 (5%) (0.237 > 0.05) thus indicating that partially the managerial ownership variable has no effect on earnings management. Because the increase or decrease in the value of managerial ownership does not affect changes in earnings management. Based on the results of the descriptive statistical analysis, it shows that the average value of managerial ownership is low or share ownership by management tends to be small, namely 2.05%. So that managerial ownership cannot be used as a unifying interest between management and investors because the management who also acts as an investor has not been able to control the company according to his wishes as an investor. These results support research conducted by (Septiana, 2012) showing that managerial ownership has no effect on earnings management.

5. Tax Planning, Deferred Tax Burden, Managerial Skills and Managerial Ownership Effect Simultaneously on Earnings Management
The variables of Tax Planning, Deferred Tax Expense, Managerial Ability and Managerial Ownership have a significance value of 0.013 so that it is less than 0.05 (5%) (0.013 <0.05) thus indicating that simultaneously the variables of Tax Planning, Deferred Tax Expense, Managerial Ability and Ownership Managerial influence on earnings management.

IV. CONCLUSION

1. Tax planning has an effect on earnings management, due to carrying out a very good tax planning so that tax benefits can be obtained. Excellent tax planning can reduce the company's net profit. There is an influence between tax planning and earnings management, that is, the higher the tax planning, the greater the chance for a company to do earnings management.

2. Deferred tax expense affects earnings management, the higher the percentage of a deferred tax expense to the total corporate tax burden, it can indicate a wider accounting standard. It is often assumed that managers tend to report higher accounting profits but never report higher taxes. A large burden will make the company's profit decrease, so that the company has the opportunity to obtain greater profits in the future by reducing the tax that will be paid.

3. Managerial skills have no effect on earnings management. Because a capable manager is a success factor for the company. A competent manager does not need earnings management to improve earnings. By achieving a high level of efficiency, the company will achieve optimal profit. Capable managers will consider continuing to improve the quality of their performance by using resources appropriately so that they will add added value to the company, rather than having to carry out earnings management which risks failing to maintain public and stakeholder trust.

4. Managerial ownership has no effect on earnings management. Because the increase or decrease in the value of managerial ownership does not affect changes in earnings management. Based on the results of descriptive statistical analysis, it shows that the average value of managerial ownership is low or the management's share ownership tends to be small.

5. Tax Planning, Deferred Tax Expenses, Managerial Skills and Managerial Ownership have a significance value of 0.013 so that it is less than 0.05 (5%) (0.013 <0.05) thus indicating that simultaneously the variables of Tax Planning, Deferred Tax Expenses, Managerial Skills and Managerial Ownership affects earnings management.
REFERENCES


