CHAPTER V
CONCLUSIONS AND LIMITATIONS

5.1.   Conclusion

This research aims to find empirical evidence of the influence of tax planning and deferred tax expense on earnings management on the state-owned enterprises listed in the Indonesian Stock Exchange period 2017-2019.   This research uses secondary data by analyzing the financial statement downloaded from the Indonesian Stock Exchange and related firm's official websites.

The sampling method use purposive sampling and use the multiple regression for analyzing the data. Based on the analysis and discussion that has been done in this research, the result there are several conclusion namely:

i.   Tax planning has significant influences to the earning management on the state-owned company that listed in the Indonesian stock exchange period 2017-2019.

ii.   Deferred tax expense has no significant influences influence earning management on the state-owned company listed in the Indonesian stock exchange period 2017-2019.

iii.   Tax planning and deferred tax expense simultaneously have a significant influence on earning management on a state-owned company that listed in the Indonesian stock exchange period 2017-2019.

5.2.   Implications

This research give new evidence and insight related to the literature on the influences of tax planning and deferred tax expense toward earnings management. This study gives information to the government shareholders and other users of financial statements, even though the state-owned enterprises which majority state as mayor shareholders still practice the earning management. Based on the findings, that found the tax planning has significant influences on the earnings management and deferred tax expense has no significant influence on earnings management partially, it was suggested that government, shareholders, and other

users of the financial statement be more careful in understanding the company's financial statement so that it would the risk of loss.

5.3.　Limitations

The data in the study have a large variant and even some data are classified as extreme. The possibility of this condition happens is because the data taken which a state-owned company that has different business lines causing differences in the data in financial statements.Further research may use the sample with the same industries so that the financial data have similarities.