

THE EFFECT OF DIFFERENCE BETWEEN ACCOUNTING EARNING AND FISCAL EARNING TO THE PERSISTENCE OF EARNING FOR MANUFACTURER COMPANY THAT LISTING IN INDONESIAN EXCHANGE

ABSTRACT

This study analyzed the accounting earning at this period and the role of book-tax differences in indicating the persistence of earning one period ahead in manufacturer company that listing in Indonesian Exchange (IDX) since 2006 until 2009. Data that used in this research is financial statements from each company, published through website <http://www.idx.co.id/>. Analysis method that used in this research is quantitative method with multiple regression. Sampling method that used is purposive sampling. Variables that used in this research are earning before income tax one period ahead as Y, earning before income tax at this period as X1, and book tax differences as X2.

The results of this study concluded that earning before income tax at this period and book tax differences have positive significant toward to earning before income tax one period ahead.

Keywords: persistence of earning, earning before tax one period ahead, multiple regression.