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Taxation connects closely with accounting. With the introduction of self – assessment system in indonesia, financial statement has an important role on determining a taxpayer's taxable income and calculating the tax payable on that income. The amount of income, which is arrived at according to the taxpayers's financial statement on the basis of Financial accounting, will differ from that arived at on the basis of tax regulations.

Companies will reconcile their commercial financial statement with the purpose of calculating the amount of their income tax payable. Within the reconcile process, several items create deferred tax assets or liabilities. These deffered tax asset or liabilities were caused by the temporary difference of expenditure recognition between the commercial accounting and the tax regulations that prevail at that time.

Base on the statement above, this paper analyzes the deffered tax that can be occurred on the taxable income calculation. Thus the purpose of this paper is to analyze influence and implementation of deffered tax to the financial statement and net income after tax.

The difference of method applied on commercial and fiscal purpose in many ways caused by the principle of conservatism that applied on commercial accounting. In contrast, tax laws inclined to not disagree with the conservatism principle and have tendency to agree to the principle of realization instead, considering the realization principle is more likely to support accomplishment of fiscal function. In addition, deferred tax can be effect by some particular purpose the laws desired.

Keywords: deferred tax,net income