

ANALYSIS OF THE METOD TRANSFER PRICING TO MINIMIZE TAX EXPENSE
(CASE OF STUDY : PT. INDOGRANIT TUNGGAL PERKASA)

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ABSTRACT

The aim of this research is ti know any kind of transactions that happened in relating to problem of the transfer pricing which is represent as tax avoidance or tax evasion in the case of PT. Indogranit Tunggal Perkasa. This also identifies any kind of ways to avoid and prevent this transactions happened at multinational companies especially in Indonesia. The research uses descriptive analysis technique quantitative, with conception in explaining the ideas and also present some arguments in the effort to answer the problem.

The result of this research indicates that problem in transactions of the transfer pricing is a problem in the multinational companies that want to minimize the amount of tax liability for instance in the case of PT. Indogranit Tunggal Perkasa. The problem of tax evasion compared with tax avoidance. Therefore, it is needed to have correct socialization from tax employee in the transfer pricing transaction which are based on the income tax law in that country. Advanced Pricing Agreement (APA) and Mutual Agreement Procedure are the alternatives in solving the dispute of transfer pricing transactions among some countries.

Keyword: *Transfer pricing, Special Relationship, Mutinational Company*