ABSTRACT

This research is conduct to investigates the relationship between tax accounting choices, deferred tax expense, and firm size with tax aggressiveness. Another goal of this research is to examine the possibilities to use tax accounting choices that was implemented by company as an indicator of tax aggressiveness. Many prior research has found that accounting choices was used as a tools to do an earings management, with the assumtions that earnings management and tax aggressiveness actually quite similar, we predict that tax aggressiveness will also use tax accounting choice with different way and purpose. If so, then we can make a conclutions that accounting choice can be use as an indicators of tax aggressiveness. Several theories were used in this research such as Positive Accounting Theory, Institutional Theory, and Agency Theory.

This research use secondary data that comes from Indonesian Stock Exchange. The data of this research are the manufacturing companies listed in Indonesian Stock Exchange at periods 2011 to 2013. Samples data for this research were selected by purposive sampling method.

The result of this study comes with a different conclutions compare to hypothesis that was made. This research proves that none of independend variables that examine in this research have a significant effect to tax aggressiveness. This research also proves that accounting choices and the other independend variable are can not used as indicators of tax aggressivenss.

This fenomena could be happen because several conditions, such as, (1) the companies that was choosed as sample for this research are companies that have a specific rules or regulations. Bapepam and BEI has made specific regulations for all companies listed in BEI, with specific reporting standard and specific standard of disclouser and transparency. Because of this policy, full disclouser and more transparants, the companies cannot implement tax aggressiveness optimally. The other factors or conditions is (2) theses companies generally were companies that big enough in economic scales, so that they were monitored closely by the tax authority. That is why these companies could not implement tax aggressiveness optimally.

Keywords : *Accounting Choices, Tax Aggressiveness, Deferred Tax Expense, and Firm Size.*