ABSTRACT

This study aims to examine empirically about the influence of tax expense and leverage on transfer pricing on agricultural sector companies in the plantation sub-sector on the Indonesia Stock Exchange in 2012-2017.

Sampling technique used in this research is non probability sampling by using purposive sampling approach to know the influence of tax expense and leverage on transfer pricing. The research was done by quantitative and descriptive method, by using 8 agricultural sector companies in the plantation sub-sector listed on the Indonesia Stock Exchange in 2012-2017. Technique data analysis used in this research is hypothesis test (t test), bilinear regression test, correlation test, simultan test (f test) and coefficient of determination.

The result showed that tax expenses significantly influence transfer pricing with the percentage of influence 14.4%, leverage significantly influence transfer pricing with the percentage of influence 19%. and for simultaneous results for tax expenses and leverage on transfer pricing have a significant effect with a percentage of influence 8.9%

Keywords: Tax Expense, Leverage and Transfer Pricing.