

ABSTRACT

This study aims to analyze the effect of tunneling incentives and bonus mechanisms on transfer pricing in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2021. With the effect of disclosure of tunneling incentive and bonus mechanism as independent variables and transfer pricing as dependent variable.

The method used in this research is descriptive and associative method. This study uses secondary data in the form of financial statements obtained from the official website of each company and the website www.idx.co.id. The sample used in this study is the mining sector companies listed on the Indonesia Stock Exchange (IDX) based on purposive sampling method which produces 12 samples of companies. The analytical technique used in this research is descriptive analysis and associative analysis. Statistical analysis used in this study is the classical assumption test which includes normality test, multicollinearity test, heteroscedasticity test and autocorrelation test, then the associative analysis that the author does includes hypothesis testing using t test, f test, simple linear regression analysis, panel data analysis, coefficient of partial determination and coefficient of simultaneous determination with the help of the Economic Views (EViews) 12 program.

Based on the results of mining sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2021. Tunneling Incentive has an effect on Transfer Pricing with a contribution of 12.56%. The Bonus Mechanism has no effect on Transfer Pricing with a contribution of 0.36%. Meanwhile, Tunneling Incentive and Bonus Mechanism simultaneously affect Transfer Pricing with a contribution of 12.92%.

Keyword: Tunneling Incentive, Mekanisme Bonus and Transfer Pricing