

ABSTRACT

This study aims to find out empirically about the effect of the book tax difference and the level of debt on profit persistence in food and beverage sub-sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. The factors tested in this study are the book tax difference, debt levels, and earnings persistence.

*This study uses secondary data in the form of financial reports obtained from the official website of each company and the website www.idx.co.id. The sample used in this study were food and beverage sub-sector companies listed on the Indonesia Stock Exchange based on a purposive sampling method which produced 11 sample companies. The data analysis method used in this research is descriptive analysis and associative analysis. The associative analysis used in this study is the classical assumption test which includes the normality test, multicollinearity test, heteroscedasticity test, autocorrelation test. Furthermore, hypothesis testing (*t* test), regression analysis, correlation analysis, and analysis of the coefficient of determination.*

Based on the results of research on the food and beverage sub-sector which are listed on the Indonesia Stock Exchange for the 2017-2021 period. The book tax difference affects the persistence of profits with a contribution of 56.5%. Meanwhile, the level of debt has an effect on earnings persistence with a contribution of 49.7%.