

## ABSTRACT

*This research aims to determine empirically the effect of deferred tax and tax to book ratio on financial performance in banking sector companies listed on the Indonesia Stock Exchange (BEI) in 2019-2023. The factors tested in this research are Deferred Tax and Tax to Book Ratio.*

*The method used in this research is descriptive and associative methods. This research uses secondary data in the form of annual finance reports obtained from the official websites of each company and the website [www.idx.co.id](http://www.idx.co.id). The sampling technique used in this research was purposive sampling which resulted in 25 company samples. The analytical techniques used in this research are descriptive analysis, associative analysis, classical assumption test, multicollinearity test, heteroscedasticity test, autocorrelation test, hypothesis test, simple linear regression analysis, correlation analysis, and coefficient of determination.*

*Based on research results of banking sector companies listed on the Indonesia Stock Exchange (BEI) for the 2019-2023 period, Deferred Tax has a negative effect on Financial Performance with an influence contribution of 88,3% and Tax to Book Ratio has an effect on Financial Performance with an influence contribution of 10,2%.*

***Keywords:*** *Deferred Tax, Tax to Book Ratio, Financial Performance.*