

# The Effect of Tax Minimization and Company Size on Transfer Pricing Moderated by Profit Management

*Tax Minimization and  
Company Size on  
Transfer Pricing*

Azhari Atul Aini

*Universitas Gajayana, Malang, Indonesia*

E-Mail: azhariatul@gmail.com

**1357**

Yeni Tata Rini

*Universitas Gajayana, Malang, Indonesia*

Submitted:  
1 OCTOBER 2023

Accepted:  
21 NOVEMBER 2023

## **ABSTRACT**

*Transfer pricing is an internal corporate rule relating to the price of transactions carried out with related parties. The objective of the survey is to test and analyze the partial impact of tax minimization and corporate size on transfer pricing, as well as to test whether profit management moderates the impact of tax minimization and the size of the company on transfer pricing. Quantitative methods use corporate financial statements as secondary data. Mining companies listed in the EIB from 2019 to 2022 are the subject of research. Purposive sampling method is used to determine the sample, and twelve companies are selected. Data analysis using descriptive statistics, validity tests, classical assumption tests, linear regression analysis, and moderation tests through residual methods. Research results show that tax minimization has a significant positive impact on transfer pricing. The size of the company has a significant negative impact. Profit management has not been shown to moderate the impact of tax minimization and corporate size on transfer pricing.*

**Keywords:** *Tax, Firm Size, Profit Management, Transfer Pricing*

## **ABSTRAK**

*Transfer pricing adalah aturan internal perusahaan terkait harga atas transaksi yang dilakukan dengan pihak-pihak berelasi. Tujuan penelitian ini adalah melakukan pengujian dan analisis pengaruh parsial dari minimalisasi pajak dan ukuran perusahaan terhadap transfer pricing, serta menguji apakah manajemen laba memoderasi pengaruh minimalisasi pajak dan ukuran perusahaan terhadap transfer pricing. Metode kuantitatif menggunakan laporan keuangan perusahaan sebagai data sekunder. Perusahaan pertambangan yang terdaftar di BEI dari tahun 2019 hingga 2022 adalah subjek penelitian. Metode purposive sampling digunakan untuk menentukan sampel, dan dua belas perusahaan terpilih. Analisis data menggunakan statistik deskriptif, uji validitas, uji asumsi klasik, analisis regresi linier, dan uji moderasi melalui metode residu. Hasil penelitian menunjukkan minimalisasi pajak berpengaruh positif signifikan terhadap transfer pricing. Ukuran perusahaan berpengaruh negatif signifikan. Manajemen laba tidak terbukti memoderasi pengaruh minimalisasi pajak dan ukuran perusahaan terhadap transfer pricing.*

**Kata kunci:** *Tax, Ukuran Perusahaan, Profit Manajemen, Transfer Pricing*

## **INTRODUCTION**

The ASEAN Economic Community (AEC) was declared in 2015, opening great opportunities for a free ASEAN region with easier transactions. This allows businesses, including MSMEs and multinational companies, to enter Indonesia and other ASEAN countries without barriers. Transfer pricing has become a major and controversial topic in the global tax debate (Septiyani et al., 2018).

**JIMKES**

Jurnal Ilmiah Manajemen  
Kesatuan  
Vol. 11 No. 3, 2023  
pp. 1255-1262  
STIE Kesatuan  
ISSN 2337 – 7860

An Ernst & Young survey in 2016 showed an increased prioritization of tax risk management in transfer pricing, reaching 75% of companies, up from 66% in 2013. Indonesia's 25% tax rate has motivated multinational companies to transfer profits to countries with lower taxes. Data from Indonesia's Directorate General of Taxes shows an increase in the number of foreign investment taxpayers reporting total affiliate losses, reaching IDR 76.22 trillion in 2012 and IDR 269.33 trillion in 2013.

The Organization for Economic Cooperation and Development (OECD) established measures to address base erosion and profit shifting (BEPS) by motivating G-20 member countries to strengthen transfer pricing regulations and increase tax transparency (Worokinasih, 2022). One-way businesses can reduce their tax burden by using transfer pricing. The method used is to transfer part of the main company's profit to affiliated companies that are acquired or merged at home or abroad (Ayshinta et al., 2019).

One sector that economists pay attention to is companies in the mining sector. The mining industry is not only dynamic, but also highly innovative. An estimated \$140 billion has been invested in research and development in the mining sector over the past ten years. In this context, the majority of global statistics come from the United States (22%), China (47%), Australia (17%), Europe (5%), and Canada (8%) (Pangestuti & Muktiyono, 2022).

Research on the impact of taxes on transfer pricing has produced significant findings. Astuti & Yulianti (2018) in their research stated that if the amount of tax that must be paid is higher, companies will be more motivated to reduce the amount of tax they have to pay. The common strategy applied is through the application of transfer pricing, so that tax minimization has a significant influence on transfer pricing practices. Similar findings were also stated by Sulistyawati et al. (2019), Badri et al. (2021), and Dewi (2022).

Rosita (2020), Sari & Novyarni (2020), Pondrinal et al (2020), and Putri & Lindawati (2023) in their research on the other hand found that tax minimization has no significant impact on transfer pricing. The high tax burden does not encourage companies to reduce the tax responsibility that must be paid by the state through the transfer pricing method.

It is suspected that company size affects its value because the larger the company, the easier it is to get money to achieve goals. Growth in company size can also result in an increase in the amount of debt, as companies face lower risks in meeting their financial obligations (Agustina, 2019). This was also stated by Afifah & Agustina (2020), Ramadhan et al. (2022), and Densiska & Kunawangsih (2023) which state that company size has a significant positive effect on transfer pricing.

Putri et al. (2023) mentioned that company size does not affect transfer prices. The main reason is that larger businesses can better utilize their financial resources because they have a greater number of assets. This allows large companies to make larger investments and meet customer needs more effectively. This is in line with research by Rosita (2020), Nurwati et al. (2021), Wulandari et al. (2021), Prabaningrum et al. (2021), Ravensky & Akbar (2021), Choirunnisa et al. (2022), Marlina et al. (2022).

This study aims to retest and develop previous research, by adding management profit as a moderator variable. Management profit has an important role in influencing transfer pricing. The aim is to strengthen the influence of two independent variables, namely tax minimization and firm size. Earnings management refers to management actions that involve the selection of accounting policies in accordance with certain criteria in order to increase the prosperity of company owners (Lestari et al., 2018).

## **LITERATURE REVIEW**

The relationship between the agent and the company owner (principal) or investor is also called an agency relationship, in this relationship the principal will delegate his authority to the agent for various policies and decisions in carrying out the company's operations. Agency theory provides an understanding of the interactions that occur between the owners of capital and the management of the company, who control the company's assets, prepare the company's financial statements, and have decision-making authority (Jensen & Meckling, 2019).

Kurniawan (2014) mentioned that the price set by businesses for transactions of parties with special relationships is known as transfer pricing. Transfer pricing treatment becomes important when special relationship because it affects the parties involved in the transaction. Ginting & Sujiman (2021) in their research stated that transfer pricing can be calculated through Related Party Transaction (RPT), namely receivables with related parties divided by the total receivables owned by the company.

Tax minimization is a way to reduce tax liabilities by taking steps such as cost transfers, which in turn can move profits to countries that apply taxes with smaller rates (Wiharja & Sutandi, 2023). Tax minimization is calculated through the Cash Effective Tax Rate (CETR) which is determined from cash tax paid divided by pretax income (Hartina, 2018).

Company size is a parameter in categorizing companies as large, medium, or small by various methods, such as total assets, logarithmic size, stock market value, and so on. Determination of company size is often determined from total assets (Septiyani et al., 2018).

Profit management is a strategy used by companies to manipulate information obtained by stakeholders regarding the company's positive performance, as reflected in its financial statements. Profit management practices occur when managers try to influence financial performance by manipulating financial statements, with the intention of obtaining a benefit (Suryani, 2022). Taufik et al. (2014) in their research stated that profit management can be measured by total accruals obtained from reducing net income with cash flow from operating activities.

### Research Framework

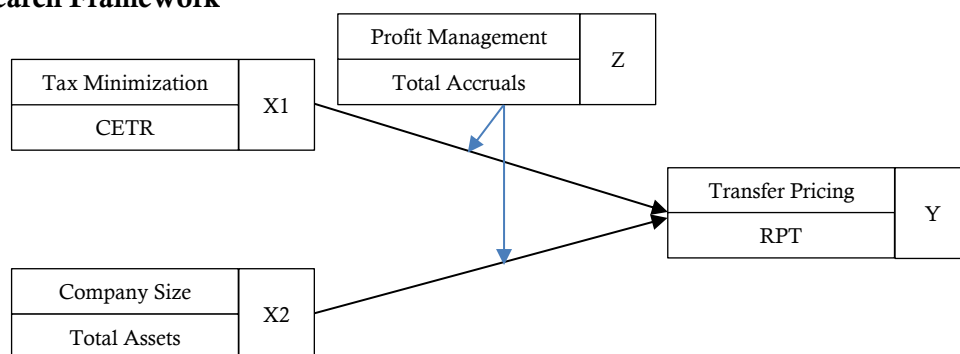


Figure 1. Research Framework

### Research Hypothesis

The following are the hypotheses of this study:

- H1: Tax minimization has a significant negative effect on transfer pricing.
- H2: Company size has a significant negative effect on transfer pricing.
- H3: Management profit moderates the effect of tax minimization on transfer pricing.
- H4: Management profit moderates the effect of company size on transfer pricing.

### METHODS

This quantitative research uses secondary data, which is data that is not taken directly from the research subject. (Sugiyono, 2013). In this context, the financial statements of mining companies on the Indonesia Stock Exchange (IDX) from 2019 - 2022 are the main data for research. The data was obtained from the IDX.co.id page.

The research population amounted to 76 mining sector companies on the Indonesia Stock Exchange (IDX) in 2019-2022. The purposive sampling method is a method of determining the sample by considering the research objectives. This method is used in finding research samples (Sugiyono, 2013). The following are considerations in determining the research sample:

Table 1. Sample Determination Criteria

No	Sample Selection Criteria	Total
.		

1	Mining companies listed on the IDX in 2019-2022	76
2	Mining companies that are not listed on the IDX in the main board for the period 2019-2022	(40)
3	Mining companies with incomplete reports and no related party receivables	(14)
4	Mining companies have related party receivables, but incur losses	(10)
Total companies in the study period		12
Observation period (4 years)		4
Amount of data		48
Outliers		7
Data scrutinized		41

The research data were analyzed with SPSS 26. Data analysis uses a method consisting of descriptive statistical analysis, validity test, classical assumption test, and hypothesis testing, including T test and residual method moderation regression test.

**RESULTS**

**Descriptive Statistical Analysis**

Table 2. Descriptive Statistical Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
Tax Minimization (X1)	41	,020	437	23254	,080888
Company Size (X2)	41	10,996	24,026	18,44846	3,293328
Management Profit (Z)	41	-1,910	410	-,59193	597310
Transfer Pricing (Y)	41	.000	958	18400	,280366
Valid N (listwise)	41				

Table 2 shows that there are a total of 41 data from the 4 research variables used. The standard deviation value of tax minimization and company size is smaller than the mean value, meaning that the average value of tax minimization and company size has a small deviation. The smaller the deviation, the smaller the deviation of the data. In descriptive statistics, the standard deviation of profit management and transfer pricing is greater than the mean value, meaning that there are large fluctuations in the sample.

**Validity Test**

Validity testing is the process of evaluating the validity of a measuring instrument. The measuring instrument used is valid if the significance of the item is less than 0.05 (Sürücü et al., 2020).

Table 3. Validity Test Results

		TM	UP	TP	PM	TOTAL
TM	Pearson Correlation	1	,282	-,181	,175	,424**
	Sig. (2-tailed)		,075	,259	,275	,006
	N	41	41	41	41	41
UP	Pearson Correlation	,282	1	-,338*	,231	,975**
	Sig. (2-tailed)	,075		,031	,146	,000
	N	41	41	41	41	41
TP	Pearson Correlation	-,181	-,338*	1	-,152	-,341*
	Sig. (2-tailed)	,259	,031		,342	,029
	N	41	41	41	41	41
PM	Pearson Correlation	,175	,231	-,152	1	,395*
	Sig. (2-tailed)	,275	,146	,342		,011
	N	41	41	41	41	41

TOTAL	Pearson Correlation	,424**	,975**	,341*	,395*	1
	Sig. (2-tailed)	,006	,000	,029	,011	
	N	41	41	41	41	41

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

The Pearson Correlation validity test results reveal the significance value of each variable is less than 0.05, so the data is declared valid.

### Classical Assumption Test

#### Normality Test

**Table 4.** Normality Test Results

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Unstandardized Residual	,104	38	,200*	,979	<sup>3</sup> / <sub>8</sub>	,683

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

The Asymp.Sig (2-tailed) value is 0.683 so it can be concluded that the data has a normal distribution, according to the Shapiro-Wilk normality test results.

#### Autocorrelation Test

**Table 5.** Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	,572 <sup>a</sup>	,328	,268	1,75633	1,745

a. Predictors: (Constant), PM, TM, UP

**Table 6.** Implementation of the Durbin Watson Test

dL	dU	dW	4-dU	4-dL
1,4064	1,6708	1,745	2,5936	2,3292

The Durbin Watson analysis output in table 7 and table 8 concludes that there is no autocorrelation between residuals (assumption fulfilled) because the Durbin Watson value of 1.745 is in the middle of dU (1.6708) and 4-dU (2.5936).

### Hypothesis Test

#### Partial Test (T Test)

**Table 7.** Partial Test Results X1

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	-4,499	1,015		4,435	,000
	TM	6,123	4,065	,243	1,506	,141

The value of Tax Minimization 0.141 > 0.05 with a positive t value of 1.506 and a positive regression coefficient of 6.123, so it is concluded that H0 is accepted and the hypothesis or H1, namely Tax Minimization has a significant negative effect on transfer pricing, is rejected.

**Table 8.** Partial Test Results X2

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	2,272	1,638		1,387	,174
	UP	-,289	,087	-,483	3,305	,002

The value of Company Size of 0.002 is less than 0.05 with a t value of -3.305 and a regression coefficient of -0.289, it is concluded that H0 is rejected and the hypothesis or H2, namely company size is significantly negative to transfer pricing, is accepted.

**Moderation Test Residual Method**

**Table 9.** X3 Residual Test Results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	,646	,087		7,430	,000
	TP	,034	,024	,233	1,439	,159

The probability value of tax minimization is 0.159 > 0.05 with a positive t value of 1.439 and a positive regression coefficient of 0.034, it is concluded that H0 is accepted and the hypothesis or H3, namely profit management, is able to moderate the effect of tax minimization on transfer pricing is rejected.

**Table 10.** Residual Test Results X4

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	,559	,106		5,270	,000
	TP	,021	,029	,121	,729	,471

The probability value of company size is 0.471 > 0.05 with a positive t value of 0.729 and a positive regression coefficient of 0.021, it is concluded that H0 is accepted and the hypothesis or H4, namely management profit is able to moderate the effect of company size on transfer pricing, is rejected.

**DISCUSSION**

**Effect of Tax Minimization on Transfer Pricing**

The t-test analysis output shows that the tax minimization variable measured by the CETR proxy has a significance value of 0.141 > 0.05, on the other hand the regression coefficient is 6.123 and the t value is 1.506, so it is concluded that H1 is rejected, and Ha is accepted, namely the tax minimization variable has a significant positive effect on transfer pricing.

Agency theory focuses on the separation of ownership (principal) and control (agent) in a company, which can lead to conflicts of interest because agents tend to act to maximize their personal interests (Jensen & Meckling, 2019). One-way companies achieve this goal is through transfer pricing activities, namely by setting transaction prices for services, goods, or intangible assets by companies with other companies in a group. Tax minimization is an important variable that affects transfer pricing decisions. According to agency theory, the greater the effort of businesses to reduce taxes, the higher the likelihood that they will engage in transfer pricing. This is in accordance with the motivation of agents, i.e. company management, which encourages them to maximize profits, including through the minimization of corporate taxes through transfer pricing schemes. Thus, the tax minimization variable is significantly related to agency theory, influencing transfer pricing decisions as part of the agent's strategy to achieve maximum profit and minimize taxes.

This study strengthens the findings of previous studies, such as the research of Septiyani et al. (2018), Marfuah et al. (2021), and Salsabila et al. (2023), which concluded that the tax minimization variable has a significant positive effect on transfer pricing decisions. This study supports the idea that businesses are more likely to apply transfer

pricing to minimize tax liabilities, given that tax payments are often considered a burden that needs to be minimized in business practices.

This study shows a difference of view with the research of Rosita (2020), Sari & Novyarni (2020), Pondrial et al. (2020), and Putri & Lindawati (2023), which state that tax minimization has no significant effect on transfer pricing. In this context, companies cannot reduce the taxes they pay to the state through transfer pricing practices due to the high tax burden.

#### **Effect of Company Size on Transfer Pricing**

The output analysis of the t test displays the result that the company size variable measured by the proxy of total assets has a significance value of  $0.002 < 0.05$  with a t value of  $-3.305$ , while the regression coefficient is  $-0.289$  so it is concluded that H<sub>2</sub> is accepted, namely the company size variable has a significant negative effect on transfer pricing.

Agency theory explains the separation between ownership (principals) and control (agents) in a company, which can cause conflicts of interest where agents (management) tend to act for their own benefit (Jensen & Meckling, 2019). Company size is one of the indicators that influence transfer pricing decisions. The larger the company size, the less likely it is to engage in transfer pricing schemes. The explanation for this finding is that larger companies tend to be more transparent and more closely monitored by regulators. In the context of agency theory, this relationship can be explained by the fact that the larger the size of the company, the stricter the supervision of principals (shareholders) on agents (management). As a result, agents will face difficulties to perform opportunistic actions that only benefit themselves, such as transfer pricing practices. Large companies generally have implemented good corporate governance mechanisms to align the interests of agents and principals. This certainly reduces agents' incentives to engage in transfer pricing activities. In line with agency theory, the larger company size variable will reduce the opportunistic behavior of agents due to better supervision and governance mechanisms. This has an impact on reducing the possibility of transfer pricing activities.

This study strengthens the findings of previous studies, such as Khotimah (2019), Ayuningtyas (2020), Sejati & Triyanto (2021), Nyman et al. (2022), Darmawati & Muslichah (2022), Salsabila et al. (2023), and Kusumasari et al. (2023), revealed that company size has a significant negative effect on transfer pricing decisions. This finding indicates that the larger the company size, the less likely it is to be involved in transfer pricing schemes. This research is different from Agustina (2019), Afifah & Agustina (2020), Ramadhan et al. (2022), and Densiska & Kunawangsih (2023), which state that company size has a significant positive effect on transfer pricing practices. These differences may be due to variations in the industrial context, research methods, or characteristics of the companies studied in their respective studies.

#### **Management Profit Moderates the Effect of Tax Minimization on Transfer Pricing**

The output of the residual method moderation regression test results shows the regression coefficient value of the tax minimization variable is  $0.034$  and the probability value is  $0.159 > 0.05$ , so it is concluded that H<sub>3</sub> is rejected, and H<sub>a</sub> is accepted, namely the profit management variable cannot strengthen the influence of the tax minimization variable on transfer pricing.

The profit management variable shows the motivation of company management to maximize profits in order to get bonuses or higher compensation. Meanwhile, the tax minimization variable is the management's drive to minimize the company's tax burden. Both can influence management's decision to conduct transfer pricing, which is the determination of transaction prices between companies in one group to shift profits or tax expenses.

Management profit variable is not proven to strengthen the influence of tax minimization on transfer pricing decision. This means that although management is motivated to increase personal profit, it is not strong enough to influence transfer pricing when compared to the motivation for corporate tax minimization. The reason is that transfer pricing decision is more sensitive and has a direct impact on corporate tax burden.

Meanwhile, the increase in management bonus through profit is not always directly proportional and significant.

Therefore, tax minimization drive dominates the management's reason for transfer pricing. Management profit is not proven to strengthen the effect of tax minimization because its impact on transfer pricing is considered smaller. It is concluded that although agency theory explains the separation of the interests of management and owners (Jensen & Meckling, 2019), in the case of transfer pricing, the tax minimization variable is more dominant than the motive to increase management profit. Hariyani & Ayem's research (2021) states that tax minimization cannot moderate the relationship between the bonus mechanism and transfer pricing.

#### **Management Profit Moderates the Effect of Company Size on Transfer Pricing**

The output of the moderation regression test results with the residual method displays the regression coefficient value of the company size variable of 0.021 and a probability value of  $0.471 > 0.05$  so it is concluded that H4 is rejected, and Ha is accepted, namely management profit cannot moderate the effect of company size on transfer pricing.

Agency theory explains the tendency of management (agents) to act to pursue personal gain to fulfill management profit. One way to increase management profit is through transfer pricing (Jensen & Meckling, 2019), but some studies show that the size of management profit does not affect the relationship between company size and transfer pricing activities.

This is because large companies usually have adequate corporate governance mechanisms in place. With this strict supervision, management will find it difficult to act in pursuit of personal gain even though they are motivated by profit management. Large companies also tend to be more transparent and careful in conducting intra-group transactions including transfer pricing, because their reputation is at stake. The size of management profit as a moderator therefore will not affect the relationship between firm size and transfer pricing. The larger the firm size, the lower the transfer pricing intensity.

It is concluded that profit management variable is not proven to moderate or strengthen the effect of company size on transfer pricing. Although agents are motivated by personal profit, the governance mechanism of large companies is still able to prevent opportunistic actions through transfer pricing.

#### **CONCLUSION**

The test results show that there is a positive and significant influence between tax minimization and transfer pricing decision. In contrast, firm size has a negative and significant influence on transfer pricing. It is important to note that management profit has no role in strengthening the effect of tax minimization and firm size on transfer pricing decisions.

#### **REFERENCES**

- [1] Afifah, N., & Agustina, H. (2020, December). Analisis Pajak, Ukuran Perusahaan, Profitabilitas, Leverage, Kepemilikan Asing dan Tunneling Incentive terhadap Transfer Pricing (Studi Kasus Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Periode 2014–2018). In *Prosiding National Conference for Ummah* (Vol. 1, No. 1).
- [2] Agustina, N. A. (2020). Pengaruh pajak, multinasionalitas, ukuran perusahaan, profitabilitas, dan mekanisme bonus terhadap keputusan perusahaan melakukan transfer pricing. *Prosiding Konstelasi Ilmiah Mahasiswa Unissula (KIMU) Klaster Ekonomi*.
- [3] Astuti, K. Y. D., & Yulianti, Y. (2018). Analisis Determinasi Keputusan Transfer Pricing (Studi Empiris Pada Perusahaan Manufaktur Yang Terdaftar di Bursa Efek Indonesia Tahun 2014-2016). *Solusi*, 16(1), 128-147.
- [4] Ayshinta, P. J., Agustin, H., & Afriyenti, M. (2019). The Effect of Tunneling Incentives, Bonus Mechanisms and Exchange Rates on the Company's Decision to Transfer Pricing (Study on Manufacturing Companies Listed on the Indonesia Stock Exchange 2014-2017). *Journal of Accounting Exploration*, 1(2), 572-588.
- [5] Ayuningtyas, M. P. (2020). Pajak, Ukuran Perusahaan dan Tunneling Incentive terhadap Keputusan Transfer Pricing. *Jurnal Penelitian Ekonomi dan Akuntansi (JPENSI)*, 5(3), 217-225.



- [6] Badri, J., Das, N. A., & Putra, Y. E. (2021). Pengaruh Minimalisasi Pajak, Mekanisme Bonus Kepemilikan Asing Terhadap Transfer Pricing Pada Perusahaan Manufaktur Multinasional Yang Terdaftar di Bursa Efek Indonesia. *Jurnal PROFITA: Akuntansi dan Bisnis*, 2(1), 1-15.
- [7] Biro Analisis Anggaran dan Pelaksanaan APBN. (2014). Potensi Penerimaan Pajak Dengan Minimalisir Praktik Transfer Pricing. [http://www.dpr.go.id/doksetjen/dokumen/apbn\\_potensi\\_penerimaan\\_pajak\\_dengan\\_minimalisir\\_praktek\\_transfer\\_pricing2010821142540.pdf](http://www.dpr.go.id/doksetjen/dokumen/apbn_potensi_penerimaan_pajak_dengan_minimalisir_praktek_transfer_pricing2010821142540.pdf), diakses pada 5 November 2023.
- [8] Cheisa Rosita, D. (2020). *Tax Minimization, Tunneling Incentive, Mekanisme Bonus, Kepemilikan Asing, Dan Ukuran Perusahaan Terhadap Keputusan Transfer Pricing (Studi Empiris pada Perusahaan Manufaktur yang Listing di Bursa Efek Indonesia periode 2015-2017)* (Doctoral dissertation, Universitas Muhammadiyah Surakarta).
- [9] Choirunnisa, T. A., Abbas, D. S., Hidayat, I., & Sriyanto, S. (2022). Pengaruh Pajak, Ukuran Perusahaan, Exchange Rate dan average Terhadap Transfer Pricing. *Jurnal Ilmiah Ilmu Manajemen*, 4(2), 144-161.
- [10] Darmawati, A., & Muslichah, M. (2022). Mekanisme Bonus, Ukuran Perusahaan, dan Tunneling Incentive Terhadap Transfer Pricing. *AFRE (Accounting and Financial Review)*, 5(3), 233-239.
- [11] Densiska, R. A., & Kunawangsih, T. (2023). Pengaruh Tax Minimization, Leverage dan Ukuran Perusahaan terhadap Keputusan Praktik Transfer Pricing Dimoderasi oleh COVID-19 pada Perusahaan Sektor Manufaktur yang Terdaftar di Bei pada Tahun 2016-2021. *Mufakat: Jurnal Ekonomi, Manajemen dan Akuntansi*, 2(4), 131-141.
- [12] Dewi, A. M. (2022). Analisis Pengaruh Tax Minimization, Exchange Rate, Debt Covenant, Tunneling Incentive dan Mekanisme Bonus terhadap Transfer Pricing pada Perusahaan Manufaktur di Bursa Efek Indonesia. *FIN-ACC (Finance Accounting)*, 7(6), 823-834.
- [13] Ernst and Young. (2016). 2016 Transfer Pricing Survey Series in The Spotlight a New Era of Transparency and Risk. [http://www.ey.com/Publication/vwLUAssets/EY-2016-transfer-pricing-survey-series/\\$FILE/EY-2016-transfer-pricing-survey-series.pdf](http://www.ey.com/Publication/vwLUAssets/EY-2016-transfer-pricing-survey-series/$FILE/EY-2016-transfer-pricing-survey-series.pdf), accessed on 18th of Desember 2017
- [14] Ginting, R. E. B., & Sudjiman, L. S. (2021). Pengaruh Pajak dan Ukuran Perusahaan terhadap Transfer Pricing pada Perusahaan Manufaktur Subsektor Makanan dan Minuman yang Terdaftar di BEI 2017-2020. *Jurnal Ekonomis*, 14(3c), 33-47.
- [15] Hariyani, E., & Ayem, S. (2021). Pengaruh Tunneling Incentive Dan Mekanisme Bonus Terhadap Harga Transfer Dengan Tax Minimization Sebagai Variabel Moderasi. *Journal Of Economic, Business and Engineering (JEBE)*, 2(1), 1-13.
- [16] Hartina, A. (2018). Komite Audit sebagai Pemoderasi Pengaruh Tax Minimization terhadap Transfer Pricing (Studi Empiris pada Perusahaan Manufaktur Sektor Industri Barang Konsumsi yang Terdaftar di Bursa Efek Indonesia Tahun 2013-2016). *Jurnal Ekobis Dewantara*, 1(2), 121-138.
- [17] Jensen, M. C., & Meckling, W. H. (1919). Theory of the firm: Managerial behavior, agency costs and ownership structure. In *Corporate governance* (pp. 77-132). Gower.
- [18] Khotimah, S. K. (2019). Pengaruh beban pajak, tunneling incentive, dan ukuran perusahaan terhadap keputusan perusahaan dalam melakukan transfer pricing (Studi empiris pada perusahaan multinasional yang listing di Bursa Efek Indonesia tahun 2013-2017). *Jurnal Ekobis Dewantara*, 1(12), 125-138.
- [19] Kurniawan, A. M. (2014). *Transfer Pricing*. Yogyakarta: CV Andi Offset.
- [20] Kusumasari, R. D., Fadilah, S., & Sukarmanto, E. (2018). Pengaruh Pajak, Kepemilikan Asing dan Ukuran Perusahaan terhadap Transfer Pricing. *Prosiding Akuntansi*, 766-774.
- [21] Lestari, S. P., Paramita, P. D., & Pranaditya, A. (2018). Pengaruh ukuran perusahaan, profitabilitas dan likuiditas terhadap nilai perusahaan dengan manajemen laba sebagai variabel intervening (studi kasus pada perusahaan manufaktur sektor industri barang konsumsi terdaftar di BEI periode 2012-2016). *Journal Of Accounting*, 4(4).
- [22] Marfuah, M., Mayantya, S., & Prasetyo, P. P. (2021). The Effect of Tax Minimization, Bonus Mechanism, Foreign Ownership, Exchange Rate, Audit Quality on Transfer Pricing Decisions. *Jurnal Bisnis Terapan*, 5(1), 57-72.
- [23] Marliana, D., Prihatni, R., & Muliarsi, I. (2022). Pengaruh Pajak, Kepemilikan asing, dan ukuran perusahaan terhadap Transfer Pricing. *Jurnal Akuntansi, Perpajakan dan Auditing*, 3(2), 332-343.
- [24] Nurwati, N., Prastio, P., & Kalbuana, N. (2021). Influence of firm's size, exchange rate, profitability, and tax burden on transfer pricing. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 5(3), 2294-2307.
- [25] Nyman, R. C. S., Kaidun, I. P., & Lingga, I. S. (2022). Pengaruh Firm Size, Return on Equity, dan Current Ratio Terhadap Tax Avoidance pada Perusahaan LQ 45 yang Terdaftar di Bursa Efek Indonesia. *Jurnal Akuntansi*, 14(1), 172-186.
- [26] Pangestuti, D., & Muktiyono, A. (2022). Role of Profitability, Business Risk, and Intellectual Capital in Increasing Firm Value. *Journal of Indonesia Economy and Business*, 37(3), 311-338. <https://doi.org/https://doi.org/10.22146/jieb.v37i3.3564>.
- [27] Pondrial, M., Petra, B. A., Afuan, M., & Anggraini, S. A. (2020). The Effect of Income Tax, Tunneling Incentive and Tax Minimization on Transfer Pricing Decisions with Profitability as

- Control Variables in Manufacturing Companies Listed on Idx in 2014–2018. *Bilancia: Jurnal Ilmiah Akuntansi*, 4(2), 115-125.
- [28] Prabaningrum, D. D., Astuti, T. P., & Harjito, Y. (2021). Pengaruh Pajak, Kepemilikan Asing, Bonus Plan Dan Ukuran Perusahaan Terhadap Perusahaan Melakukan Transfer Pricing (Studi Empiris Pada Perusahaan Manufaktur Yang Terdaftar Di BEI Tahun 2014-2018). *Jurnal Ilmiah Edunomika*, 5(1), 459944.
- [29] Putri, A. A., Damayanti, A., & Heriansyah, K. (2023). Pengaruh Pajak, Ukuran Perusahaan, Kepemilikan Asing, dan Profitabilitas terhadap Transfer Pricing. *Jurnal Ilmiah Akuntansi Pancasila (JIAP)*, 3(2), 130-143.
- [30] Putri, W. C., & Lindawati, L. (2023). Pengaruh Tax Minimization, Exchange Rate dan Tunneling Incentive terhadap Keputusan Transfer Pricing. *Scientific Journal of Reflection: Economic, Accounting, Management and Business*, 6(1), 195-204.
- [31] Ramadhan, M. F., Dewi, R. C., & Liza, A. (2022). Pengaruh Beban Pajak, Tunneling Incentive, Exchange Rate, Ukuran Perusahaan, Dan Profitabilitas Terhadap Transfer Pricing. *Jurnal Pundi*, 6(1), 165-180.
- [32] Ravensky, H., & Akbar, T. (2021, July). Pengaruh Beban Pajak, Mekanisme Bonus, Dan Ukuran Perusahaan Terhadap Transfer Pricing (Studi Empiris Pada Perusahaan Manufaktur Sektor Makanan Dan Minuman Yang Terdaftar di Bursa Efek Indonesia Tahun 2017-2019). In *Prosiding Seminar Nasional* (Vol. 1, No. 1, pp. 295-305).
- [33] Salsabila, M. P., Ulupui, I. G. K. A., & Nasution, H. (2023). Pengaruh moderasi tax minimization terhadap debt covenant, ukuran perusahaan, dan keputusan transfer pricing. *Fair Value: Jurnal Ilmiah Akuntansi dan Keuangan*, 5(12).
- [34] Sari, C. P., & Novyarni, N. (2020). Pengaruh Tunneling Incentive, Tax Minimization Dan Mekanisme Bonus Terhadap Keputusan Transfer Pricing. *Pengaruh Tunneling Incentive, Tax Minimization Dan Mekanisme Bonus Terhadap Keputusan Transfer Pricing the Influence of Tunneling Incentive, Tax Minimization, And Bonus Mechanism Effect on The Company's Decision to Transfer Pricing (Manufacturing Com)*.
- [35] Sejati, G. W., & Triyanto, D. N. (2021). Pengaruh Pajak, Ukuran Perusahaan, Exchange Rate, dan Intangible Asset Terhadap Transfer Pricing (Studi Pada Perusahaan Sektor Pertambangan yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2015-2019). *eProceedings of Management*, 8(2), 1085-1092.
- [36] Septiyani, R. P. P., Ramadhanti, W., & Sudibyo, Y. A. (2018). Some Factors that Affect Transfer Pricing Decision. *SAR (Soedirman Accounting Review): Journal of Accounting and Business*, 3(1), 21–38.
- [37] Sugiyono. (2013). *Metode Penelitian: Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabet.
- [38] Sulistyawati, A. I., Santoso, A., & Rokhawati, L. (2019). Deteksi Determinan Keputusan Transfer Pricing. *Jurnal Administrasi Dan Bisnis*, 13(1), 22-33.
- [39] Sürücü, L., & Maslakci, A. (2020). Validity and reliability in quantitative research. *Business & Management Studies: An International Journal*, 8(3), 2694-2726.
- [40] Suryani, A. (2022). Dampak Penghindaran Pajak dan Pajak Tangguhan terhadap Manajemen Laba. *Eksis: Jurnal Ilmiah Ekonomi dan Bisnis*, 13(1), 29-33.
- [41] Taufiq, M., Lubis, A. F., & Mulyani, S. (2014). Pengaruh Penerapan Good Corporate Governance Terhadap Kinerja Keuangan Dengan Menggunakan Manajemen Laba Sebagai Variabel Intervening (Studi Pada Perusahaan Perbankan Yang Terdaftar Di Bursa Efek Indonesia). *Jurnal Telaah Dan Riset Akuntansi*, 7(1), 66-75.
- [42] Wiharja, J. A., & Sutandi, S. (2023). Pengaruh Effective Tax Rate, Tunneling Incentive dan Debt Covenant terhadap Transfer Pricing (Studi Empiris Perusahaan IDX 30 yang Terdaftar di Bursa Efek Indonesia Tahun 2017-2021). *ECo-Buss*, 6(1), 193-205.
- [43] Worokinasih, S., Kumalasari, K. P., & Alfandia, N. S. (2022). Basic Research OECD Framework Untuk Menanggulangi Base Erosion Profit Shifting:(Studi Komparasi Indonesia Malaysia). *Fair Value: Jurnal Ilmiah Akuntansi dan Keuangan*, 4(7), 807-823.
- [44] Wulandari, R., D. N. Anisa, W. Irawati, and A. Mubarak. 2021. Transfer Pricing: Pajak, Mekanisme Bonus, Kontrak Hutang, Nilai Tukar Dan Multinasionalitas. *Jurnal Akuntansi Berkelanjutan Indonesia* 5(3), 325–41.
- [45] www.idx.co.id Bursa Efek Indonesia