

## TABLE OF CONTENT

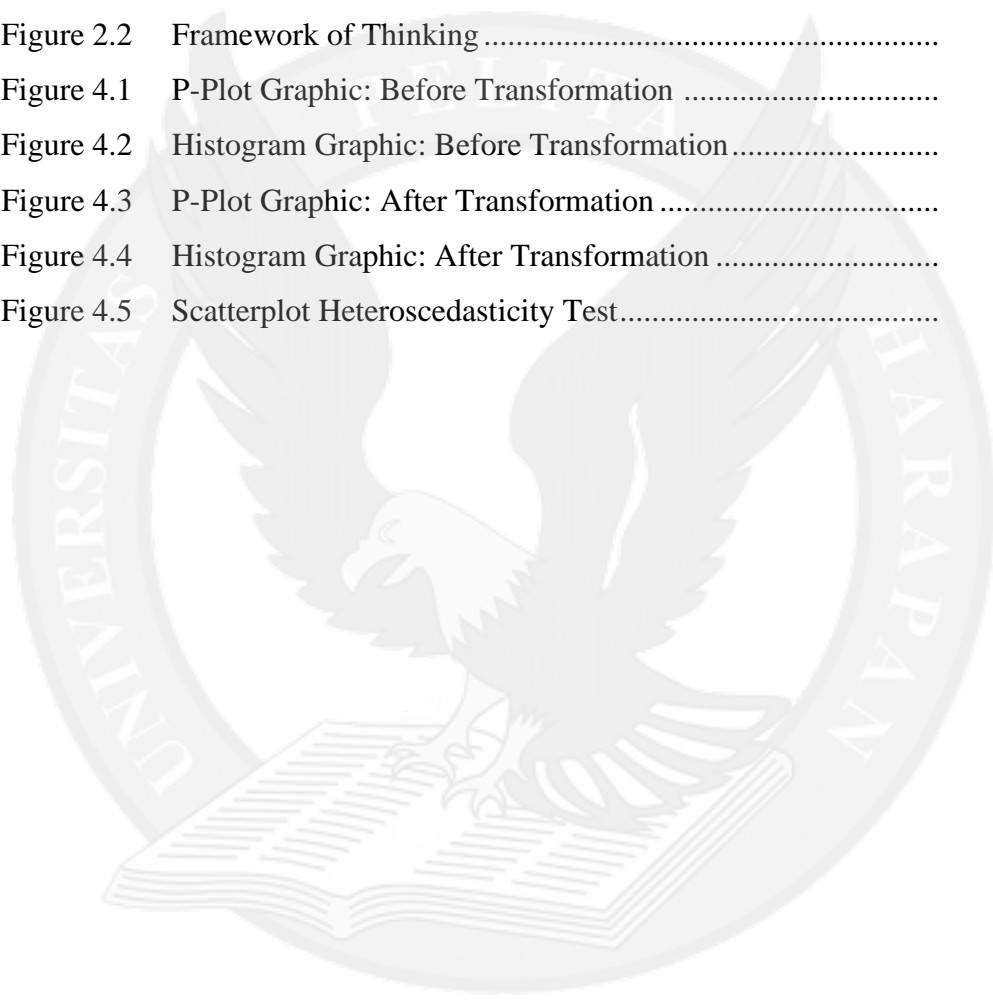
	Page
<b>COVER PAGE</b>	
<b>TITLE PAGE</b>	
<b>DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT .....</b>	<b>i</b>
<b>APPROVAL PAGE BY FINAL PAPER ADVISOR .....</b>	<b>iii</b>
<b>APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE ....</b>	<b>iv</b>
<b>ABSTRACT .....</b>	<b>v</b>
<b>ABSTRAK .....</b>	<b>vi</b>
<b>PREFACE .....</b>	<b>vii</b>
<b>TABLE OF CONTENTS .....</b>	<b>ix</b>
<b>LIST OF FIGURES .....</b>	<b>xii</b>
<b>LIST OF TABLES .....</b>	<b>xiv</b>
<b>LIST OF APPENDICES .....</b>	<b>xv</b>
<b>CHAPTER I INTRODUCTION</b>	
1.1. Background of the Study .....	1
1.2. Problem Limitation .....	6
1.3. Problem Formulation .....	6
1.4. Objective of the Research .....	7
1.5. Benefit of the Research .....	7
1.5.1. Theoretical Benefit .....	8
1.5.2. Practical Benefit.....	8
<b>CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT</b>	
2.1. Theoretical Background .....	9
2.1.1. Agency Theory .....	9
2.1.2. Transfer Pricing .....	11
2.1.2.1 Factors affecting Transfer Pricing .....	12

2.1.2.2	The regulations of Transfer Pricing .....	13
2.1.2.3	Transfer Pricing Method .....	14
2.1.3.	Income Tax .....	16
2.1.4.	Bonus Mechanism .....	17
2.1.4.1	Definition of Bonus Mechanism .....	17
2.1.4.2	Indicator of Bonus Mechanism .....	18
2.2.	Previous Research .....	19
2.3.	Hypothesis Development .....	23
2.3.1	The impact of income tax towards income shifting with Transfer Pricing .....	23
2.3.2.	The impact of bonus mechanism towards income shifting with Transfer Pricing .....	24
2.4.	Research Model .....	26
2.5.	Framework of Thinking .....	27
 <b>CHAPTER III RESEARCH METHODOLOGY</b>		
3.1.	Research Design .....	28
3.2.	Population and Sample .....	29
3.2.1.	Population .....	29
3.2.2.	Sample .....	29
3.3.	Data Collection Method .....	31
3.4.	Operational Definition and Variable Measurement .....	32
3.4.1.	Dependent Variable .....	32
3.4.2.	Independent Variable .....	33
3.4.2.1	Income Tax .....	33
3.4.2.2	Bonus Mechanism .....	33
3.5.	Data Analysis Method .....	34
3.5.1.	Descriptive Statistics .....	34
3.5.2.	Classical Assumption Test .....	35
3.5.2.1.	Normality Test .....	35
3.5.2.2.	Multicollinearity Test .....	35

3.5.2.3. Autocorrelation Test .....	36
3.5.2.4. Heteroscedasticity Test .....	37
3.5.3. Hypothesis Analysis.....	37
3.5.3.1. Multiple Linear Regression Analysis .....	37
3.5.3.2. Partial T Test.....	38
3.5.3.3. Simultaneous F Test .....	39
3.5.3.4. R <sup>2</sup> Test (Coefficient of Determination) .....	39
 <b>CHAPTER IV DATA ANALYSIS AND DISCUSSION</b>	
4.1. General View of Consumer Goods Companies .....	41
4.2. Research Result.....	42
4.2.1. Descriptive Statistic .....	42
4.2.2. Results of Data Quality Testing .....	44
4.2.2.1. Normality Test .....	44
4.2.2.2. Multicollinearity Test .....	49
4.2.2.3. Autocorrelation Test .....	50
4.2.2.4. Heteroscedasticity Test.....	50
4.2.3. Result of Hypothesis Testing .....	52
4.2.3.1. Multiple Regression Analysis.....	52
4.2.3.2. Partial T Test .....	53
4.2.3.3. F Test .....	55
4.2.3.4. Coefficient of Determination.....	56
4.3. Discussion .....	56
4.3.1. Income Tax has impact transfer pricing decisions.....	56
4.3.2 Bonus Mechanism has impact towards transfer pricing...	57
 <b>CHAPTER V CONCLUSION</b>	
5.1. Conclusion .....	59
5.2. Recommendation .....	60
 REFERENCES .....	 61

## LIST OF FIGURES

	Page
Figure 2.1 Research Model .....	26
Figure 2.2 Framework of Thinking .....	27
Figure 4.1 P-Plot Graphic: Before Transformation .....	45
Figure 4.2 Histogram Graphic: Before Transformation .....	46
Figure 4.3 P-Plot Graphic: After Transformation .....	48
Figure 4.4 Histogram Graphic: After Transformation .....	48
Figure 4.5 Scatterplot Heteroscedasticity Test.....	51



## LIST OF TABLES

	Page
Table 2.1 Summary of Previous Research .....	22
Table 3.1 Criteria of Samples .....	30
Table 3.2 List of Companies .....	30
Table 3.3 Operational Definition .....	32
Table 4.1 List of Companies as Sample.....	42
Table 4.2 Descriptive Statistics .....	43
Table 4.3 Kolmogrov Smirnov Test Results: Before Transformation...	45
Table 4.4 Kolmogrov Smirnov Test Results: After Transformation .....	47
Table 4.5 Result of Multicollinearity Test: After Transformation .....	49
Table 4.6 Result of Autocorrelation Test .....	50
Table 4.7 Result of Glejser Test .....	51
Table 4.8 Multiple Linear Regression Analysis .....	52
Table 4.9 Partial T Test: After Transformation .....	54
Table 4.10 Simultaneous F Test: After Transformation .....	55
Table 4.11 Result of Determination Coefficient Test.....	56

## LIST OF APPENDICES

APPENDIX A	: List of Population and Sample of Consumer Goods Companies Listed in Indonesia Stock Exchange For the period 2017-2020 .....	A – 1
APPENDIX B	: Data of Transfer Pricing .....	B – 1
APPENDIX C	: Data of Income Tax .....	C – 1
APPENDIX D	: Data of Bonus Mechanism .....	D – 1
APPENDIX E	: Data of Research Variable .....	E – 1
APPENDIX F	: Result of SPSS .....	F – 1

