

THE EFFECT OF CAPITAL STRUCTURE AND CORPORATE INCOME TAX PAYABLE ON PROFIT MANAGEMENT IN MANUFACTURING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE IN 2022-2024

M. Tarmizi¹, Yuli Maylena², Sujeni³, Ditto Adding Adobe⁴, Gilang Pranajasakti⁵

^{1,2,3,4,5} Management Study Program, Faculty of Economics, Social and Humanities universitas Ahmad Dahlan Cirebon, Indonesia.

*email: tarmizimuhammad98@gmail.com

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Abstract

This study aims to determine how much influence the analysis of the influence of capital structure and corporate income tax payable has on earnings management in manufacturing companies listed on the Indonesia Stock Exchange. The data analysis method is a type of secondary data with a research sample of 54 companies. The data analysis method used is secondary data type analysis. Using SPSS 23 software in data processing. Data collection techniques use documentation techniques. The results of the study obtained based on the partial test (t test) were obtained: There is an influence of capital structure on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the period 2022-2024, There is no influence of corporate income tax payable on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the period 2022-2024, There is an influence of capital structure and corporate income tax payable on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the period 2022-2024.

1. INTRODUCTION

Background of the Problem

In the era of globalization and economic development, company managers are increasingly exploring ways to grow their businesses, from small to large. Therefore, company management is required to effectively manage company performance. One important indicator in evaluating company performance is financial reports, which provide information on the company's current and future financial condition.

According to Sembiring (2021), earnings management is an act of intervention by company managers by increasing or decreasing profits in the preparation of the company's financial reports.

There was a phenomenon regarding earnings management that occurred at the entity PT. Tiga Pilar Sejahtera Food, Tbk. (AISA) which occurred on March 12, 2019. Based on an audit by the Public Accounting Institution Ernst & Young, there were allegations of violations committed by the previous management. IS regarding the 2017 financial report. There was a dispute between the old and new management. The old management was suspected of inflating the company's 2017 financial report by 4 trillion rupiah. As a result, the information contained in the financial report provided information which is useful for investor in the future and also due to the discovery of alleged inflation or swelling. The financial report's revenue figures were 662 billion rupiah and EBITDA was inflated by 329 billion rupiah. Another finding was the flow of funds amounting to 1.78 billion rupiah to parties affiliated with the previous management (Hana, 2023).

From the above phenomenon, it can be seen that earnings management plays a role in financial reporting, providing information about a company's financial statements. Earnings management is a management effort to influence financial statement information to attract investors or stakeholder. Those who want to know information about a company's financial reports and the development of a company's performance, Husni & Indayu (2022) state that the table below summarizes the profit data for manufacturing companies on the Indonesia Stock Exchange for 2020-2024:

Graphic 1. Profit Management Data for Manufacturing Companies Listed on the Indonesia Stock Exchange for 2020-2024



Source: Financial report (Secondary data processed)

The graph above shows fluctuations in earnings management in manufacturing companies from 2020 to 2024. In 2020, earnings management was 2.45. It then decreased to 1.24 in 2021. It increased to 2.11 in 2022. In 2023, it decreased to 1.87, and in 2024, the average earnings management rate reached 1.97 as big as 1.65. Several factors influence corporate earnings management, including profitability, leverage, company size, company growth, managerial ownership, income tax, and capital structure. However, this study only focuses on two factors: capital structure and corporate income tax payable. With these two factors, focused This aims to assess the influence of capital structure and corporate income tax payable on earnings management.

According to Sulistyana (2025), capital structure is part of the financial structure. While the financial structure reflects the composition of all sources used to finance assets, the capital structure only reflects the extent of long-term sources used to finance assets. Capital structure reflects long-term spending. Therefore, in practice, capital structure is used in this study.

Research conducted by Widyasari (2025) and Alafiyah (2024) found that capital structure influences earnings management. This contrasts with research conducted by Rahayu (2024), which found that capital structure had no effect on earnings management.

Corporate income tax payable reflects a company's obligation to the government for income earned during a specific period. When the tax burden increases, companies tend to manipulate their financial statements to lower taxable profit. This practice is known as earnings management, where companies manipulate revenue or expenses to appear lower to minimize the amount of tax paid (Pakombong, 2022).

According to a study conducted by Sari & Setiawan (2023), there is a significant positive relationship between corporate income tax payable and the level of earnings management practices in the consumer goods sector listed on the Indonesia Stock Exchange.

Based on the background of the problem and the inconsistency of the results of previous research, the author is interested in returning to do research with the title "**Analysis of the Influence of Capital Structure and Corporate Income Tax Payable on Profit Management in Manufacturing Companies Listed on the Indonesia Stock Exchange**".

Problem Formulation

Based on the background of the problem that has been stated above, the formulation of the problem in this research is:

1. How does capital structure affect earnings management in manufacturing companies listed on the Indonesia Stock Exchange?
2. How does corporate income tax payable affect earnings management in manufacturing companies listed on the Indonesia Stock Exchange?
3. How does capital structure and corporate income tax payable affect earnings management in manufacturing companies? recorded on the Indonesia Stock Exchange?

Research purposes

Based on the problem formulation above, it can be concluded that the objectives of this research are:

1. To analyze the influence of capital structure on earnings management in companies listed on the IDX.
2. To analyze the influence of corporate income tax payable on profit management in companies listed on the IDX.
3. To analyze the influence of capital structure and corporate income tax payable on earnings management in companies listed on the IDX.

2. LITERATURE REVIEW

Earnings Management

Earnings management is a deliberate process, within the limits of financial accounting standards, to direct earnings reporting at a certain level (Sari, 2022). Earnings management does not always mean the deliberate manipulation of accounting information. Furthermore, earnings management can be defined as the selection of accounting methods within GAAP limits, carried out by management for specific purposes. While earnings management does not always indicate negative behavior, it will but it can undermine stakeholder and shareholder confidence, reduce the value of financial reports, and deem the information less reliable for decision-making. Earnings management can have serious consequences, as it can mislead stakeholders when examining financial reports.

Factors practice Earnings Management

According to Novita, (2022) there are three factors that can be linked to the emergence of practice earnings management, namely:

1. Accruals management: This factor is usually related to all activities that can affect cash flow and profits which are personally the authority of managers (managers discretion).

2. Implementation of a mandatory accounting policy: This factor is related to the manager's decision to implement an accounting policy that must be implemented by the company, namely between implementing it earlier than the specified time or postponing it until the policy comes into effect.
3. Voluntary changes in assets: this factor is usually related to the manager's efforts to replace or change a particular accounting method among the many methods that can be chosen which are available and recognized by existing accounting bodies (generally accepted accounting principles).

Factors Affecting Real Management

(Sulistiawan, 2019) put forward the factors that related with manager behavior in selecting accounting policies, namely:

1. Bonus Plan Hypothesis (*Bonus Plan Hypothesis*) That is, managers who have information about the company's net profit will act opportunistically to carry out profit management by maximizing current profits.
2. Money Equity Hypothesis (*Debt Covenant Hypothesis*) That is, in order to maintain their good name and reputation, management will try to increase profits by using accounting methods so as not to violate the credit agreement that has been made.
3. Political Cost Hypothesis (*Political Cost Hypothesis*) That is, earnings management is used to reduce the profits reported by the company.

Earnings Management Measurement

According to Putri, (2024) profit management carried out by companies can be measured using the Jones measurement model. The stages of calculating earnings management are as follows:

1. Finding Total Accruals

$$TAC_{it} = NI_{it} - CFO_{it}$$

Information:

TAC_i = Total Accruals of company i in year t

NI_i = Net Income (net profit) of company i in year t

CF_i = Operating Cash Flow of company i in year t

2. Calculating Nondiscretionary Accruals

$$NDA_{i,t} = a1 + \frac{1}{TA_{i,t-1}} + a2 \frac{REV_{it} - REC_{it}}{TA_{i,t-1}} + a3 \frac{PPE_{i,t}}{TA_{i,t-1}}$$

Information:

NDA = Nondiscretionary Accruals of company i in year t

TA_i = Total Assets of company i in year t-1

ΔREV_i = Revenue of company i in year t minus revenue in year t-1

ΔREC_i = Receivables of company i in year t minus receivables in year t-1

PPE_i = Fixed Assets (gross, property, plant and equipment) company in year t

3. Calculating Discretionary Accruals Value Discretionary accruals

$$DAC_{it} = \frac{TAC_{it}}{TA_{i,t-1}} - NDA_{it}$$

Information:

DAC_i = Discretionary Accruals of company i in year t

TAC_i = Total Accruals of company i in year t

TA_i = Total Assets of company i in year $t-1$

NDA = Nondiscretionary Accruals of company i in year t

Capital Structure

According to Brigham, (2020) capital structure is a description of the form of a company's financial proportions, namely between owned capital sourced from long-term debt (long-term liabilities) and equity (shareholders' equity) which is a source of financing for a company.

Capital Structure Components

According to Annisa, (2022) the capital structure of a company generally consists of foreign capital and equity, the following is an explanation of these two components.

1. Foreign Capital/Long-Term Debt

Foreign capital is capital originating from outside the company that is temporarily employed within the company, and for the company it constitutes debt, which must be repaid at some point. Foreign capital or debt can be divided into three categories, namely:

- a. Foreign capital/short-term debt, namely short-term debt, namely less than one year.
- b. Foreign capital/intermediate-term debt, namely the term of which is between 1 and 10 years.
- c. Foreign capital/long-term debt, namely that which has a term of more than 10 years.

2. Foreign capital/long-term debt is debt with a term generally exceeding ten years. This long-term debt is generally used to finance company expansion or modernization, as the capital required for these purposes is substantial. Types of long-term debt include bonds and mortgages.

a. Bond loans

A bond loan is a long-term loan in which the debtor issues a debt acknowledgment note for a specified amount. Repayment of the bond loan can be funded by depreciation of the fixed assets used for the bond loan and profits.

b. Mortgage loan

A mortgage loan is a long-term loan in which the lender (creditor) is given mortgage rights to an immovable object, so that if the debtor does not fulfill his obligations, the object can be sold and the proceeds from the sale can be used to cover his bills.

3. Shareholder's equity

Equity is capital originating from the company's owners and invested in the company for an indefinite period. Equity comes from both internal and external sources. Internal sources come from the company's profits. External sources come from capital derived from the company's owners. Equity in a limited liability company (PT) consists of:

4. Share capital of shares

Ordinary share capital is proof of participation or participation in a limited liability company (PT), where the share capital consists of:

a. Common stock

Common stock is a form of long-term capital component invested by investors, where the owner of this stock, by owning this stock, means that he is buying the prospect and is ready to bear all risks in the amount of the invested funds.

b. Shares preference (preferred stock)

Preferred shares are a form of long-term component whose compensation (dividends) is paid first (primarily) before paying compensation for common shares.

c. Retained earning

Retained earnings are the remaining profit from profits paid as dividends. This component of equity represents the company's capital that is at risk for all risks, both risk business and other risks of loss. This equity does not require any guarantee or obligation to repay under any circumstances, nor is there any certainty regarding the repayment period for the invested capital. Therefore, each company must have a

minimum amount of capital necessary to ensure its survival. Permanent equity is embedded in the company and can be calculated at any time to maintain its survival and protect it from the risk of bankruptcy.

d. Proposal

Reserves are profits earned by a company over a period of time/year or from the current year which are set aside as reserves. Reserves include capital.

It self is an expansion reserve, working capital reserve, exchange rate reserve, reserve to accommodate unexpected things or events.

Benefits of Capital Structure

According to Kewa (2020), capital structure is very important for a company because it will affect the company's financial position, which will ultimately affect the company's value. By knowing the composition of a good and correct capital structure, a company can avoid risks that can cause the company to experience a decline in achieving its goals, as it is known that the use of equity or borrowed capital will have an impact on the company. The higher the capital structure ratio, the greater the number of long-term loans, so that more of the operating profit is used to pay fixed interest expenses, and more cash flow is used to pay loan installments, resulting in less net profit after tax that will be received by the company. The measurement of capital structure is as follows:

$$\text{Debt to Equity Ratio} = \frac{\text{Total Debt}}{\text{Total Modal}}$$

Corporate Income Tax Payable

According to Jumaiyah (2021), corporate income tax is a tax imposed on companies in relation to income received or obtained during one tax year. According to Financial Accounting Standards number 46, it is a tax that is calculated based on tax regulations and this tax is imposed on the taxable profit of the entity. Income Tax Article 21 or what is commonly known as also called as Article 21 Income Tax which is imposed on income in the form of salary, wages, honorarium, allowances, and other payments under any name related to work, services, or activities carried out by an individual taxpayer in the country.

Corporate Income Tax Rates Due

Previously, the general corporate income tax rate was 28% of taxable income, which was then reduced to 25% starting in 2010, in accordance with Article 17 paragraph (2a) of Income Tax Law No. 38/2008. Then through Law No. 2 of 2020 Article 5 paragraph (1), the Corporate Income Tax rate was reduced to 22% which is effective starting in the 2020 and 2021 Tax Years. Next, through Law PPH No. 7/2021, the Corporate Income Tax rate was re-established at 22% starting from the 2022 Tax Year until now (Homy & Widjaja, 2022).

The calculation of corporate income tax payable is as follows:

$$PPBT = 50\% \times 20\% \times \text{Profit Before Tax}$$

Variable Study

According to Sugiyono (2019), a research variable is defined as a measurable or observable characteristic or attribute of an individual or organization that varies across individuals and organizations. The variables used in this study are independent variables (the influencing variable) and dependent variables (the affected variable). The operational definition is as follows:

1. Independent variable (X), according to Sugiyono (2019) the independent variable (free variable) is a variable that influences, which is the cause of changes or the emergence of the dependent variable (bound).
2. Dependent Variable (Y), according to Sugiyono (2019) The dependent variable (bound variable) is a variable that is influenced or becomes a consequence, due to the presence of the independent variable.

Operational Variables

The following are the operational variables in the research:

Table 1: Operational Definitions and Measurement of Variables

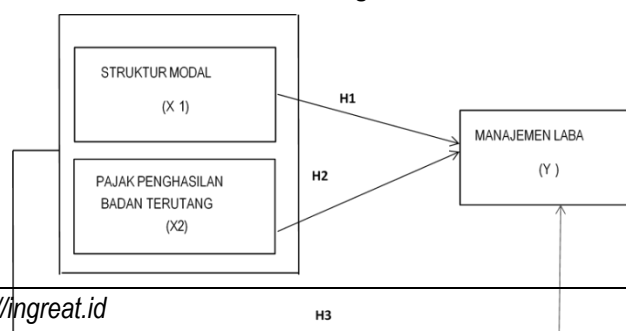
Variable	Variable Concept	Indicators	Scale
Manajemen Laba (Y)	According to Novita, (2022) there are three factors that can be linked to the emergence of practice earnings management, namely: 1. Accruals management: This factor is usually related to all activities that can affect cash flow and profits which are personally the authority of managers (managers discretion). 2. Implementation of a mandatory accounting policy: This factor is related to the manager's decision to implement an accounting policy that must be implemented by the company, namely between implementing it earlier than the specified time or postponing it until the policy comes into effect. 3. Voluntary changes in assets: this factor is usually related to the manager's efforts to replace or change a particular accounting method among the many methods that can be chosen which are available and recognized by existing accounting bodies (generally accepted accounting principles).	$DACit = \frac{TACit}{Tait-1} - NDAit$	Ratio
Capital Structure (X1)	According to Kewa (2020), capital structure is crucial for a company because it impacts the company's financial position, which in turn impacts its value. By understanding the correct composition of the capital structure, a company can avoid risks that could hinder its ability to achieve its goals, such as the impact of using equity or borrowed capital on the company.	$\text{Debt to Equity Ratio} = \frac{\text{Total Debt}}{\text{Total Modal}}$	Ratio
Income tax A lot Owed (X2)	According to Jumaiyah (2021), corporate income tax is a tax imposed on bodies regarding income received or obtained during one tax year.	$PPBT = 50\% \times 20\% \times \text{Profit Before Tax}$	Ratio

Source: data processed by the author (2025).

Thinking Framework

The thinking framework scheme is arranged as in figure 1 below:

Picture 1: Thinking Framework



3. RESEARCH METHODS

Place and Time of Research

This research was conducted at the Indonesia Stock Exchange (BEI) because this research uses Financial Report Analysis with the Method *Multiple Linear Regression* To determine the effect of capital structure and corporate income tax payable on earnings management. This research period was May–August 2025.

Data Types and Sources

Data Types

According to Sugiyono (2017), there are two types of data, namely qualitative and quantitative:

- Qualitative data consists of words, sentences, or images. Research conducted by researchers at manufacturing companies listed on the Indonesian Stock Exchange used qualitative data, including literature studies and documentation related to the company's history.
- Quantitative data is data in the form of numbers. Research conducted by researchers at manufacturing companies listed on the Indonesian Stock Exchange used quantitative data, specifically data related to financial reports.

Data source

According to Sujarweni (2018), a data source is the subject from which the data is obtained. Furthermore, the data source in this study, which uses secondary data, is a source and data that is physically proven and has been published and listed on the Indonesia Stock Exchange. www.idx.co.id.

Population and Sample

Population

According to Sugiyono (2020), a population is a generalized area consisting of objects or subjects with specific quantities and characteristics determined by the researcher to be studied and then conclusions drawn. The population used in this study was 251 companies listed on the Indonesia Stock Exchange (IDX) from 2022 to 2024.

Sample

A sample is a subset of the population's number and characteristics (Sugiyono, 2020). The sampling method used in this study is purposive sampling, which is a sample determined based on specific criteria. The criteria used as the basis for determining the sample in this study are 162 manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2022-2024, or 54 samples multiplied by the 3 years of research.

Data Collection Techniques

Data collection techniques are a method used to obtain data as a form of research reference so that when writing scientific papers, the writing and data collection techniques are precise and correct. In financial report analysis research using the multiple linear regression method. Influence structure capital and corporate income tax payable to earnings management in manufacturing companies listed on the stock exchange Indonesia years 2022-2024 the techniques used for data collection are obtained by means of:

- Literature Study (*Library Research*)

Data collection through research conducted in the library by searching for literature or materials related to the research.

- Online Data Search (*Internet Searching*)

Data collection techniques using technology in the form of search tools/engines on the internet where all information from various eras is available in it. *Internet searching* It is very easy to help researchers find

files/data where the speed, completeness and availability of data from various years are available. Searching for data on the internet can be done in the following ways: *searching, browsing, surfing or downloading*.

c. Documentation

According to Sugiyono (2019), documentation is a method used to obtain data and information in the form of books, archives, documents, written figures, and images, in the form of reports and descriptions that can support research. Documentation is used to collect data and then process it. The documentation in this study uses physical data published on Google, specifically on the Indonesia Stock Exchange www.idx.co.id.

Data Analysis Techniques

When conducting research on financial report analysis using the regression method linear double to find out influence structure capital and corporate income tax payable to earnings management in manufacturing companies listed on the stock exchange Indonesia 2022-2024.

4. RESULTS AND DISCUSSION

Result

Descriptive Statistical Test

Table 2: Results of Descriptive Statistical Tests

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
MANAJEMEN LABA	162	.09	4.27	2.8831	1.28446
STRUKTUR MODAL	162	.24	4.37	2.4355	1.28197
PAJAK PENGHASILAN	162	2.86	5.18	4.1951	.70596
BADAN TERUTANG	162				
Valid N (listwise)	162				

Source: processed data from SPSS 23

Based on table 2, it shows that from 162 observations, the research data can be explained as follows:

1. The earnings management variable has a value minimum of 4.27, the minimum value is 0.09, with a mean of 2.8831, and a standard deviation of 1.28446.
2. The capital structure variable has a value minimum of 4.37, the minimum value is 0.24, with a mean of 2.4355, and a standard deviation amounting to 1.28197.
3. The corporate income tax payable variable has a value minimum of 5.18, the minimum value is 2.86, with a mean of 4.1951, and the standard deviation of 0.70596

Normality Test

Table 3: Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		162
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.88151720
Most Extreme Differences	Absolute	.056
	Positive	.056
	Negative	-.056
Test Statistic		.056
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Source: processed data from SPSS 23

Based on the normality test using the One-Sample testKolmogorov-Smirnov, it can be seen that the significant value of 0.200 is above 0.05. This indicates that the residual research data distributed normal.

Test Multicollinearity

Table 4: Test ResultsMulticollinearity

		Coefficients ^a	
		Collinearity Statistics	
Model		Tolerance	VIF
1	STRUKTUR MODAL	.999	1.001
	PAJAK PENGHASILAN	.999	1.001
	BADAN TERUTANG		

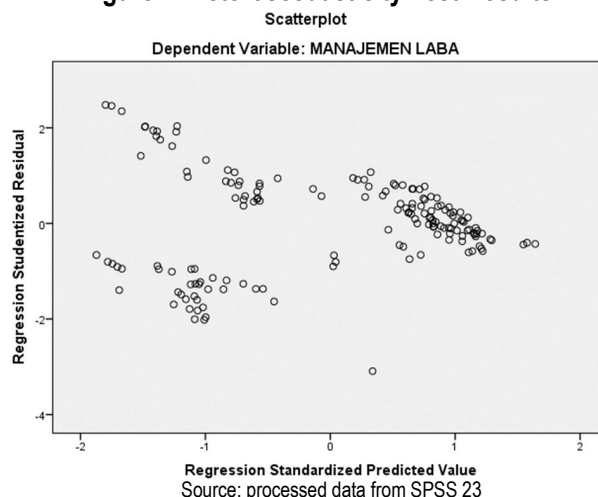
a. Dependent Variable: MANAJEMEN LABA

Source: processed data from SPSS 23

The table shows that the diversity of capital structure has a tolerance value of $0.999 > 0.1$ and a VIF value of $1.001 < 10$ and the variable of corporate income tax payable has a tolerance value of $0.999 > 0.1$ and a VIF value of $1.001 < 10$. All variables independent.

Heteroscedasticity Test

Figure 2: Heteroscedasticity Test Results



Based on the output above, it can be seen that the points are spread out and do not form a particular pattern, so it can be concluded that there is no heteroscedasticity problem.

Autocorrelation Test

Table 5: Autocorrelation Test Results

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.727 ^a	.529	.523	.88704	.225

a. Predictors: (Constant), PAJAK PENGHASILAN BADAN TERUTANG, STRUKTUR

MODAL

b. Dependent Variable: MANAJEMEN LABA

Source: processed data from SPSS 23

From the output above, the Durbin Watson (DW) value resulting from the regression model is 0.225, while from the DW table with a significance of 0.05 and the number of data (n) = 162, and k = 2, the dl value is 1.7182 and du is 1.7681. Because the DW value (0.225) is smaller than dl, the null hypothesis is rejected, meaning there is no autocorrelation.

Multiple Linear Regression Test

Table 6: Results of Multiple Linear Regression Test

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	
1	(Constant)	.366	.445		.823
	STRUKTUR MODAL	.724	.055	.723	13.279
	PAJAK PENGHASILAN				
	BADAN TERUTANG	.179	.099	.099	1.811
					.072

a. Dependent Variable: MANAJEMEN LABA

Source: processed data from SPSS 23

$ML = 0.366 + 0.724 \text{ capital structure} + 0.179 \text{ corporate income tax payable}$ From the multiple regression equation above, it can be concluded that:

1. The constant value is 0.366, meaning that if the capital structure and corporate income tax payable have a constant value (fixed), then the value of the earnings management variable is 0.366.
2. The regression coefficient of the capital structure variable is 0.724. If the capital structure variable increases by one (1) unit, assuming the corporate income tax payable variable has a constant (fixed) value, then the profit management variable will decrease by 0.724.
3. The regression coefficient of the corporate income tax payable variable is 0.179. If the corporate income tax payable variable increases by one (1) unit, assuming the capital structure variable has a constant (fixed) value, then earnings management will increase by 0.179.

Partial Test (t-Test)

Table 7: Partial Results (t-Test)

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	
1	(Constant)	.366	.445		.823
	STRUKTUR MODAL	.724	.055	.723	13.279
	PAJAK PENGHASILAN				
	BADAN TERUTANG	.179	.099	.099	1.811
					.072

a. Dependent Variable: MANAJEMEN LABA

Source: processed data from SPSS 23

Based on the t-test results in the coefficients table, the capital structure variable has a t-value of 13.279 with a significance level of 0.000, less than 0.05. This indicates that capital structure has a positive and significant

effect on earnings management. This means that the higher the company's capital structure, the greater the earnings management practices carried out. Meanwhile, the corporate income tax payable variable has a t-value of 1.811 with a significance level of 0.072, greater than 0.05. These results indicate that corporate income tax payable does not have a significant effect on earnings management, although the direction of the relationship is positive. Thus, it can be concluded that of the two independent variables tested, only capital structure is proven to have a significant effect on earnings management, while corporate income tax payable does not have a significant effect.

Simultaneous Test (F Test)

Table 8: Simultaneous Results (F Test)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	140.514	2	70.257	89.290	.000 ^b
	Residual	125.109	159	.787		
	Total	265.623	161			

a. Dependent Variable: MANAJEMEN LABA

b. Predictors: (Constant), PAJAK PENGHASILAN BADAN TERUTANG, STRUKTUR MODAL

Source: processed data from SPSS 23

Based on the table above, the Fung value is 89.290 with a significance level of 0.000 < 0.05. Therefore, the author concludes that the influence of capital structure and corporate income tax payable has a significant influence on earnings management in manufacturing companies listed on the Indonesia Stock Exchange in 2022-2024.

Coefficient of Determination Test (R2)

Table 9: Results) Coefficient of Determination (R2)

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.727 ^a	.529	.523	.88704	.225

a. Predictors: (Constant), PAJAK PENGHASILAN BADAN TERUTANG, STRUKTUR MODAL

b. Dependent Variable: MANAJEMEN LABA

Source: processed data from SPSS 23

Based on the table above, the Adjusted R² (R square) figure is 0.529 or 52.9%, this shows that the percentage contribution of the capital structure variable and corporate income tax payable to earnings management is 0.529 or 52.9%, while the remaining 47.1% is influenced by other variables outside this study, namely ownership structure, audit quality and others.

5. CONCLUSION

Based on the results of the analysis and research calculations conducted by researchers regarding the influence of capital structure and corporate income tax payable on earnings management in manufacturing companies listed on the Indonesian Stock Exchange in 2022-2024, researchers can draw the following conclusions:

1. There is an influence of capital structure on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the 2022-2024 period.
2. There is no influence of corporate income tax payable on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the 2022-2024 period.

3. There is an influence of capital structure and corporate income tax payable on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the 2022-2024 period.

6. SUGGESTION

Based on the above conclusions, there are suggestions as follows:

1. For Companies
 - a. It is necessary for company management to pay special attention to the decline in earnings management.
 - b. Companies must remain consistent in always increasing profits, so that profits continue to increase and can provide added value for the company.
2. For Further Researchers
 - a. It would be better to add other variables that are not used in this study.
 - b. It would be better to extend the years or research period so that the results obtained from this research are better.

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