

ABSTRACT

This research is aimed to analyze and get empirical evidence about the influence of tax, bonus mechanisms and tunneling incentive on transfer pricing decision. The analysis used independent variable of tax, bonus mechanisms and tunneling incentive. The dependent variable is transfer pricing decision.

The sample used in this research was manufacture company which are listed at Indonesian Stock Exchange from 2012 until 2014. The sample was taken using the method of purposive sampling, it was found that 37 companies as the reseach sample. Researches uses logistic regression analysis as analysis method.

The result of this research showed that tax and tunneling incentive have significant influence on transfer pricing decision. On the other hand, bonus mechanisms does not significant influence on transfer pricing decision.

Keywords : Transfer Pricing, Tax, Bonus Mechanisms, Tunneling incentive