THE EFFECT OF OWNERSHIP STRUCTURE ON FIXED ASSETS REVALUATION WITH TAX INCENTIVES AS MODERATING VARIABLES

Muhammad Syafiqurrahman; Doddy Setiawan; Sri Suranta; Djoko Suhardjanto
Accounting Department, Faculty of Economics and Business, University of Sebelas Maret

Abstract; *This study aims to determine effect of ownership structure on revaluation of fixed assets with tax incentives as a moderating variables. The ownership structure is indicated by company size, intensity of fixed assets, price ratio to book value and leverage. The data used in this study are secondary data obtained from the annual reports of companies listed on the Indonesia Stock Exchange (IDX) which amounted to 198 manufacturing companies in 2014 and 2015. This study uses purposive sampling with a logistical analysis model. The results of this study indicate that firm size, intensity of fixed assets, and leverage do not affect the revaluation of fixed assets, while the price ratio towards book value has negative effects on the revaluation of fixed assets. In addition, tax incentives is not a moderate variables.*

Abstrak; Penelitian ini bertujuan untuk mengetahui pengaruh struktur kepemilikan terhadap revaluasi aset tetap dengan insentif pajak sebagai variabel moderat. Struktur kepemilikan ditunjukkan dengan ukuran perusahaan, intensitas aset tetap, rasio harga terhadap nilai buku dan *leverage*. Data yang digunakan dalam penelitian ini merupakan data sekunder yang diperoleh dari laporan tahunan perusahaan yang terdaftar dalam Bursa Efek Indonesia (BEI) yang berjumlah 198 perusahaan manufaktur pada tahun 2014 dan 2015. Penelitian ini menggunakan metode pengambilan sampel yaitu *purposive sampling* dengan model analisis logistik. Hasil penelitian ini menunjukkan bahwa ukuran perusahaan, intensitas aset tetap, dan *leverage* tidak berpengaruh terhadap revaluasi aset tetap, sedangkan rasio harga terhadap nilai buku berpengaruh negatif terhadap revaluasi aset tetap. Selain itu, insentif pajak bukan merupakan variabel moderat.

INTRODUCTION

Tax is a mandatory contribution in a community. For a country, tax is the largest revenue. The state revenue can be in a form of other income, grants, contributions as well as taxes (Nordiawan, et. al., 2010). The income is managed by the state for the welfare of the entire community. In 2015, Indonesia targeted tax revenues of Rp 1,294 trillion. In order to meet the large tax target, the government stipulates PMK No. 191/PMK.010/2015 which regulates the tax rate on fixed asset revaluation. The previous final PPh rates of 10% fell to 3% per October 20, 2015 to December 31, 2015. On January 1, 2016 to June 30, 2016, it became 4% and 6% for July 1, 2016 to December 31, 2016. Such target is made by the government, so that many companies revalue their fixed assets and to increase revenues from the tax sector. However, in fact, the strategy was unsuccessful. At the end of November, tax revenues were still far from expectations. Reported from the website of the Directorate General of Taxes, the budget realization until November 30, 2015 was Rp. 876.975 trillion. This amount, if calculated, only reaches 67.6% of the tax target. The failure of the realization of tax revenue also affected the resignation of Sigit Priadi Pramudito from his position as Director General of Taxes.

This problem is necessary to discuss, because as mentioned earlier, tax is the largest revenue of the country. With this income, the government can have developments to improve the welfare of the community through planned programs. If a country's income is insufficient, the planned programs will be hampered and will also have an impact on the country's development.

Some studies have revealed several factors which affect the revaluation of fixed assets. In the research of Lin and Peasnell (2000), revaluation is positively influenced by debt, company size and asset intensity. Whereas in the research of Iatridis and Kilirgiotis (2012), the results show that the revaluation of fixed assets is influenced by company size, external operations, fixed asset intensity, leverage and acquisition. In the research of Choi, et., al (2013), companies are interested in revaluing fixed assets if the number of assets owned is large, having high leverage ratio, requiring large funds and having been revalued. In the domestic research itself, Yulistia, et. al., (2015) found no factors that significantly affected asset revaluation. In Brazil, fixed asset revaluation research was conducted by Lopes and Walker (2012). In this study the price ratio of book value, assets, fixed assets, liquidity, external debt, year and depletion assets have a positive effect on revaluation of fixed assets. In Sweden, the study was conducted by Pierra (2007). In the study, leverage, ownership status, international stakeholders and company size have a positive effect on revaluation of fixed assets.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Research on asset revaluation has been conducted in a particular research in Brazil, Lopes and Walker (2012). It indicated that the price to book value ratio, assets, fixed assets, liquidity, external debt, year, and asset depletion had a positive effect on asset revaluation. The study used a sample of all types of companies except financing and insurance types from 1998 to 2004. Previous studies on asset revaluation was conducted by Lin and Peasnell (2000). The research was conducted in the UK with samples of 1106 and 1083 in 1998 and 1991 respectively. Revaluation was positively affected by debt, company size and asset intensity as the result of the study.

In Piera (2007), this study concluded that the revaluation of fixed assets is affected by leverage, ownership status, international stakeholders and company size. This research was conducted in 1994, 1997 and 2000. The samples used in each year include 96, 95 and 103 companies. Iatridis and Kilirgiotis (2012) also conducted research in the UK and obtained results that revaluation of fixed assets is influenced by company size, external operations, fixed asset intensity, leverage and acquisition. This research was conducted with a sample of 239 companies in 2007. The result of this study also showed that there was a negative effect of profit management on revaluation of fixed assets. In the research of Choi, et., al (2013) conducted in Korea, it indicates that companies are interested in revaluing fixed assets if the number of assets owned is large, having high leverage ratio, requiring large funds and having been revalued. The

study was conducted on 302 companies and used the variable of land assets intensity, leverage, equity depletion measure, cash flow, profit, past revaluations, and the price to book value ratio. In domestic research, Yulistia, et. Al., (2015) found no factors that significantly affected asset revaluation. The research was conducted in 2012 and 2013 using a total sample of 226 companies. The different results make the researcher interested in conducting a research regarding the revaluation of fixed assets.
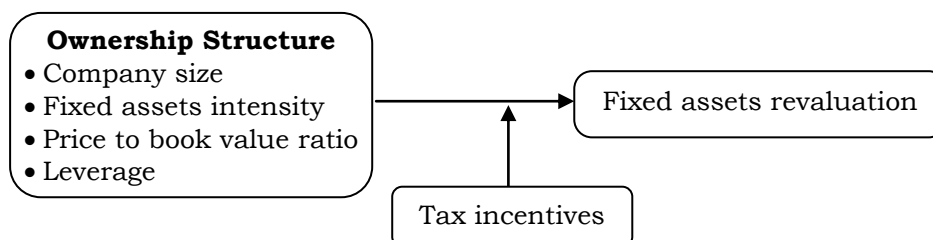

Image 1. Conceptual Structure

Based on the conceptual structure, the hypotheses of this study are:

Company Size

In large companies, managers certainly want financial statements to look better. It motivates managers to choose the revaluation method rather than the cost method. Besides, the larger the company, the greater the responsibility of the company to present financial statements that seem better. Size is also used in the previous studies. In the research of Iatridis and Kilirgiotis (2012), Lin and Peasnell (2000) and Piera (2007), assets have a positive effect on asset revaluation. Meanwhile, in domestic research, Yulistia, et. al., (2015) concluded that company size had no significant effects. From those studies, it can be concluded that the first hypothesis of this study is:

H_1: Company size has a positive effect on asset revaluation.

Tax incentives moderate the influence of company size

Previously it was stated that in large companies, managers tend to do asset revaluation because of tax incentive. Thus, the second hypothesis of this study is:

H_2: At normal tax rates, the relationship between assets and revaluation of fixed assets is weaker than the tax rates with incentives.

Fixed Asset Intensity

The same as assets, if a particular company has a fairly large fixed asset, manager will certainly prefer the revaluation method compared to the cost method. It is done to gain profits and have a better financial statement. In Iatridis and Kilirgiotis (2012) and Lin and Peasnell (2000), the intensity of fixed assets has a positive effect on revaluation of fixed assets. In contrast to previous research, in the research of Yulistia, et al. (2015) fixed assets did not have a significant effect. The third hypothesis of this study is:

H_3: The intensity of fixed assets has a positive effect on asset revaluation.

Tax incentives moderate the intensity of fixed assets

Just like fixed assets, tax rate can boost manager's motivation to revalue their assets. Managers will make use of tax incentives to revalue. Thus, the fourth hypothesis of this study is:

H_4: At normal tax rates, the relationship between fixed assets and revaluation of fixed assets is weaker than the tax rates with incentives.

Price to book value ratio

In a company that has a price ratio to the ledger value, investors see it to have a potential. This definitely puts pressure on the management to measure up to investors' expectations. Therefore, the share price according to a study by Louhichi (2008) can change rapidly once the company announces revenue. Managers will not do things that are at risk of reducing asset value. The risk of asset value that are over-recorded will cause the company to lose trust from investors. Ahmed, Hillier, and Tanusasmita (2011)

argue that this ratio describes the company's future prospects. Managers tend to prefer the cost method rather than the revaluation method. The effect of the price ratio on the value of the book itself on revaluation decisions had been examined by Lin and Peasnell (2000) and et al., (2013). These studies indicated that the price to book value ratio had a negative effect on asset revaluation decisions. This is in line with the previous research (Lopes and Walker, 2012). As a result, the fifth hypothesis of this study is:

H_5: Price to book value ratio has a negative effect on asset revaluation

Tax incentives moderate leverage

Tax rates can boost manager's motivation to revalue. With the existence of tax incentives in the form of a reduction in tax rates, managers will revalue, so the sixth hypothesis of this study is:

H_6: At normal tax rate, the relationship between book price ratio to equity and the revaluation of fixed assets is weaker than the tax rate with incentives.

Leverage

For companies whose capital is mostly debt, they will certainly try to improve their financial statements. By revaluing, it is expected that there will be an increase in asset value so that the proportion of assets is better. Leverage itself is used in the research of Iatridis and Kilirgiotis (2012) and Choi, et., al (2013). The study showed a fact that leverage has a positive effect on revaluation of fixed assets. Hence, the seventh hypothesis of this study is:

H_7: Leverage has a positive effect on asset revaluation.

Tax incentives moderate leverage

The decrease in tax rates will motivate companies to revalue. One of the revaluations will provide the benefits of bettering financial statements. Therefore, the eighth hypothesis of this study is:

H_8: At normal tax rates, the relationship between leverage and revaluation of fixed assets is weaker than the tax rate with incentives.

Tax incentives

In the time when there was a decrease in tax revaluation rates, the company will not miss the opportunity to revalue its fixed assets. Not only to increase assets, but also to display financial statements to suit its expected value. The final hypothesis of this study is:

H_9: Year has a positive effect on asset revaluation.

RESEARCH METHOD

The population in this study is manufacturing companies listed on the Indonesia Stock Exchange from 2014 and 2015 which are 142 companies in total. The reason for including manufacturing companies is that manufacturing companies tend to have more fixed assets for their production needs. Hence, manufacturing companies are more likely to revalue their assets than other types of companies.

The sampling technique in this study is purposive sampling with the following criteria:

1. Manufacturing companies listed on the Indonesia Stock Exchange and announce annual financial reports during 2014 and 2015.
2. Manufacturing companies that have data availability and complete data needed during 2014 and 2015 during the period of study.
3. The manufacturing company's annual financial statements are reported in rupiah.
4. Manufacturing companies that provide financial statements in December 31, 2014 and 2015.

Table 1 Sample Selection Procedure

Description	Amount
Manufacturing companies listed on the Indonesia Stock Exchange in 2014 and 2015	288
Manufacturing companies that do not publish annual reports in 2014 and 2015	14
Manufacturing companies that have incomplete annual reports in 2014 and 2015	16
Manufacturing companies that present financial statements other than December 31, 2014 and 2015	4
Companies that do not present 2014 and 2015 rupiah-denominated financial statements	56
Number of samples in 2014 and 2015	198

Research Variables and Operational Definitions

This study uses dependent variables of fixed assets revaluation, and independent variables of company size, intensity of fixed assets, price to book value ratio, and leverage. In addition, this study also uses tax incentives as a moderating variable.

Independent Variables
Company Size

The size of a company describes how big a company is, which is usually determined by total assets. Company size is used in the research of Piera (2007), Iatridis and Kilirgiotis (2012), and Lin and Peasnell (2000). In this study, company size is calculated according to Lin and Peasnell (2000):

$$Size = Ln\,(Total\,Assets)$$

Fixed Asset Intensity

The intensity of fixed assets illustrates the percentage of the company's fixed assets to total assets. Intensity is used in the research of Iatridis and Kilirgiotis (2012) and Lin and Peasnell (2000). The intensity of fixed assets is calculated by:

$$INTENS = \frac{Fixed\,Assets}{Total\,Assets}$$

Price to Book Value Ratio

Price to book value ratio is a comparison of stock prices with equity divided by book value. It is applied to assess whether or not a company is potential for investors. The price to book value ratio is used in the research of Lin and Peasnell (2000), Choi, et., al (2013), and Lopes and Walker (2012). In Subramanyam and Wild (2014), this ratio is calculated by dividing the market price per share with the book value per share. The price ratio of the book value is calculated by:

$$MV/BV = \frac{Market\,price\,per\,share}{Book\,value\,per\,share}$$

Leverage

Leverage is a comparison between debt and assets. Leverage is used in the research of Piera (2007), Iatridis and Kilirgiotis (2012), and Choi, et., al (2013). Leverage is calculated by:

$$LEVERAGE = \frac{Total\,debtse}{Total\,Assets}$$

Moderating variable

In this study, moderating variables are used. The moderating variable is tax incentives. The calculation of tax incentives are:
1 = if there is a revaluation of tax incentive in that year
0 = if there is no revaluation of tax incentive in that year

Dependent Variable
The dependent variable used in this study is asset revaluation. Based on Lin and Peasnell (2000) asset revaluation is calculated by:
1 = if the company revalues
0 = if the company does not revalue

FINDINGS AND DISCUSSION

This study uses logistic regression test to answer the effect of all independent variables on the dependent variables in the form of a dummy variable.

Descriptive statistics
In descriptive statistics, research is conducted on the mean (average value), standard deviation, minimum and maximum values. This is done to find out the overview of sample data.

Table 2. Results of Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation
Size	198	8.88	19.32	14.3774	1.61456
Intensity	198	.03	323.35	2.0708	22.94901
Ratio	198	.10	58.48	2.8771	6.92509
Leverage	198	.04	532.99	3.1467	37.84620
Valid N (listwise)	198				

Source: Secondary data that has been processed

Model Feasibility Testing
Homesher and Lemeshow Test
Homesher and Lemeshow test is conducted to determine the compatibility between models with empirical data (Ghozali, 2011). The criteria of Homesher and Lemeshow test are as follows, if the statistics value of Homsher and Lemeshow Goodness-of-fit is > 0.05, then the model is accepted because it matches the empirical data.

Table 3 Homesher and Lemeshow Test Results

Step	Chi-square	df	Sig.
1	6,518	8	,589

Source: Secondary data that has been processed

From the results of the SPSS output, there is a significance value of 0.589 which is greater than 0.05, which means the model is acceptable.

Model fit testing
In testing the fit model, the criterion is by looking at the statistical value -2LogL. This test is conducted to determine whether or not the addition of independent variables to the model will improve the model fit.

Table 4 Model Fit Test Results

		Chi-square	Df	Sig.
	Step	14.463	4	.006
Step 1	Block	14.463	4	.006
	Model	14.463	4	.006

Source: Secondary data that has been processed

Testing the entire model
By testing the entire model, the value of Nagelkerke R Square can be seen. Nagelkerke R Square itself is the same as R Square in linear regression, which interprets how much the entire independent variable can describe the dependent variable. The greater the value of Nagelkerke R Square, the better the model is used.

Table 5 Entire Model Test Results

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	182.021[a]	.070	.112

Source: Secondary data that has been processed

Hypothesis testing
Wald test
        Wald test is conducted to determine if an independent variable has a significant effect on the dependent variable. The Wald test itself is the same as the t test in linear regression. The criteria for the Wald test are:
1. If the significance value is < 0.05, then the hypothesis is accepted. It indicates that the independent variable has a significant effect on the dependent variable.
2. If the significance value is > 0.05, then the hypothesis is rejected. It indicates that the independent variable has no significant effect on the dependent variable.

Table 6. Wald Test Results

		B	S.E	Wald	Df	Sig.	Exp (B)
Step 1[a]	SIZE	,226	,125	3,237	1	,072	1,253
	INTENSITY	-,100	,849	,014	1	,906	,905
	RATIO	-,493	,180	7,493	1	,006	,611
	LEVERAGE	,053	,515	,011	1	,918	1,055
	Constant	-3,865	1,729	4,999	1	,025	,021

a.(Variable(s)entered on step 1: INTENSITY, RATIO, LEVERAGE
Source: Secondary data that has been processed

        The following are the results of data analysis used to answer the effect of all tax incentive variables on the revaluation of fixed assets in the form of dummy variables:

Model Fit Testing

Table 7 Model Fit Test Results

		Chi-square	Df	Sig.
	Step	104.347	1	.000
Step 1	Block	104.347	1	.000
	Model	104.347	1	.000

Source: Secondary data that has been processed

        By using the chi square technique, research findings show that the independent variables have a significant and joint effect on the dependent variable, which is the revaluation of fixed assets. It is shown by the chi square value of 104,347 and significance value of 0.00 < 0.05.

Entire Model Testing

Table 8. Test results for the entire model

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	182.021[a]	.070	.112

Source: Secondary data that has been processed

        Based on Nagelkerke R square coefficient in the summary model, it can be concluded that independent variables give an influence by 65%.

Hypothesis Testing
Wald Test

Table 9. Wald Test Results

	B	S.E	Wald	Df	Sig.	Exp (B)
Step1[a] INSENTIF BY UKURAN	1.952	2953,999	,000	1	,0999	7,044
INTENTIF BY INTENSITAS	-3,096	84509,500	,000	1	1,00	,045
INSENTIF BY RASIO	-,759	17548,036	,000	1	1,00	,468
INSENTIF BY LEVERAGE	-,322	20060,594	,000	1	1,00	,725
Constant	-2,504	,288	75,347	1	000	,021
a. (Variable(s)entered on step 1: INTENSITAS, RASIO, LEVERAGE						

Source: Secondary data that has been processed

From the table, it can be concluded that tax incentives are not a moderate variable because in the Wald test, the overall value is < 0.05.

Discussion
The size of company positively affects the asset revaluation
The first hypothesis (H1) is rejected. Based on the results of study, the size of company has no effect on asset revaluation. This result is in line with the research conducted by Yulistia et al. (2015) and Nurjanah (2013), but contradict with the study of Seng & Su (2010). According to Yulistia et al. (2015), company size is not a factor that influences company managers to carry out upward revaluation.

At normal tax rates, the relationship between company size and revaluation of fixed assets is weaker than the tax rate that with incentives.
The second hypothesis (H2) is rejected. Tax incentives do not affect the relationship between assets and revaluation of fixed assets. Therefore it can be concluded that the size of a company does not affect the company in terms of revaluing assets. This is possible because the costs incurred in revaluing assets are not comparable to the tax imposed, thus large and small companies are not interested in doing so (Yulistia et al., 2015).

The intensity of fixed assets positively affects the asset revaluation
The third hypothesis (H3) is rejected. The results of this study are in line with the research by Yulistia et al. (2015) and the opposite of Nurjanah's research (2013). According to Yulistia et al. (2015), the intensity of fixed assets does not affect the company in revaluing assets, because even though fixed assets are used in most of the operational activities of the company, it doesn't become a major consideration for companies in revaluing fixed assets.

At normal tax rates, the relationship between fixed assets and revaluation of fixed assets is weaker than the tax rates with incentives.
The fourth hypothesis (H4) is rejected. Incentives do not affect the relationship between fixed assets and asset revaluation. This is due to the cost of revaluing assets. According to Yulistia et al. (2015), although there are incentives, the costs incurred in revaluing assets may still exceed the taxes that the company must pay.

Price ratio to book value negatively affects the asset revaluation
The fifth hypothesis (H5) is accepted. These results are in line with Andison's research (2015), but deny Tay's (2009) study. Ahmed, Hillier, and Tanusasmita (2011) argue that this ratio describes the company's future prospects. If the ratio of stock prices to book value is higher, then it will affect the growth or undervalued assets, and if so, it decreases the policy of the company to revalue fixed assets (Lin and Peasnell, 2000).

At normal tax rates, the relationship between book price ratio to equity and the revaluation of fixed assets is weaker than the tax rate with incentives.
The sixth hypothesis (H6) is rejected. The presence or absence of an incentive tax rate does not affect the ratio of stock prices to book value on asset revaluation, because

the company focuses more on its debt contract. According to Lin and Peasnell (2000), debt contracts cannot be guaranteed without a sufficiently high proportion of intangible assets in the balance sheet, and hence, will affect the fixed asset revaluation policy.

At normal tax rates, the relationship between leverage and revaluation of fixed assets is weaker than the tax rate with incentives.

The seventh hypothesis (H7) is rejected. The results of this study indicate that leverage has no effect on asset revaluation, therefore the seventh hypothesis which states that the relationship between leverage and revaluation of fixed assets is weaker than the tax rate with incentives, is failed to be proven. The results of this study are the same as those that are conducted by Yulistia, but contradicts with the research by Piera (2000). According to Yulistia et al. (2015), revaluation as an effective accounting tool in increasing loan capacity is uncertain, because creditors can exclude a revaluation in the basis being used to calculate the debt ratio. Therefore, the size of leverage is not the company's consideration to revalue assets.

Year (period) positively affects the asset revaluation

The eighth hypothesis (H8) is rejected. Although in 2014 to 2015 there was a tax incentive policy, it did not affect a company in revaluing assets. This may be due to cost constraints used to revalue fixed assets. According to Yulistia et al. (2015), asset revaluation requires large costs. Companies may not be interested in revaluing fixed assets because the revaluation costs are greater than the profit of tax incentives in a given year.

CONCLUSIONS AND SUGGESTIONS

Conclusion
1. Company size does not affect asset revaluation.
2. Tax rates with incentives do not affect the relationship between the size of company and the revaluation of fixed assets.
3. The intensity of fixed assets has no effect on asset revaluation.
4. Tax rates with incentives do not affect the relationship between fixed assets and revaluation of fixed assets.
5. Price to book value ratio has a negative effect on asset revaluation.
6. Tax rates with incentives do not affect the relationship between the ratio of book prices to equity and the revaluation of fixed assets.
7. Tax rates with incentives do not affect the relationship between leverage and asset revaluation.
8. Year has no effect on asset revaluation.

Suggestion
1. To use other moderate variables affecting the revaluation of fixed assets.
2. To use other factors that affect the revaluation of fixed assets as independent variables.
3. To add samples of companies in different industries.

REFERENCES

Albrecht, W.D. and Richardson, F.M. 1990. Income Smoothing by Economic Sector. Journal of Business Finance & Accounting, 17 (5).713-730.

Atik, A. 2009.Detecting Income Smoothing Behaviors of Turkish Listed Companies through Empirical Test Using Dis cretionary Accounting Changes. Critical Perspective on Accounting, 20 (5), 591-613.

Bartov, E., Radhakrishnan, S., and Krinsky, I. 2000. Investor Sophistication and Patterns in Stock Returns after Earnings Announcements. The Accounting Review, 75(1), 43-63.

Beidleman, C. R. 1973. Income Smoothing: The Role of Management. The Accounting Review, 48 (4), 653-657.

Belkaoui, A. and Picur, R.D. 1984. The Smoothing of Income Numbers: Some Empirical Evidence on Systematic Differences between Core and Periphery Industrial Sectors, Journal of Business Finance and Accounting, 11 (4), 527-545.

Bushee, B.J. 1998.The Influence of Institutional Investors on Myopic R&D Investment Behavior. The Accounting Review, 73(3), 305-333.

Choi, T. H, Jinhan, P, Park, Sdan Choong, and Song, Y. 2013. Asset Revaluations: Motives and Choice of Item to Revalue. Asia-Pacific Journal Accounting & Economics. 20., 3.

Chen, C.L., Weng, P.Y., and Fan, H.S. 2016. Institutional Ownership, Income Smoothing and the Value-relevance of Accounting Numbers. Management Review, 35, 109-134.

Chung, R., Firth, M., and Kim, J.B. 2002. Institutional Ownership and Opportunistic Earnings Management. Journal of Corporate Finance, 8(1), 29-48.

Eckel, N. (1981). The Income Smoothing Hypothesis Revisited. ABACUS, 17 (1), 28-40.

Edmans, A. 2009. Blockholder Trading, Market Efficiency, and Managerial Myopia. Journal of Finance, 64 (6), 2481-2513.

Ergin, E. 2010. Income Smoothing: Evidence from Turkey. Working Paper, Kocaeli Unversity. Turkey.

Gujarati, D.N., & Porter, D.C. (2009), Basic Econometric.5th Edition, McGraw-Hill, Book Co., Singapore.

Hadani, M., Goranova, M., and Khan, R. 2011. Institutional Investors, Shareholder Activism, and Earnings Management. Journal of Business Research, 64 (12), 1352-1360.

Healy, P.M., and Wahlen, J.M. 1999. A Review of the Earnings Management Literature and Its Implications for Standard Setting. Accounting Horizons, 13(14), 365-383.

Hunt, A., Moyer, S.E, and Shevlin, T. 2000. Earnings Volatility, Earnings Management, and Equity Value. Working Paper, University of Washington.

Iatridis, George Emanuel and Kilirgiotis, G. 2011. Incentives for Fixed Assets Revaluatiion: The UK Evidence. Journal of Applied Accounting Research. 13 (1).

IDX (The Indonesian Stock Exchange). 2016. www.idx.go.id

Jensen, M.C. and Meckling, W.H. 1976. Theory of The Firm: Managerial Behavior, Agency Costs and Ownership Structure. Journal of Financial Economics, 3 (4), 305-360.

Jiambalvo, J., Rajgopal, S., and Venkatachalam, M. 2002. Institutional Ownership and the Extent to Which Stock Prices Reflect Future Earnings. Contemporary Accounting Research, 19 (1), 117-146.

Kalelkar, R., and Nwaeze, E.T. 2011. Sarbanes-Oxley Act and the Quality of Earnings and Accruals: Market-Based Evidence. Journal of Accounting and Public Policy, 30 (3), 275-294.

Koch, B.S. 1981. Income Smoothing: An Experiment. The Accounting Review, 15(3), 574–586.

Li, S., and Richie, N. 2016. Income Smoothing and The Cost of Debt. China Journal of Accounting Research, 9 (3), 175-190.

Lin, Y. C. and Peasnell, K. V. 2000. Fixed asset revaluation and equity depletion in the UK. Journal of Business Finance and Accounting. No. 27: 359-393.

Mahastanti, L.A., and Pratiwi, S.O. 2014. Income Smoothing Phenomenon in Indonesia: Garbling Vs Signalling. Proceeding of The 2nd IBEA – International Conference on Business, Economics and Accounting, Hong Kong.

Mahmud, N.M. 2012. Income Smoothing and Industrial Sector. Financial Management, 50, 10248-10252.

Makaryanawati, M., and Milani, M. 2008. The Effect of Good Corporate Governance on Income Smoothing at Manufacturing Firms Listed on The Indonesian Stock

Exchange (Pengaruh Good Corporate Governance Terhadap Praktik Perataan Laba Pada Perusahaan Manufaktur yang Listing di BEI). Jurnal Modernisasi, 4 (1), 14-31.

Michelson, S., Wagner, J.J., and Wooton, C.W. 1995. A Market Based Analysis of Income Smoothing. Journal of Business Finance and Accounting. 22 (8), 1179-1193.

Piera, Frank Missioner. 2007. Motive for Fixed Asset Revaluation: An Emperical Analysis With Swiss Data. Jounal of Business Finance and Accounting. 34, 1025-1050.

Putri, I.F., and Natsir, M. 2006. Simultaneous Equations Analysis of Managerial, Institutional, Risk, Debt, and Policy Ownership on Dividend Policy in the Perspective of Agency Theory (Analisis Persamaan Simultan Kepemilikan Manajerial, Institusional, Risiko, Kebijakan Hutang, dan Kebijakan Deviden dalam Perspektif Teori Keagenan. Proceeding of National Simposium on Accounting 9, Padang, Indonesia.

Sherlita, E., and Kurniawan, P. 2013. Analysis of Factor Affecting Income Smoothing Among Listed Companies in Indonesia. Jurnal Teknologi (Social Sciences) Universiti Teknologi Malaysia, 64 (3), 17–23.

Stein, J. 1989. Efficient Capital Markets, Inefficient Firms: A Model of Myopic Corporate Behavior. Quarterly Journal of Economics, 104 (4), 655-669.

Suyono, E. 2016. Family Controlled Firm, Governance Mechanisms and Corporate Performance: Evidence from Indonesia. Journal of Economics, Business, and Accountancy Ventura,. 19 (1), 111 – 124.

Trisanti, T. 2014. Income smoothing practices and empirical testing using discretionary accounting changes. Journal of Economics, Business, and Accountancy Ventura,.17(1), 117 – 126.

Tucker, J.W., and Zarowin, P.A. 2006. Does Income Smoothing Improve Earnings Informativeness?. The Accounting Review, 81(1), 251-270.

Yulistia, Resti, Popi Fauziati, Arie Frinola Minovia, dan Adzkya Khairati. 2015. Pengaruh Leverage. Arus Kas Operasi. Ukuran Perusahaan, dan Fixed Asset Intensity Terhadap Revaluasi Aset Tetap. Simposium Nasional Akuntansi 18. Universitas Sumatera Utara, Medan 16-19 September 2015.