

ABSTRACT

Hasim Mahmud. Student's ID 921409114. The Implementation of Gross Up Method in Extrapolation Income Tax in Article 21 as The Strategy in Tax Planning. Skripsi. Gorontalo. S1 Accounting Program. Department of Accounting. Faculty of Economics and Business. Universitas Negeri Gorontalo. 2013. It was supervised by Imran R. Hambali, S.Pd., SE., MSA as the Principal Supervisor, and Hj. Valentina Monoarfa, SE., MM as the Co-Supervisor.

This research aimed to investigate the rate of company tax before the implementation of gross up method and after the implementation of gross up method.

This research applied descriptive method. The technique of data collection was secondary data by collecting documents which were the payroll and profit and loss statement.

The result of this research showed that company tax before implementing gross up method was as high as Rp.13.503.284,25, while the company tax after implementing gross up method was amounted Rp.4.665.111,25 or it was considered toward efficiency of the tax load amounted 0,34%. Therefore, it could be concluded that the implementation of gross up method had a big profit to the company because it gave more the efficiency toward tax load than without applying the gross up method.

Key Word: Income Tax Article 21, Tax Planning, Gross Up Method.