

ABSTRACT

This study aims to investigate whether the market reacts to the announcement of tax amnesty's periods of closing I, II, and III at the designated banks receiving tax amnesty repatriation fund. The population in this study is the designated banks receiving the repatriation fund that are registered in Indonesia Stock Exchange. The samples were 14 banks during the periods of announcement (i.e. periods I and II) and 10 banks in period III of tax amnesty by using purposive sampling method. Hypothesis testing is conducted with the market model with the help of Microsoft Excel programme. The test results indicate that there is market reaction to the announcement of the appointment of the designated banks receiving tax amnesty repatriation fund. However, there is no reaction to the closing of periods I, II, and III of tax amnesty at the designated banks that receive tax amnesty repatriation fund.

Keywords: market reaction, tax amnesty repatriation fund.