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Press release | 04.10.2017

EU decision on Amazon's tax activities a welcome result for tax justice

Amazon state aid ruling

European Commissioner for Competition, Margrethe Vestager, has today announced the verdict of the European Commission's proceedings against Amazon, for infringement of EU competition law. The Commissioner has ruled that Amazon's tax set up in Luxembourg contravenes EU law. In addition to this, Vestager announced that Ireland will be referred to the EU Court of Justice for its failure to recover 13 bln euros of unpaid tax from Apple.

Michel Reimon, Greens/EFA MEP and member of the Inquiry Committee on Money laundering, tax avoidance and tax evasion, welcomes this result:

"Today's decision shows there are corporate tax havens within the EU and that they need to be named openly. The failure of large companies like Amazon to pay their way creates massively unfair competition, which damages small and medium companies, who provide most of the jobs in the EU and do not cheat the system.

"We must ensure fair competition in the EU internal market, so that SMEs can benefit from a level playing field compared to large companies.

"*The unfair tax practices of EU countries like Luxembourg lead to distortions in the single market and threaten its functioning. We must go beyond the unanimity in tax matters in the EU and the Commission should now propose new tax legislation with the full involvement of the Parliament."*

Molly Scott Cato, Greens/EFA spokesperson for money laundering, tax avoidance and tax evasion, comments:

"The case with Apple in Ireland shows that EU rules can work, but only if Member States are prepared to follow them. Ireland needs to work alongside the Commission to claim back the 13 billion euros of unpaid tax that it was asked to recover from Apple in 2016.

"We strongly welcome the decision to sanction Amazon for failing to comply with its tax obligations. Today's ruling is the latest in a series of cases involving big multinationals such as Apple, Fiat and Starbucks, who have also taken advantage of sweetheart tax deals.

“It proves once again that tax avoidance contravenes EU law and that companies cannot operate in the EU market and ignore the rules of fair competition. We now urge the Member States to speed up and quickly adopt the proposal to harmonise rules for a corporate tax base in the EU (CCCTB), and for public country-by country reporting to make corporate tax transparent.”

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Responsible MEPs



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Member



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