

# Google boss defends UK tax bill

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According to figures cited by Conservative MP Charlie Elphicke, Google paid only £3.4 million (\$5.4 million, 4.2 million euros) in British

corporation tax in 2011 on revenues totalling about £2.5 billion, sparking fury in austerity-hit Britain.

But Google's executive chairman [Eric Schmidt](#) told BBC Radio 4's World at One programme the company had not acted illegally and had contributed significantly to Britain's [economic growth](#).

Defending the company's tax bill, he said: "Of course that omits the fact that we also hire more than 2,000 employees and are investing heavily in Britain.

"We empower literally billions of pounds of start-ups through our [advertising network](#) and so forth. And we're a key part of the electronic commerce expansion of Britain which is driving a lot of economic growth for the country," he added.

Schmidt urged critics to consider the "totality" of the [Internet giant's](#) contribution to the economy.

"The fact of the matter is these are the way taxes are done globally," he added.

"I think the most important thing to say about our taxes is that we fully comply with the law."

Google has come under closer scrutiny in several European nations where cash-strapped governments are increasingly wary of being shortchanged on tax revenue.

British lawmakers last year accused the company of being "immoral" during a committee grilling of Matt Brittin, chief executive of [Google UK](#).

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