

# Apple accused over \$71 million in Chinese taxes

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A Chinese subsidiary of US tech giant Apple failed to pay 452 million yuan in taxes (now \$71 million) due at the end of 2013, Beijing's finance ministry said.

Apple has already paid the back taxes, along with late fees totalling 65 million yuan, the ministry said on its website.

California-based Apple's products are hugely popular in China and the country is increasingly one of its most important markets.

Apple's infraction—it included maintenance costs in pretax deductions—was detailed as part of a larger report posted Wednesday on [finance ministry](#) inspections into a variety of Chinese and foreign companies.

The audit found Apple Computer Trading (Shanghai) Co under-reported revenue by 8.79 billion yuan and over-reported profit by 5.35 billion yuan.

The company also understated costs of 3.45 billion yuan, the report said, along with unspecified "violation issues".

Apple representatives in China could not immediately be reached for comment.

Long queues of buyers have often besieged Apple outlets in the country

when a new gadget is launched.

But it has sometimes been targeted by state media, with vehement attacks on its customer service and returns policies in 2013 prompting an apology by chief executive Tim Cook.

Apple's iPhone sales have surged 85 percent in Greater China—which includes Hong Kong and Taiwan—with revenue from the region more than doubling to \$13 billion for the latest quarter ended June 27, according to the company.

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