

## **Apple confident ahead of European Union tax judgement**

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Apple chief executive Tim Cook said he was feeling "pretty good" ahead of the European Union's judgement on its Irish tax arrangements, as the company announced 1,000 new jobs in Ireland on Wednesday.

Ireland's tax arrangements with the US tech giant are under investigation



by the EU to see if there was a deal to secure jobs that amounts to illegal state aid, and a judgement is expected soon.

"I can't say I know for sure what they'll come back with," Cook said from Apple's European headquarters in Ireland's second city, Cork, where he announced the extra jobs would be in place by mid-2017.

"I believe strongly that Ireland will be found that there was nothing wrong done and therefore Apple by connection," he told national broadcaster RTE in an interview broadcast Wednesday night.

"If there's an adverse ruling, Ireland is going to appeal and we're going to support them because there was no special deal, there was no special arrangement."

Apple has had a base at the southern city of Cork since 1980 and employs 5,000 people in Ireland. Cook announced earlier on Wednesday that the figure would increase to 6,000 over the next 18 months.

"That's almost a quarter of our European workforce and we're continuing to expand our facility there as well, which is our largest in Europe," Cook said in a lecture earlier Wednesday at Trinity College Dublin university.

Irish Prime Minister Enda Kenny, said the jobs plan was a sign of Ireland's economic recovery broadening and called it "a very welcome boost of confidence".

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Many US companies looking for a European base are drawn by Ireland's



English-speaking skilled workforce and its highly competitive tax rates, which have drawn controversy.

## **Campus expansion**

Cook said the European headquarters was "our most diverse offices on the planet, operationally and culturally".

"In our offices in Cork you are as likely to hear a French accent or a German or an Italian accent as you are to hear an accent from County Cork," he said.

Apple will be expanding its campus to accomodate the new employees. It has invested nearly 130 million euros (\$140 million) in the site since 2012.

Beyond its employees, the IDA Ireland foreign direct investment agency estimates that Apple supports a further 13,000 jobs in the republic.

Apple also announced it was partnering with the Sustainable Energy Authority of Ireland to support research in offshore energy technology.

The EU's investigation into the company's tax deal with Ireland is one of several probes launched last year after the "Luxleaks" scandal broke over Amazon's sweetheart tax deals with Luxembourg.

On Wednesday, online retailer Amazon, search engine giant Google and social network Facebook all said they will testify at the European Parliament next week on the issue of tax breaks for big businesses.

Last month Brussels ordered Starbucks and Fiat to each repay up to 30 million euros (\$34 million) in back taxes for deals they had with the Netherlands and Luxembourg.



Tax deals between EU member states and companies are not in themselves illegal and the firms involved insist they fully comply with the tax laws where they operate.

But they have run afoul of the European Commission's tough rules on state aid, which are designed to ensure fair competition. It argues that the deals unfairly benefit bigger companies at the expense of smaller, often less influential rivals.

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