

Facebook to pay more taxes in Britain

March 4 2016



Facebook's announcement that it would declare advertising revenue from its top British clients in Britain instead of Ireland comes amid public outrage in many parts of Europe over US tech giants' tax arrangements

Facebook on Friday said it would declare advertising revenue from its top British clients in Britain instead of Ireland, where it has its European headquarters, meaning it will have to pay more tax.

"On Monday we will start notifying large UK customers that from the start of April they will receive invoices from Facebook UK and not

Facebook Ireland," the social networking giant said in a statement.

"What this means in practice is that UK sales made directly by our UK team will be booked in the UK, not Ireland. Facebook UK will then record the revenue from these sales," it added.

The result is that Facebook will end up paying more tax in Britain although the precise amounts will not be known until 2017. The company did not make clear what proportion of revenues from smaller companies would continue to be routed through Ireland.

The announcement comes amid public outrage in many parts of Europe over the tax arrangements of US tech multinationals including Amazon, Facebook and Google.

There was an outcry in January in Britain over Google's back tax payments and Facebook has also been in the firing line over the £4,327 (5,572 euros, \$6,119) in corporate [tax](#) it paid in 2014.

The BBC said that Facebook's major British clients include the supermarket chains Tesco and Sainsbury's, as well as food giant Unilever and advertising group WPP.

The [corporate tax rate](#) in Ireland is just 12.5 percent—one of the lowest in the European Union.

In Britain the rate is 20 percent.

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Citation: Facebook to pay more taxes in Britain (2016, March 4) retrieved 4 May 2024 from <https://phys.org/news/2016-03-facebook-taxes-britain.html>

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