

Transatlantic tussles: EU cases against US firms

August 30 2016

The EU's decision to make Silicon Valley giant <u>Apple repay 13 billion</u> <u>euros</u> in back taxes in Ireland is the latest in a string of competition cases against US firms.

Here are the main EU anti-trust inquiries as Washington and Brussels struggle for control of who sets the standards for global trade.

APPLE

The European Commission, the EU's executive arm and watchdog, has taken on the world's most valuable company in the form of Apple.

It launched its inquiry three years ago into whether "sweetheart" tax deals with Ireland amounted to illegal state aid for the company, which would have the effect of distorting competition across the 28-nation bloc.

In the wake of the LuxLeaks tax scandal it has launched further inquiries into the practice of countries offering extremely low corporation tax rates in an effort to attract multinationals.

STARBUCKS

In October 2015 the EU ordered US coffee maker Starbucks to repay the Netherlands 30 million euros in back taxes.



MCDONALD's

The EU launched a formal investigation in December 2015 into tax deals between US fast food giant McDonald's and Luxembourg, saying its preliminary assessment was that the arrangements breached state aid rules.

The case against McDonald's stemmed from a complaint by trade unions and the charity War on Want that accused McDonald's of avoiding around one billion euros (\$1.1 billion) in taxes between 2009 and 2013, by shifting profits from one corporate division to another, and paying no local tax in Luxembourg.

AMAZON

Brussels has launched an investigation into Amazon's tax arrangements over its tax deals in Luxembourg.

In June 2015 it also opened a formal investigation into the Seattle-based online retail giant's e-book distribution.

GOOGLE

The EU has opened several concurrent investigations into the ubiquitous US internet giant Google.

In 2015 it formally charged Google with abusing the dominance of its search engine in Europe and a decision could come later in 2016.

In April 2016 it opened a probe into whether Google gives unfair prominence to its own Android apps such as maps or music streaming in deals with mobile manufacturers such as Samsung or Huawei.



Then in July, Brussels targeted Google's advertising business, saying it had restricted some websites from displaying ads from competitors. It also beefed up an earlier charge that it abused the dominance of its search engine for online shopping.

In all three cases, Google risks a fine of 10 percent of worldwide global sales for one year.

MICROSOFT

In a historic case in March 2013, the European Commission fined US giant Microsoft 561 million euros (\$638 million) for failing to provide clients with a choice of internet browser for Windows 7, as it had promised to do.

It also fined the company 899 million euros in 2008, subsequently reduced to 860 million euros, for failing to comply with an order to share product information with rivals so that their software could work with Windows.

That came on top of a then-record fine of 497 million euros in 2004 for violating EU competition rules.

INTEL

INTEL, the world's biggest chipmaker, was in May 2009 fined a record 1.06 billion euros. The EU says it abused its stranglehold on the semiconductor market to crush its main rival, AMD.

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Citation: Transatlantic tussles: EU cases against US firms (2016, August 30) retrieved 24 April



2024 from https://phys.org/news/2016-08-transatlantic-tussles-eu-cases-firms.html

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