

Apple says several billion dollars set aside for US taxes

September 1 2016



In this Wednesday, Dec. 7, 2011 file photo, a person stands near the Apple logo at the company's store in Grand Central Terminal, in New York. Apple will have to pay up to 13 billion euros (\$14.5 billion) plus interest in back taxes to Ireland after the European Union found Tuesday Aug. 30, 2016 that the U.S. technology giant had paid next to no tax at all across the bloc's 28 countries for over 11 years. The ruling is a dramatic escalation by the EU executive Commission in its battle to have multinationals pay their fair share in the region. (AP Photo/Mark Lennihan, File)

Apple's chief executive says the company has put aside "several billion dollars" to pay tax liabilities in the United States as it repatriates some of its huge overseas earnings.

Tim Cook told Irish state network RTE in an interview broadcast Thursday that the money, part of profits from 2014, should be brought back to the U.S. next year. He did not specify how much would be repatriated.

Apple holds nearly \$215 billion in cash and securities outside the U.S., much of that generated by its Irish subsidiaries. Cook has complained in the past that high U.S. taxes have discouraged the company from bringing those earnings home.

This week, the European Union ordered the company based in Cupertino, California, to pay \$14.5 billion in back taxes to Ireland plus billions more in interest.

The tax dispute is part of an ongoing fight over whether America's largest global corporations pay adequate taxes throughout the world.

Apple plans to fight the EU order, which Cook characterized as unfair. He told Irish television that the EU's findings are "maddening" and that the company had not received special treatment from Irish authorities.

In Brussels, EU Competition Commissioner Margrethe Vestager vigorously defended the legality and arithmetic of the tax clawback order affecting Apple.

"This is a decision based on the facts of the case," she told a news conference at EU headquarters. Vestager said figures used to calculate the amount of back taxes owed by Apple came from the [company](#) itself, as well as U.S. Senate hearings.



European Union Competition Commissioner Margrethe Vestager speaks during a media conference at EU headquarters in Brussels on, Thursday, Sept. 1, 2016. The European Commission has approved under the EU Merger Regulation a proposed telecommunications joint venture between Hutchison and VimpelCom in Italy. The approval is conditional on the divestment of sufficient assets that will allow a new operator to enter the market. (AP Photo/Geert Vanden Wijngaert)

© 2016 The Associated Press. All rights reserved.

Citation: Apple says several billion dollars set aside for US taxes (2016, September 1) retrieved 25 April 2024 from <https://phys.org/news/2016-09-apple-billion-dollars-taxes.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is

provided for information purposes only.