

EU finance ministers line up behind tax ruling against Apple (Update)

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Netherlands' Minister of Finance Jeroen Dijsselbloem during press conference after the Eurogroup's deliberations at the Informal Meeting of Ministers for economic and financial affairs in Bratislava, Slovakia, Friday, Sept. 9, 2016. Ministers for economic and financial affairs gather for a two-day informal meeting in the Slovak capital, where they will discuss BREXIT, EU economic policies, and the migration crisis. (AP Photo/Bundas Engler)

The Dutch finance minister urged Apple on Saturday to "get ready" to

pay up.

Jeroen Dijsselbloem and his counterparts from other EU nations lined up behind a finding that the technology company owes billions of euros due to more than a decade of improperly low taxation.

Apple's bill could reach 19 billion euros (\$21 billion) with interest, and both the company and Ireland, Apple's European headquarters, are appealing the European Commission ruling.

But as the last day of an EU finance ministers' meeting focused on ways to harmonize tax rules for multinational companies, Dijsselbloem told reporters that these "have an obligation to pay taxes in a fair way."

"International tax loopholes are a thing of the past," said Dijsselbloem, who also heads the 19-strong group of nations within the EU using the euro currency. Apple will have to pay back taxes both in the United States and Europe, he added, "so get ready to do that."

Philip Hammond, his British counterpart, said the EU was keen "to make sure that international corporations pay the right tax at the right place."

"That's the fair way to do it, and we are going to make sure it happens," Hammond said.



Netherlands Minister of Finance Jeroen Dijsselbloem during press conference after the Eurogroup's deliberations at the Informal Meeting of Ministers for economic and financial affairs in Bratislava, Slovakia, Friday, Sept. 9, 2016. Ministers for economic and financial affairs gather for a two-day informal meeting in the Slovak capital, where they will discuss BREXIT, EU economic policies and the migration crisis. (AP Photo/Bundas Engler)

The Apple decision is only one of several faulting international companies—and the countries hosting them—for exploiting European exemptions to pay minimal taxes. Both Starbucks and Fiat Chrysler are contesting rulings handed down last year that they are each about 30 million euros (\$33 million) in arrears.

The European Commission hopes to have ready by fall proposals for multinational companies operating in the EU that tightens up rules on tax bases. Pushing back against U.S. criticism of the Apple decision, EU tax commissioner Pierre Moscovici on Saturday hailed U.S. investment as

an "important driver of growth and employment in Europe."

The commission ruling, he said, "is not a message that investors from U.S. companies are not welcome."

While Ireland would reap a huge windfall from the extra money, it opposes the ruling because it has also benefited from the setup. Multinationals have such huge revenue that small countries can reap big gains even from low taxes, and they also gain from the jobs created.



Participants pose for a group photo, after the Eurogroup's deliberations at the Informal Meeting of Ministers for economic and financial affairs, in Bratislava, Slovakia, Friday, Sept. 9, 2016. Ministers for economic and financial affairs gathered for a two-day informal meeting in the Slovak capital, where they will discuss BREXIT, EU economic policies and the migration crisis. (AP Photo/Bundas Engler)

Other countries are expressing interest in any payout, however. Austrian Finance Minister Hans Joerg Schelling said Austrian, Italian and France tax authorities are following the case closely with the option of posting claims, and a senior OECD official attending the meeting suggested they could have right to do so.

Angel Gurría, who heads the 35-nation Organization for Economic Cooperation and Development, cited the EU Commission ruling on Apple, saying it invited other nations that might have a claim "to come forward."

Before turning to tax issues, the meeting focused on Greece. Ministers and senior EU officials in the Slovak capital urged Athens to speed up enactment of economic reforms so it can get its hands on the next batch of bailout cash before the end of October.

Greece, which depends on the money due from the bailout to stay afloat, has recently fallen short of reform commitments, stoking concerns of a flare-up in the country's debt crisis. Because it hasn't delivered on the reform promises it has made, it can't yet get hold of the 2.8 billion euros (\$3.2 billion) due from this current phase of its bailout program.



Netherlands' Minister of Finance Jeroen Dijsselbloem gestures, next to President of the European Central Bank, Mario Draghi, right, during the group photo, after the Eurogroup's deliberations at the Informal Meeting of Ministers for economic and financial affairs, in Bratislava, Slovakia, Friday, Sept. 9, 2016. Ministers for economic and financial affairs gathered for a two-day informal meeting in the Slovak capital, where they will discuss BREXIT, EU economic policies and the migration crisis. (AP Photo/Bundas Engler)

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