

French lawmakers approve 3% tax on online giants

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In this Jan. 17, 2017 file photo, the Facebook logo is displayed in a start-up companies gathering at Paris' Station F, in Paris. France's lower house of parliament has approved a pioneering tax on internet giants like Google, Amazon and Facebook. The bill adopted Thursday by the National Assembly aims to stop multinationals from avoiding taxes by setting up headquarters in low-tax EU countries. (AP Photo/Thibault Camus, File)

France's lower house of parliament approved Thursday a small, pioneering tax on internet giants like Google, Amazon and Facebook—and the French government hopes other countries will follow suit.

The bill aims to stop multinationals from avoiding taxes by setting up headquarters in low-tax EU countries. Currently, the companies pay nearly no tax in countries where they have large sales like France.

The bill foresees a 3% tax on the French revenues of digital companies with global revenue of more than 750 million euros (\$847 million), and French [revenue](#) over 25 million euros.

The bill adopted by the National Assembly goes to the Senate next week, where it is expected to win final approval.

The tech industry warns it could lead to [higher costs](#) for consumers.

It could affect U.S. companies including Airbnb and Uber as well as those from China and Europe. It primarily targets those that use consumers' data to sell [online advertising](#).

The French Finance Ministry has estimated the tax will raise about 500 million euros (\$566 million) a year this year but that should increase "quickly."

France failed to persuade EU partners to impose a Europe-wide tax on online giants, but is now pushing for an international deal with the 34 countries of the Organization for Economic Cooperation and Development.

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