

# Amazon pays just \$2.2M in tax in UK despite surge in profits

3 August 2018

---

Amazon is facing criticism after its British tax bill fell despite a big jump in sales and profits.

Records show Amazon U.K. Services Ltd. faced a 2017 tax bill of 4.6 million pounds (\$6 million) but paid 1.7 million pounds (\$2.2 million), deferring the rest.

Its pre-tax profits for the period were 72.4 million pounds, almost triple the previous year's 24.3 million pounds. Revenue was 1.99 billion pounds, up from 1.46 billion pounds.

The tax-payment decrease was partly due to shares payments to staff, which were counted as a cost and deducted from profits.

Amazon said Friday that it pays "all taxes required in the U.K. and every country where we operate."

Brick-and-mortar British retailers say they struggle to compete with online giants that use loopholes to lower their bill.

© 2018 The Associated Press. All rights reserved.

APA citation: Amazon pays just \$2.2M in tax in UK despite surge in profits (2018, August 3) retrieved 21 January 2022 from <https://phys.org/news/2018-08-amazon-22m-tax-uk-surge.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.*