EPSU responds to reported €300 million McDonald's tax bill in France

(Brussels, 21 April 2016) In response to reports that McDonald's will be required to pay €300 million to French tax authorities for unpaid taxes on profits believed to have been channelled through Luxembourg and Switzerland **General Secretary of EPSU, Jan Willem Goudriaan**, said: "The decision allegedly taken by French tax authorities to require McDonald's to pay €200 million of unpaid tax and €100 million in penalties is welcome news, and a positive step in bringing the tax dodging practices of the company into line. Though yet to be confirmed, investigations appear to support EPSU and others' claims that McDonald's has been avoiding tax in France through complex company structuring and the excessive transfer of royalties to Luxembourg and Switzerland."

"These reports follow the publication of EPSU's joint Unhappy Meal study, and the fact that McDonald's has now been twice called to testify before the European Parliament on its tax affairs. The company is also currently the subject of a European Commission probe into its Luxembourg structure. It looks like public backlash over McDonald's' tax dealings is reaching proportions that not even the famously recalcitrant fast food chain can ignore."

"Nonetheless, the reported figure of €300 million is only a third of McDonald's' tax bill in France over a five year period, according to our estimates. This must be clarified. We hope that this represents an annual figure and therefore will mean McDonald's paying significantly more tax in the years to come. If this is the case, the French government has stood up to McDonald's and other countries must now follow suit."

"Trade unions, campaign groups and society at large expect the global leader in hamburgers to pay its full share of tax in France and in all countries in which the company makes profits. EPSU demands an end to the special treatment of multinationals while the rest of us are expected to comply by the rules: it's time for McDonald's to pay its dues in full."

Link to Unhappy Meal report

Link to press release on EC investigation announcement

Link to article in <u>L'Express</u> For further information, please contact: Ruby Waterworth, +32 2 250 10 89, <u>rwaterworth@epsu.org</u>

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