EPSU brings McDonald's tax avoidance scheme in European parliament

(Press Release - Brussels 17 April 2015) **Yesterday 16-04-2015 at EP Special TAXE Committee, EPSU presented McDonald's tax avoidance scheme and trade union demands for tax justice.**

The presentation was based on the recent report "<u>UnHappyMeal</u>", co-published by an international coalition of European and US trade unions and War on Want, on Mac Donald's tax avoidance strategy that involves profit-shifting through artificial subsidiaries in Luxembourg and Switzerland and, possibly, a tax ruling, one of the key issues scrutinized by the EP Special Taxe Committee.

This Swiss/Lux double whammy burger enables Europe's fast-food leader to benefit from low tax regimes in both countries.

The tax impact in 10 EU countries is estimated at more than €1 billion between 2009 and 2013.

Following the publication of the report, the Commission has started investigating Mc Donald's tax practices in light of EC state aids rules.

"Mc Donald's is a good illustration of a business model of maximizing profits and minimizing tax and wages which we strongly oppose. The EP Special Committee needs to stick its teeth into it and chew over the implications. The good news is that there is much public appetite for tax and social justice!" says Nadja Salson, EPSU policy officer to the EP Special Committee. Key recommendations were presented for binding rules on tax transparency -public country-by-country reporting, directive for an automatic exchange of tax rulings- and on tax justice -a common corporate tax, ban on tax minimizing rulings- and for stopping the damaging austerity cuts in tax administrations. EPSU also called for an EU legal protection for whistleblowers.

EPSU General Secretary Jan Willem Goudriaan adds: "Transnational corporations and the rich should pay their tax share. Workers should not be the main source of financing for infrastructures, health and social services and good administrations."

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EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 265 trade unions; EPSU organises workers in the energy, water and waste sectors, health and social services and local, regional and central government, in all European countries including the EU's Eastern Neighborhood. EPSU is the recognized regional organization of Public Services International (PSI). For more information please go to: http://www.epsu.org

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