

**European Federation of Public Service Unions (EPSU)**

**Press Release – 02 April 2015**

**EPSU welcomes EC preliminary enquiry in Mc Donalds' tax avoidance schemes**

The European Commission sent a letter to the government of Luxembourg demanding explanations over its tax arrangements with McDonald's.

This follows on the publication last February of the [Unhappy meal report](#) on Mc Donald's tax avoidance schemes by EPSU, EFFAT, SEIU and War on Want.

The report finds evidence that the largest fast-food company had avoided about €1 billion in taxes between 2009 and 2013 in a dozen of EU countries by funnelling royalties to a patent box based in the Grand Duchy.

*“ This is a welcome first step towards an investigation by the Commission into tax minimising deals of McDonald's as we have called for. It looks like a win for our international coalition against tax and social dumping! ”*says **Jan Willem Goudriaan**, EPSU General Secretary.

The coalition is confident that this request by the EC's competition authorities will translate into an official investigation in the same vein as the ones launched into the tax deals of Apple in Ireland, Amazon and Fiat Finance/Trade in Luxembourg and Starbucks in the Netherlands.

Whilst tax policy is defined at national level, when it comes down to competition, the Commission has exclusive power. It can use an EU-wide ban on state aid to companies that are found to have been given an unfair, selective advantage over other companies.

If companies are deemed to have received special treatment impacting trade between EU member states they face sizable back-tax demands that can be used to finance public services and increase wages instead of profits for the very few.

*“At a time of continuous austerity, governments, parliaments and the Commission have to exert political will to force the wealthy, private equity funds and multinationals to pay their fair share of tax. Time for a pay back!”* concludes Mr Goudriaan.

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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>*