

# US, France and OECD 'getting closer' to tech tax agreement: Mnuchin

October 17 2019

---

Washington is inching toward an agreement with Paris and the Organization for Economic Cooperation and Development on taxing global tech giants, US Treasury Secretary Steven Mnuchin said on Wednesday.

A [resolution](#) would ease long-standing transatlantic friction over imposing taxes on tech multinationals, the largest of which are US-based but operate worldwide.

"We don't yet have an [agreement](#), but we are getting closer in that direction," Mnuchin told reporters.

French lawmakers earlier this year adopted their own digital tax, targeting gross revenues rather than profits, drawing threats from US President Donald Trump to put new tariffs on French wine.

But in August, France agreed to refund taxes collected in excess of a yet-to-be-decided international formula, French Economy Minister Bruno Le Maire told AFP at the time.

The US wants an over-arching agreement on taxation of digital commerce through the Group of 20 economic forum, under the auspices of the OECD.

Under EU law, American tax giants can declare their profits from across the bloc in a single jurisdiction—in most cases low-tax jurisdictions such

as Ireland or the Netherlands.

Britain has also announced plans for a similar tax as criticism grows over tech giants exploiting fiscal rules to sharply cut their tax bills despite soaring profits.

© 2019 AFP

Citation: US, France and OECD 'getting closer' to tech tax agreement: Mnuchin (2019, October 17) retrieved 3 May 2024 from <https://techxplore.com/news/2019-10-france-oecd-closer-tech-tax.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.