

D-Day for Apple, Google as EU court to rule on major cases

September 10 2024, by Raziye Akkoc



Apple suffered a blow in November when a top EU court advisor recommended scrapping a previous victory.

A top EU court will rule on Tuesday in a 13-billion-euro tax case involving Apple and Ireland, and could also deliver a victory for Brussels

by upholding a multi-billion-euro fine against Google, in two eagerly awaited decisions.

The rulings will be a huge test for the bloc's outgoing competition chief, Margrethe Vestager, who has suffered a series of setbacks in EU courts against her decisions.

The final decisions are expected to be published after 0730 GMT.

One of the most bitter legal battles between the European Commission and big tech, the Apple case dates back to 2016 when the EU's executive arm claimed Ireland allowed the iPhone maker to avoid billions of euros in taxes.

It had been one of several investigations in the previous decade into sweetheart tax arrangements between major companies and several EU countries.

The iPhone maker gained the upper hand in the long-running Ireland case in 2020, when the EU's General Court annulled the order for Apple to pay the taxes owed—a decision Brussels appealed.

But Apple was dealt a blow in November last year when the top legal adviser of the higher European Court of Justice recommended scrapping that decision, saying it was peppered with legal errors.

The Luxembourg-based ECJ's judges must now decide whether to throw the case back to the lower EU court—which could later force Apple to pay the 13 billion euros.

The EU will hope the decision goes its way as Brussels has faced difficulty defending its tax enforcement moves in recent years, with previous cases lost against Amazon and Starbucks.

Google's vice tightening

The commission will also hope for a definitive victory on Tuesday in the Google case, with expectations the court will uphold a 2.4-billion-euro (\$2.6-billion) fine after a top adviser recommended such a move in January.

Although such advisory opinions are not binding, they do carry weight and are often followed by EU judges in their rulings.

The EU levied the fine in 2017 after finding that Google abused its [dominant position](#) by favouring its own Google Shopping service in results from its search engine.

It was not Google's only fine. The company was hit with record fines worth around eight billion euros for violating EU competition rules between 2017 and 2019.

Google faces yet another test next week when the top EU [court](#) will decide on the smallest of those fines, worth around 1.49 billion euros.

The legal headaches for Google are mounting across the Atlantic as well.

A trial began on Monday in the United States where the government accuses Google of dominating online advertising and stifling competition.

It comes after a US judge ruled last month that Google maintained a monopoly with its search engine.

Google's so-called ad tech—the system that decides which online adverts people see and how much they cost—is an area of particular concern for regulators worldwide.

Brussels in a preliminary finding last year accused Google of abusing its dominance of the online ad market and recommended the US company sell part of its ad services to ensure fair competition. Google had the right to respond and the probe remains open.

Separately, Britain's competition watchdog on Friday concluded Google employs "anti-competitive practices" with regards to [online advertising](#) after a two-year investigation.

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