

Italy latest to slap Internet giants with 'digital tax'

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Italy is to slap internet giants such as Amazon and Google with a three-percent tax, according to the proposed budget it submitted to the European Commission on Wednesday.

The tax would be applied to companies with sales of over 750 million euros (\$830 million), of which at least 5.5 million euros come from services provided in Italy, according to Italian media reports.

The move would bring around 600 million euros into state coffers annually from 2020, according to Italian finance ministry calculations made last year.

The tax is similar to one launched in France, which has generated friction with the United States.

That tax prompted US President Donald Trump to threaten to retaliate with tariffs on French wines.

Italian media reported on Tuesday that a Trump

administration official had threatened to hit back at Italy with similar levies.

Italy, like France, has said it would scrap its own digital tax once a new international levy, currently being discussed in negotiations led by the OECD, is put into place.

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The French tax has drawn accusations of discrimination from US [tech companies](#) such as Google and Apple.

Britain has also announced plans for a tax on tech giants, accused of exploiting fiscal rules to sharply cut their tax bills despite soaring profits.

The OECD earlier this month relaunched negotiations on a global accord and said it hoped for a "political agreement" by June.

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