

We're not loving it! Revelation of McDonald's tax practices show need for real EU action

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Communiqué de presse du groupe S&D

Following a report by a coalition of trade unions on McDonald's tax practices, leading members of the S&D Group have renewed their call for urgent reform of how multinational companies report and pay their taxes in Europe.

In a joint statement S&D Group vice-president Jeppe Kofod, spokesperson on economic and monetary affairs, Pervenche Berès, and spokesperson for the Parliament's special committee on tax, Peter Simon MEP said:

"In 2015, it was uncovered that McDonald's had avoided paying over one billion Euros in corporate taxes in Europe: Tax evasion on a super-sized scale. Meanwhile the Commission has opened a state-aid case for which we are still waiting for the result. The report released today shows that since then, rather than cleaning up their act, they have been engaging in ever more complicated financial planning.

We welcome the incredible support trade unions are giving us in unbundling the legal loopholes McDonald's is using to the detriment of workers and taxpayers. By using a web of intermediate companies they have been shifting their profits to low-tax jurisdictions with even less transparency. Representatives from McDonald's must come to the European Parliament and explain these practices to the Parliament's special committee on tax.

"This is yet another example of a large multinational company doing all it can to avoid paying their fair share. It shows why it is essential that we have public reporting of companies' financial activities for each country in which they operate. It is only when we have a transparent system that we can ensure that companies are paying their taxes where their profits are made. We have been at the forefront of the fight for this public country-by-country reporting in the European Parliament but it is now being blocked by national governments. This must end – we cannot wait any longer for real tax justice in Europe."