



# Google 'justifies' not paying taxes

LONDON, UK: A top Google executive on Monday (22 April) insisted that the company's "key" role in developing Britain's electronic commerce should be taken into account in the row it faces over its controversial tax arrangements.



According to figures cited by Conservative MP Charlie Elphicke, Google paid only £3.4m in British corporate tax in 2011 on revenues totalling about £2.5bn, sparking fury in austerity-hit Britain.

But Google's executive chairman Eric Schmidt told BBC Radio 4's "World at One" programme the company had not acted illegally and had contributed significantly to Britain's economic growth.

Defending the company's tax bill, he said: "Of course that omits the fact that we also hire more than 2,000 employees and are investing heavily in Britain.

"We empower literally billions of pounds of start-ups through our advertising network and so forth," he said.

He added that Google played a key role in the expansion of electronic commerce in Britain, which is driving economic growth for the country.

Schmidt urged critics to consider the "totality" of the Internet company's contribution to the economy.

"I think the most important thing to say about our taxes is that we fully comply with the law," he added.

Google has come under scrutiny in several European nations where cash-strapped governments are increasingly wary of being shortchanged on tax revenue.

British lawmakers last year accused the company of being "immoral" during a committee grilling of Matt Brittin, chief executive of Google UK.

Source: AFP via I-Net Bridge