Amazon.com Wins $1.5 Billion Tax Dispute Over IRS



Image by Aurelijus Valeiša

Amazon.com scored a big victory Thursday against the IRS in a case that the company says could have cost it about $1.5 billion, **reports *The Seattle Times***.

The IRS contended that the e-commerce giant had inappropriately brought down its U.S. tax bill by grossly undervaluing the assets it transferred to its Luxembourg subsidiary, which the company created more than a decade ago.

"Judge Albert Lauber of the U.S. Tax Court ruled that the IRS' determination of those assets' worth was 'arbitrary, capricious, and unreasonable.' He also broadly sided with Amazon on the way the U.S. company calculates how it shares costs with its European subsidiary," writes reporter **Ángel González**. "The ruling, in favor of Amazon, untangles part of the complex web of tax litigation the retailer faces as authorities in the U.S. and Europe review how they deal with global companies that straddle many jurisdictions seeking advantageous tax deals."

Read the *Seattle Times* article.

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