

Shell to pay £1.7bn in UK and EU windfall taxes for past quarter

Shell has revealed it will pay around two billion dollars (£1.7 billion) in UK and EU windfall taxes for the latest quarter.

It comes after bosses at the London-listed oil giant said in October they had not paid any UK windfall taxes due to heavy investment in the North Sea.

The firm told investors on Friday that it will face a hit to earnings for the final quarter of 2022 due to the increased UK energy profits levy and additional EU taxes.

In May, the [Government](#) announced the windfall tax on the profit of oil and gas companies, with the new Chancellor announcing in November this will be hiked from an original 25% to 35%.

In the third quarter, Shell benefited from an 80% investment allowance linked to the UK windfall tax. This allowance was also significantly reduced as part of the autumn budget.

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In the previous quarter, it said its adjusted earnings more

than doubled to 9.5 billion dollars (£8.2 billion) in the three months to the end of September when compared with the year before.

Nevertheless, this represented a fall against the previous quarter.

In total, Shell said it now expects to have paid between 4.3 billion dollars and 4.7 billion dollars in global taxes over the fourth quarter.

On Friday, the oil giant also revealed that trading in its chemicals business is expected to have been “significantly lower” in the final quarter of 2022 compared with the previous quarter.

It added that its liquefied natural gas (LNG) production over the quarter was impacted by major outages at two plants in Australia.

The group is due to publish its full results for the 2022 financial year on February 2.