

# Apple 'required' to pay Ireland £11bn after illegal state aid case

The European Court of Justice has ordered Apple to pay \$13bn (£11bn) in back taxes to Ireland following the conclusion of a long-running legal fight that the country did not bring.

The European Commission brought the action in 2016, to the fury of both [Apple](#) and [Ireland](#)'s government, on the grounds that the EU member state had granted Apple unlawful aid through sweetheart tax base deals over 11 years.

The EU's executive arm said the company's effective corporate tax rate on its European profits dropped from 1% in 2003 to a mere 0.005% by 2014.

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Ireland had a corporation tax rate of 12.5% within that time frame – one of the lowest in the western world – enabling it to attract top US tech names and bring welcome employment.

Apple fought the commission's efforts to force a backdated payout through a series of legal challenges but the EU's top court said its ruling on Tuesday was final.

"We are disappointed with today's decision as previously the General Court reviewed the facts and categorically [annulled this case](#)," Apple said in a statement.

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1:58

Apple set to integrate AI

“There has never been a special deal,” the company insisted.

The Irish government signalled that it would begin to draw down money from an escrow account that Apple had been told to set up to allow for settlement of the bill.

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“The CJEU has found that the tax paid was insufficient and that a greater amount of taxation was required to be recovered,” it said in its own statement.

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“The Irish position has always been that Ireland does not give preferential tax treatment to any companies or taxpayers.”

The response described the ruling as only of “historical”

significance because, since the commission order in 2016, the country had changed rules regarding corporate residence, the attribution of profits to branches of non-resident companies operating in the state and adapted its tax rules in line with international agreements.

In 2021, a 15% minimum corporate tax rate for large firms was agreed by more than 130 nations, including Ireland, in a bid to ease global tax competition and discourage cross-border evasion or avoidance.