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CSI COMMENTS ON FRENCH PLANNED IMPLEMENTATION OF DIGITAL SERVICES TAX

Washington, DC (October 15, 2020) — The Coalition of Services Industries (CSI) issued the following statement:

Said CSI President Christine Bliss: "CSI is extremely disappointed to hear that France expects to proceed with the imposition of a digital services tax, despite ongoing multilateral negotiations at the OECD and in the face of strong opposition from the U.S. government. The proposed tax, which is inconsistent with well-established tax principles, would be highly discriminatory in its impact on U.S. services companies. For these reasons, it would set an alarming global precedent.

"By issuing unilateral tax measures, the French government would also undermine the integrity of tax negotiations now underway at the OECD. We believe these multilateral discussions are the most effective vehicle for arriving at an equitable, non-discriminatory and sustainable framework for digital taxes. Tax recommendations that reflect consensus opinion and are arrived at through an open, consultative process are ultimately likely to be most persuasive to the growing number of foreign governments seeking changes in tax policy.

"CSI strongly supports USTR's efforts to see a withdrawal of France's DST and to promote France's active participation in the OECD process to reach a multilateral solution."

CSI is the leading industry association devoted to promoting the international objectives of the U.S. services sector. Our members include companies that provide financial services, information and communication technology services, telecom services, express delivery and logistics, media and entertainment, distribution, and professional services.