



# TaxNewsFlash

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## U.S. public hearing concerning France's digital services tax

The Office of the U.S. Trade Representative (USTR) today issued an announcement about tomorrow's public hearing regarding France's digital services tax and possible action by the United States under Section 301 of the Trade Act of 1974 in response to the French tax.

The [USTR release](#) explains that:

- The French digital services tax legislation imposes a 3% tax on annual revenues generated by certain companies that provide certain digital services to, or aimed at, French users. The tax applies only to companies with annual revenues from the covered services of at least €750 million globally and €25 million in France. According to the USTR, the services covered are ones where U.S. firms are global leaders.
- The USTR initiated the investigation of France's digital services tax in July 2019.
- The USTR in December 2019 determined that France's digital services tax was "unreasonable or discriminatory and burdens or restricts U.S. commerce." The USTR proposed action in the form of additional duties of up to 100% on certain products of France.

Read the [list of witnesses](#) [PDF 256 KB] who will speak at tomorrow's hearing

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