Google's tax gets an SEC review

Published: January 13, 2026, 3:07 am

Bloomberg has reported:

Google Inc. received questions from the U.S. Securities and Exchange Commission in December about earnings in other countries that may have reduced the company's tax bill, according to regulatory filings released today.

SEC officials asked Google for "disclosures to explain in greater detail the impact on your effective income tax rates and obligations of having proportionally higher earnings in countries where you have lower statutory tax rates," according to a Dec. 2 letter.

The company responded to the requests for information, the filings show. The SEC said in a Feb. 3 letter that it had completed its review of Google's filings, and has "no further comments at this time on the specific issues raised."

Google, owner of the world's most-popular search engine, has used a strategy that has gained favor among some U.S. companies to reduce taxes. Google cut its income taxes by $3.1 billion over three years by shifting the bulk of foreign profits to Ireland, then the Netherlands and eventually to no-tax Bermuda, according to regulatory filings in the U.S. and abroad.

The tax-cutting strategy, involving a pair of techniques known as the "Double Irish" and the "Dutch Sandwich," helped cut the company's income-tax rate to 2.4 percent on the profits it attributed to its foreign subsidiaries during the three-year period, filings show. The statutory corporate income tax rate in the U.S. is 35 percent.

Not bad for a story that began on this blog some time ago.

And full credit to Jesse Drucker for making it a global story.