Tax and opacity remain at the heart of Starbuckâ€™...

Published: January 13, 2026, 3:03 am

As the FT has reported this morning:

Starbucks' European division paid $175m in dividends to its US parent company last year, despite recording a 99 per cent fall in pre-tax profit as it spent heavily on developing more takeaway and drive-through services.

The company revealed in the latest accounts for its UK and European business that pre-tax profit fell from $99.5m in 2018, to $600,000 in 2019, as it incurred costs restructuring its operations, closing underperforming stores and investing in new formats. Its UK subsidiary reported a loss of £6.6m because of "difficult conditions on the UK high street", it said.

And as I noted in the same article:

"What these accounts tell us is that there is still remarkably little [we know] about how Starbucks is making profits," said economist and tax campaigner Richard Murphy. He said that while there was no evidence of tax avoidance there was a "strong tax motivation" in the way Starbucks managed its finances. He suggested the company publish "country by country accounts".

In response Starbucks was noted as saying that it is "in the process of simplifying its accounts".

But as I told the FT, that's not what we are asking for. If complexity is necessary, so be it. That's a commercial decision for Starbucks. What we are asking for is a simple statement of account - which Starbucks already prepares for tax purposes - that show, in total and on a country consolidated basis, what sales it makes, what profit it makes, and what tax it provides for and pays in each country where it operates. Add in data on county investment and on employment and the information required to appraise whether or not both profits and tax are likely to be fairly stated by country.

Starbucks knows what is required. They're choosing not to do it. And as a result I still do not trust its accounting.