Digital Tax Update: 2024 Digital Services Taxes in Europe

Country	Tax Rate	Scope	Global Revenue Threshold	Domestic Revenue Threshold	Status
Austria (AT)	5%	Online advertising	EUR 750 million (USD 801 million)	EUR 25 million (USD 27 million)	Implemented (Effective from January 1, 2020); joined statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation.
Belgium (BE)	3%	· Selling of user data · Selling advertising space on a digital platform · Digital intermediation services facilitating the exchange of supplies of goods or services	EUR 750 million (USD 801 million)	EUR 5 million (USD 5.3 million)	Proposed (A DST was first introduced in January 2019 but was rejected in March 2019; an adjusted DST proposal was reintroduced in June 2020). Expected to introduce one if global consensus is not reached.
Czech Republic (CZ)	5%	· Online advertising · Transmission of user data · Digital interface to facilitate the provision of supplies of goods and services among users	EUR 750 million (USD 801 million)	CZK 100 million (USD 4.2 million)	Proposed (There was a proposed amendment to reduce the tax rate from 7% to 5%. However, the discussion on the bill has stalled and there is support for a DST solution at the OECD level).
Denmark (DK)	2% (3% surcharge)	On-demand, audio-visual media service providers		DKK 15 million (USD 2.2 million)	Implemented (Effective from January 1, 2024. There is an additional 3% surcharge for companies that invest less than 5% of their Danish revenues in Danish content. Additionally, the Finance Ministers of Denmark, Finland, and Sweden released a joint statement on digital tax, indicating that the digital and traditional economy should be taxed where value is created, and any solution reached should be a consensus-based OECD solution. However, the Danish Prime Minister announced Denmark's support to an EU-wide agreement on the DST controversy in case a global consensus is not reached).
Finland (FI)					The Finance Ministers of Denmark, Finland, and Sweden released a joint statement on digital tax, indicating that the digital and traditional economy should be taxed where value is created, and any solution reached should be a consensus-based OECD solution.
France (FR)	3%	· Provision of a digital interface · Advertising services based on users' data	EUR 750 million (USD 801 million)	EUR 25 million (USD 27 million)	Implemented (Retroactively applicable as of January 1, 2019. The 2020 DST collection was delayed to the end of 2020); joined statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation.
France (FR)	1.20%	Paid and free access		EUR 20	Implemented (January 1, 2024. Due

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		to recorded music and online music videos		million (USD 21.4 million)	on amounts exceeding EUR 20 million).
Hungary (HU)	7.50%	Advertising revenue		HUF 100 million (USD 271,810)	Implemented (As a temporary measure, the advertisement tax rate has been reduced to 0%, effective from July 1, 2019, through December 31, 2024).
Italy (IT)	3%	· Advertising on a digital interface · Multilateral digital interface that allows users to buy/sell goods and services · Transmission of user data generated from using a digital interface	EUR 750 million (USD 801 million)	EUR 5.5 million (USD 5.9 million)	Implemented (Effective from January 1, 2020. In November 2022, there was a proposal to increase the DST rate from 3% to 6%); joined statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation. On March 20, 2024, the Italian Economy Minister announced that Italy might retain and modify its DST if efforts to implement the OECD's Pillar One do not pass.
Latvia (LV)	3%	-	-	-	Announced/Shows Intention (The Latvian government commissioned a study to determine the increase of tax revenue based on the assumption that the country levies a 3% DST. However, no further action has been taken for now).
Netherlands (NL)					On October 24, 2023, the Dutch State Secretary wrote to the Dutch Parliament saying that an EU DST should be considered as an alternative to the OECD’s Pillar One, Amount A if a global agreement is not reached.
Norway (NO)	-	-	-	-	Announced/Shows Intention (Norway plans to introduce a unilateral measure if the OECD does not reach a consensus solution; no announcements since the inclusive framework agreement).
Poland (PL)	1.50%	Audiovisual media service and audiovisual commercial communication	-	-	Implemented (Effective from July 2020; there is a separate proposal to introduce a 7% levy on digital sector enterprises with a significant digital presence in the territory of Poland. Additionally, a 5% levy on advertisement revenues is also discussed).
Portugal (PT)	4%, 1%	Audiovisual commercial communication on video-sharing platforms (4%), subscriptions for video-on-demand services			Implemented (Effective from February 2021; however, it is not applicable as regulation regarding assessment, collection and payment rules is pending).
Slovakia (SK)	-	-	-	-	Announced/Shows Intention (The Ministry of Finance opened a

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					consultation on a proposal to introduce a DST on revenue of nonresidents from provision of services such as advertising, online platforms, and sale of user data. However, there were no further steps taken).
Slovenia (SI)	-	-	-	-	Announced/Shows Intention (The Ministry of Finance announced a government proposal to submit a draft bill to the National Assembly introducing a digital services tax by April 1, 2020; however, there has been no development so far).
Spain (ES)	3%	· Online advertising services · Sale of online advertising · Sale of user data	EUR 750 million (USD 801 million)	EUR 3 million (USD 3.2 million)	Implemented (Effective from January 16, 2021); joined statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation.
Sweden (SE)					The Finance Ministers of Denmark, Finland, and Sweden released a joint statement on digital tax, indicating that the digital and traditional economy should be taxed where value is created, and any solution reached should be a consensus-based OECD solution.
Switzerland (CH)	4%	Gross income generated in Switzerland from streaming or television services		CHF 2.5 million (USD 2.75 million)	Implemented (Effective from January 1, 2024).
Turkey (TR)	7.50%	Online services including advertisements, sales of content, and paid services on social media websites	EUR 750 million (USD 801 million)	TRY 20 million (USD 615,896)	Implemented (Effective from March 1, 2020; the president can reduce the DST rate as low as 1% or increase it as much as 15%); agreed to same terms of the joint statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation.
United Kingdom (GB)	2%	· Social media platforms · Internet search engine · Online marketplace	GBP 500 million (USD 623 million)	GBP 25 million (USD 31.2 million)	Implemented (Retroactively applicable as of April 1, 2020); joined statement on October 21, 2021, that repeal of the DST would be contingent on Pillar One implementation.