



2024

Amazon's economic and tax contributions in the UK



Content

Introduction 2

Our investments in the UK 3

Our total tax contributions in the UK 4

How our tax contribution compares to the UK’s largest companies 5

Contextualising tax policy 6

Modernising and promoting tax compliance 7

Our tax principles 8

How Amazon’s investment is powering jobs and skills growth across
the UK economy 9

Our business rates contribution 10

Tax explainers 11

Introduction

For more than 25 years, we have been making a significant economic impact across the nations and regions of the UK. With our commitment towards job creation, innovation and helping small businesses to export, we believe in being a force for good in the lives of our customers and also the communities where we operate.

That's why we're continuing to share a snapshot of our economic impact to provide a better understanding of our business and how we're supporting economic growth across the UK, with £40 billion of planned investment over the next three years, and total tax contributions of more than £5.8 billion.

This report provides an overview of our business model, the substantial investments we make in the economy, and how those



John Boumphrey
UK Country Manager for Amazon

investments impact communities across the UK. We also set out our global tax principles, contextualise relevant tax policies set by the Government, and provide further details on our tax contributions in the UK.



Our Investments in the UK



3rd largest country globally

The UK is Amazon's third largest country globally by revenue where we have been operating for the past 25+ years.



+75,000 permanent employees

We employ more than 75,000 permanent employees - making us one of the top 10 private sector employers in the UK. Our employees are spread across the UK in a variety of corporate and technology functions in Amazon and Amazon Web Services (AWS), including software development, product management, and engineering, as well as in our fulfilment centres, sort centres and delivery stations.



£40bn investment

We plan to invest £40 billion in the UK over the next three years (2025-2027). This includes building four new fulfilment centres and new delivery stations nationwide, as well as upgrades and expansions to its existing network of over 100 operations buildings across the country.



+£5.8bn tax contribution

In 2024, we made total tax contributions of more than £5.8 billion in the UK. This includes taxes collected and administered for the Government were more than £4.7 billion as a result of our business activities in the UK and taxes borne of more than £1.0 billion.



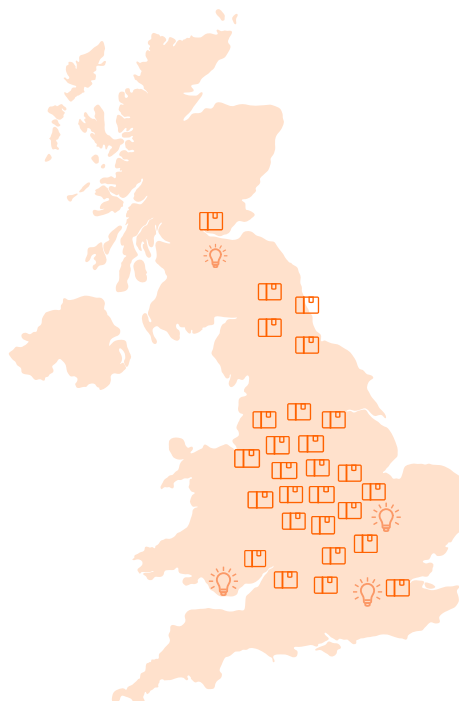
£1.6bn in capital investments

This includes continuing to equip our fulfilment centres with the latest robotics technology.



We have four Developments

Centres in Swansea, Cambridge, Edinburgh and London, working on projects across Amazon's global businesses, including Prime Video, Alexa and the shopping experience on our online store.



We have over 100 sites across the UK, including

more than 30 fulfilment centres in Bedfordshire, Bolton, Bristol, Broxtowe, Chesterfield, Coalville, Coventry, Darlington, Dartford, Daventry, Doncaster, Dunfermline, Dunstable, Durham, Gateshead, Hinckley, Kegworth, Knowsley, Leeds, Manchester, Milton Keynes, Peterborough, Rugby, Stockton-on-Tees, Sutton Coldfield, Sutton in Ashfield, Swansea, Swindon, Tilbury, Wakefield and Warrington.

Our total tax contributions in the UK

Taxes are a key part of Amazon's economic contribution to the UK. Through our investments in operations and our workforce, we help fund vital public services and infrastructure. This is why we don't just focus on one aspect of taxation; we also look at the taxes that we administer and collect on behalf of the Exchequer as a consequence of our activities in the UK. Those taxes fall into two categories:

Taxes borne

The taxes that are directly incurred and payable by Amazon, including Employer National Insurance Contributions, Business Rates, Corporation Tax, Import Duties, Stamp Duty Land Tax and Digital Services Tax.

Taxes collected:

The taxes we collect and remit from our customers, employees, and other third parties because of our business activities in the UK. This includes VAT, Income Tax and Employee National Insurance Contributions

£5.8bn

Our total tax contribution was £5.8bn.

£1bn

Our total taxes borne were more than £1bn.

£4.7bn

The taxes we collected were £4.7bn as a result of our business activities in the UK.

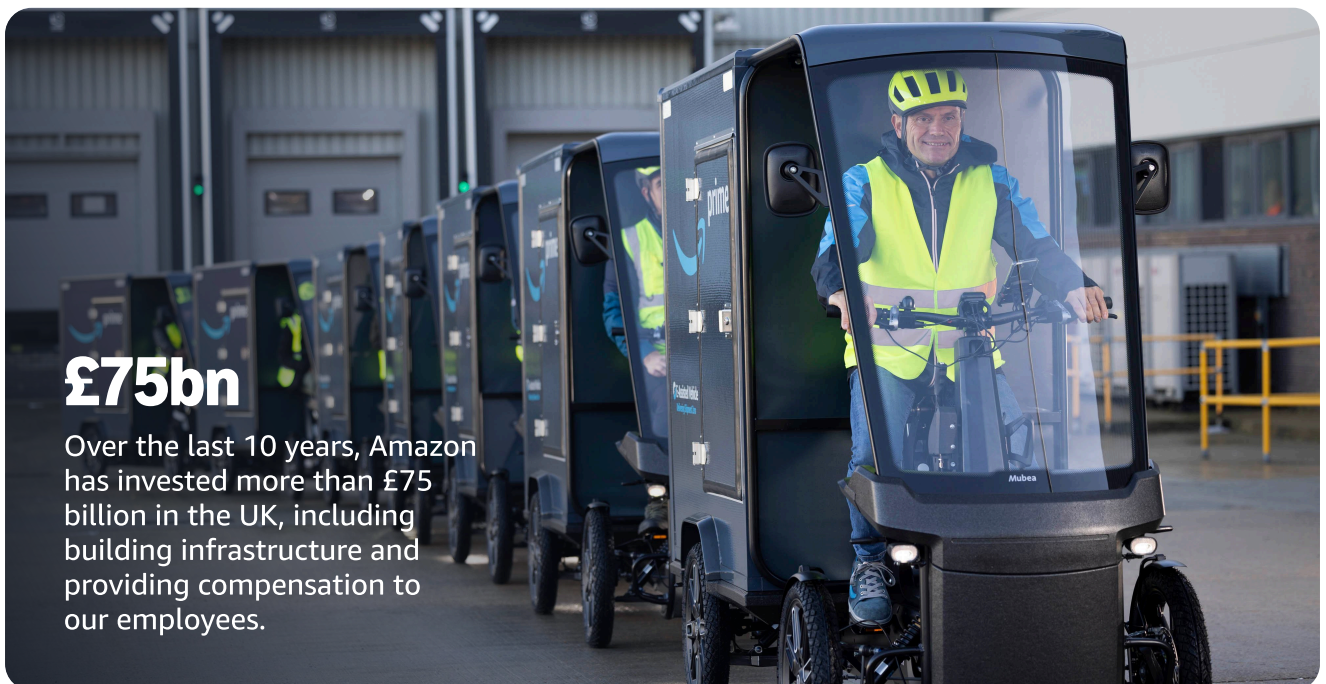
£1.6bn

We invested £1.6bn in infrastructure.



£75bn

Over the last 10 years, Amazon has invested more than £75 billion in the UK, including building infrastructure and providing compensation to our employees.



How our tax contribution compares to the UK's largest companies

When comparing our data to the most recent PwC Total Tax Contribution survey of the 100 Group, **Amazon ranks in the top 10 largest UK taxpayers for both taxes borne and collected**, as well as for our overall total tax contribution, which totalled more than £5.8 billion in 2024. Compared to the companies in the study, we rank in the top ten for total capital investment, which totalled £1.6 billion last year.

PwC's annual Total Tax Contribution report is an independent study which analyses UK tax contributions from the 100 Group. The 100 Group represents members of the FTSE 100 along with several large UK private companies. The annual survey collects data from 100 Group members and reports on the contribution made in taxes borne, taxes collected, and the wider economic impact. More information is available [here](#).

Contextualising tax policy

Amazon was launched in a garage in 1994 as a retail business, and that remains at the heart of what Amazon does today. Retail is a competitive, low-margin industry requiring significant physical assets to generate revenue. This means that we continue to invest in large infrastructure such as fulfilment centres as well as our employees to store, pack, and ship products to customers. These investments have an impact on our expenses, and ultimately, profits generated, upon which tax is due.

Policymakers in the UK often use the tax system to encourage businesses to invest in infrastructure and technology to create jobs, attract new business, and spur economic growth. These are often achieved through capital allowances (e.g., property, plant, and equipment) and research and development (R&D) incentives.

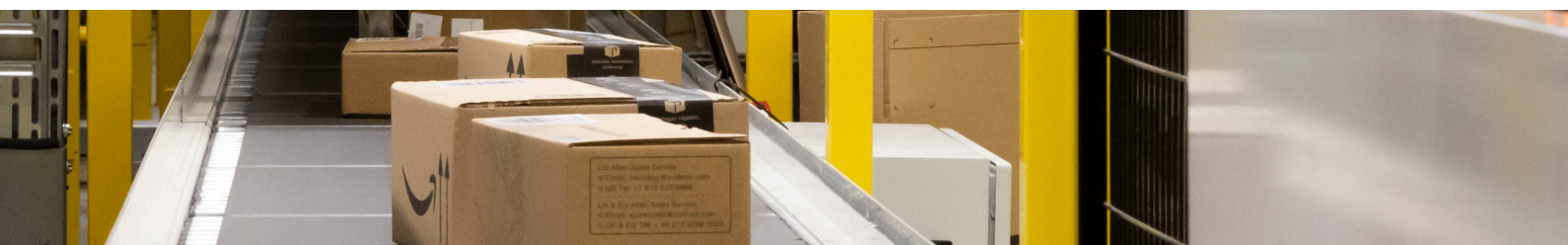


Capital allowances

When a company invests in infrastructure or machinery, these costs reduce taxable profit. In order to encourage more investment, policymakers in the UK and internationally often provide 'capital allowances', which may allow companies to deduct these costs more quickly for corporate tax calculation purposes. For example, as part of the 2023 Autumn Statement, the UK Government made full expensing in the year of investment permanent, providing companies with up front tax relief on qualifying plant and machinery expenditure. This accelerated tax relief allows businesses like Amazon to deduct these costs immediately and pay less tax in the short-term. However, this means that less deductions are available going forward and we will pay this tax in the future instead.

Research and Development

The UK Government also offers companies tax incentives to encourage investment in R&D. While this can reduce revenue for the Government in the short-term, it has helped many companies to develop new technologies and products, and creates high-skilled jobs. For example, the UK's Research and Development Expenditure Credit (RDEC) has allowed Amazon to improve Prime Video and Advertising services for our customers and sellers. In the UK, we have more than 2,500 people working in Amazon's four Development Centres in London, Cambridge, Edinburgh and Swansea, supporting efforts that have led to innovations introduced across Amazon's business globally.



Modernising and promoting tax compliance

We aim to have open and constructive communication with policymakers, industry bodies and HMRC to promote a stable tax system that simplifies compliance and provides a level playing field for taxpayers, including for the tens of thousands of small businesses who we work with in the UK.

This includes, where appropriate, making stakeholders aware of changes and developments in relation to our UK business operations.

We are committed to helping HMRC's priorities around fighting VAT fraud. In 2018, Amazon was the first signatory to the Government's voluntary cooperation agreement with online marketplaces to encourage compliance. We also provide small businesses with information about their tax obligations in the UK as well as requirements for selling into Europe.

In 2021, legislation was introduced by the UK Government to improve VAT compliance for overseas sellers. As a result, we have since collected and remitted more than £6.4 billion of VAT to HMRC on sales by third-party sellers.

We are also an approved provider of fulfilment services in the UK under the Fulfilment House Due Diligence Scheme (FHDDS), where we work with HMRC to provide data, where requested and required under the relevant law, to help in their compliance efforts.



Our tax principles

Since Amazon was founded in 1994, we have strived to continuously invent for customers – we have grown from a small startup, to serving hundreds of millions of customers around the world. Each year we invest billions of dollars to serve our customers, support the economy, and help the small businesses that use our tools and services succeed. We know taxes are an important part of our economic impact, and these tax principles are the foundation to our approach to tax globally.

Here are global tax principles, which can also be found on our [investor relations site](#).

Principle 1

Our business structure reflects operational considerations. We weigh all relevant costs - including taxes - and only take well-supported tax positions when deciding where and how we operate. Our intellectual property is held in the United States, and we do not artificially shelter profits in tax havens.

Principle 2

We are committed to complying with all applicable tax laws and to making timely and accurate tax filings in every country. When needed, we seek advice from outside experts to ensure compliance. We follow internationally accepted transfer pricing principles, including the arms-length standard from the Organisation for Economic Co-operation and Development (OECD)—or relevant local laws—to price our intercompany transactions.

Principle 3

We are collaborative with tax authorities. We understand the need for scrutiny. We are cooperative when engaging with tax authorities to explain our business, provide more transparency, seek certainty, and respond to inquiries, disclosing relevant facts and circumstances in those conversations.

Principle 4

We invest in systems and people to facilitate global tax collection. We collect sales taxes, value added taxes, goods and services taxes, and other indirect taxes globally, on behalf of governments and our selling partners, using industry-leading tax collection and compliance systems. We recognise that the taxes we pay, and the taxes we collect, are an important part of our economic impact in the communities we serve.

Principle 5

We support tax systems that are stable, principled, and administrable. We believe that tax codes should foster innovation, investment, job creation, and growth. We believe that tax laws should support a level playing field and fair competition among businesses in the consumer interest, and should not discriminate against specific industries. We believe that sound tax policy ultimately taxes every dollar of profit only once. We engage and collaborate with relevant policymakers to share knowledge and experiences across omnichannel retail, cloud computing, media content, devices, and many other relevant areas.

How Amazon's investment is powering jobs and skills growth across the UK economy

In June 2025, we announced **£40 billion of planned investment across the UK**, including infrastructure and compensation to our employees. We are planning to create thousands of additional full-time jobs in areas such as technology, operations, and logistics which will be supported with training, career progression, and long-term security for people working at Amazon across the UK.

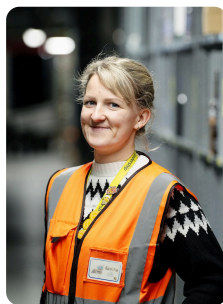
This investment reflects our long-term commitment to the UK as one of its top ten private sector employers. Amazon has also paid more than £500 million in employer taxes, primarily made up of National Insurance contributions (NICs). These are taxes borne directly by Amazon, reflecting the scale of our UK workforce and the competitive salaries and benefits we provide.

Employer NICs are just one part of the overall tax framework through which we contribute. They sit alongside other taxes borne by Amazon - such as business rates and customs duties - but they are also distinctive because they directly link our economic contribution to job creation and employee welfare. By paying more than half a billion pounds in Employer NICs last year alone, Amazon demonstrates how large employers can play an essential role in sustaining the UK's public finances while also driving growth and opportunity.

Investing in skills across the UK: apprenticeship levy transfers and Career Choice

2021

In **2021**, we launched an Apprenticeship Fund to help small businesses and local government partners upskill their workforce by taking on their own dedicated apprentices.

**2018-2025**

In the last seven years the Fund has committed over £9.5 million in apprenticeship levy transfers, which will support the creation of more than 1,500 apprenticeships outside of Amazon in over 850 smaller organisations, including AWS customers, creative industry partners and independent Amazon sellers accessing funds to create and run their own apprenticeship schemes.

**SINCE THE LAUNCH**

Local authorities and regional government partners like the West Midlands Combined Authority, Greater Manchester Combined Authority, and London Progress Coalition **are also using the funds** to address local skills gaps in areas like advanced manufacturing, social care and construction.

2025

Separately, **this year**, we celebrated over a decade of our popular **Career Choice programme**, which pre-pays 95% of tuition for employees undertaking courses in high-demand fields, covering up to £3,000 per person over four years. Since its launch, more than 23,000 Amazon employees in the UK have taken part in Career Choice.

Our business rates contribution

In 2024, Amazon paid over £175 million in business rates.

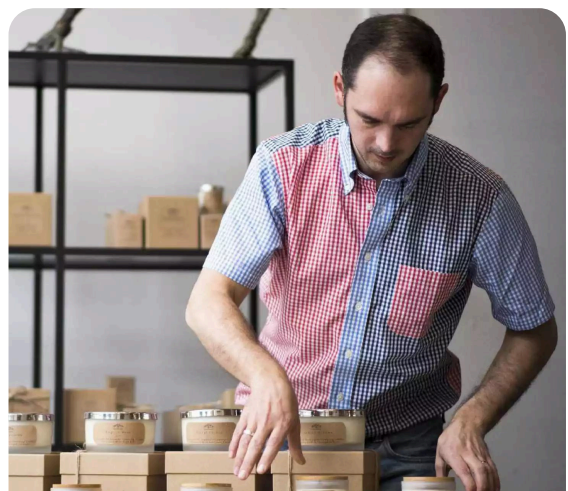
We rank in the top 5 business rates payers when comparing our 2023 data to the most recent PwC Total Tax Contribution survey of The 100 Group. In 2024, our total business rates contribution exceeded £175 million.

According to an independent analysis from Oxford Economics, Amazon's business rates contributions are also widely spread across the nations and regions of the UK. For example, in 2024/25 we made contributions to over 100 local authorities, many of which are located in the Midlands and the North of England. The analysis also showed that our business rates payments are skewed toward areas which have historically suffered from relatively high rates

of unemployment and worse socioeconomic outcomes.

Changes in the composition of Amazon's business rates contribution are partly the result of our growing physical stores presence. As an online retailer, we now have dozens of operations, logistics and corporate sites across the UK. This also reflects a wider trend of expansion in omnichannel retail across the UK that is helping to unlock major new benefits for consumers and UK growth and productivity. A growing number of businesses are taking advantage of online sales channels to broaden their customer base and access international consumers.

In modern retail, there is not a binary distinction between online and offline sales. 'Omnichannel' already defines how the industry operates, from large traditional retailers to small businesses.



Tax explainers

Tax borne

Employer National Insurance is a tax on employees' earnings and is paid by the employer.

Corporation Tax is charged on the profits earned by companies.

Business Rates are a tax on occupancy of commercial property, including shops, warehouses, and offices. The tax is based on a hypothetical rental valuation (rateable value) of the property at a fixed valuation date.

Digital Services Tax is a tax on the digital services activities of businesses. For Amazon, this tax is levied on revenues received in connection with our online marketplace including, for example, third-party seller fees and logistic services.

Stamp Duty Land Tax is charged on the purchase or lease of property (buildings or land) over a certain value.

Plastic Packaging Tax is a tax on manufactured or imported plastic packaging components that contain less than 30% recycled plastic.

Customs Duty is a charge on goods imported to the UK.

Tax collected

Value Added Tax is a tax payable by the end customer on purchases of goods and services. We collect and remit this tax to the government on the sale of our own goods and services as well as on behalf of certain third-party sellers.

Income Tax is collected through PAYE and is paid by individuals on their earnings based on the basic, higher, and additional rate tax bands.

Employee National Insurance is a tax on an employee's earnings and paid by the employee.

To learn more about
Amazon's economic impact in the UK visit:
AboutAmazon.co.uk/Impact-Hub

