

# Intel Global Tax Policy

June 2024

Intel Corporation was founded in California in 1968 as a U.S. based manufacturer of advanced integrated digital technology platforms. Intel continues to play a critical role in developing and supporting industry-leading innovations while employing a highly skilled and diverse workforce of more than 100,000 people around the world in [46 countries](#).

Intel is at the forefront of innovation and as such is one of the [largest investors](#) in research and development (R&D) worldwide. Intel's products are the backbone of a wide range of technologies. Additionally, Intel is a large scale, advanced semiconductor manufacturer. In [2023](#), Intel invested \$16 billion in R&D and over \$25 billion in capital expenditures. Intel's customers include other technology companies such as original equipment manufacturers, original design manufacturers, and cloud service providers. To learn more about our investments and customers, please refer to [Intel's Annual Report on Form 10-K](#).

Intel's global business contributes considerable tax revenues to the governments around the world. Our payments are comprised of direct support such as corporate income, withholding, property, and other tax payments and indirect support such as employee payroll taxes and supply chain value added taxes.

Beyond tax revenues, we positively impact economies in which we are located through our ecosystem's spending, such as R&D, supply chain sourcing activities, and employee's market activities. For example, a 2019 economic study estimated that our operations directly contributed \$25.9 billion to the [United States](#) gross domestic product.

We believe that our integrated approach to financial matters, corporate governance, and corporate responsibility drives increased accountability, improves decision making, and ultimately creates long-term value for Intel and the communities where we operate. Our operations have positive and diverse social and economic impacts around the world, strengthening the communities where our people live and work. You can read more about these efforts in our [annual Corporate Responsibility Report](#).

## Tax Principles and Strategy

Intel is committed to conducting business ethically, with integrity, and in compliance with legal obligations, including through our approach to taxation. The Intel [Code of Conduct](#) guides the behavior of our world-wide employees and non-employee members of our Board of Directors with regard to their Intel-related activities. Additionally, independent contractors, consultants, suppliers, and others who do business with us are expected to adhere to our Code of Conduct as well. Intel's tax principles work in tandem with our Code of Conduct to promote honest and ethical business practices, deter wrongdoing, and support compliance with applicable laws and regulations. This focus on ethical business practices is the foundation of our global tax strategy. Our approach to tax is guided by the following core principles: Governance and Risk Management; Ethics and Compliance; Business-Aligned Tax Strategy; and Transparent Relationships.

## Governance and Risk Management

**Corporate Governance:** We maintain and regularly review a corporate governance structure that includes a tax risk management framework and procedures to identify, implement, and report on the design and effectiveness of internal controls.

**Professional Expertise:** The Chief Tax Officer leads the Global Tax organization, staffed with qualified professionals around the world who are responsible for compliance with applicable tax laws in countries where we have a presence. We champion learning for our Global Tax team with training programs in tax, finance, and other disciplines to enhance awareness of our core tax principles and deepen our tax knowledge. To complement our internal expertise, we regularly seek advice from external tax advisors with respect to applicable tax laws, rules, and regulations.

**Management and Board Oversight:** The Chief Tax Officer is responsible for the overall tax strategy and policies. The Chief Tax Officer reports regularly to the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, and the Audit & Finance Committee of Intel's Board of Directors. Intel's Board of Directors is kept apprised of and discusses material business decisions and their tax impact.

## Ethics and Compliance

**Compliance Practices:** We strive to comply with all tax laws, regulations, and filing requirements in every jurisdiction in which we conduct business. We maintain high levels of transparency on a range of financial accounting and reporting rules to build trust and two-way dialogue that supports our business partnerships within our ecosystem.

**Ethical Foundation:** In accordance with Intel's Code of Conduct, we act in a manner that upholds Intel's reputation as an ethical, legal, and respected company. This commitment is reiterated by our senior leadership and incorporated into our annual ethics and compliance training, regular communications to employees throughout the year, and educational resources on our employee intranet site—all of which are designed to contribute to and sustain an ethical and legally compliant culture.

## Business-Aligned Tax Strategy

**Commitment to International Best Practices:** We adhere to the "arm's length" principles, which are internationally accepted transfer pricing standards outlined by the Organization for Economic Cooperation and Development (OECD). These widely adopted tax principles focus on a company's functions, assets, and risks.

**Approach to Tax Positions:** We respect tax laws and pay taxes due as required in all jurisdictions in which we conduct business. We invest significantly in R&D and the development of intellectual property (IP) towards achieving semiconductor process technology and product leadership. The majority of our IP is developed, managed, and owned in the U.S. Accordingly, a significant portion of our global profits is and has been taxed in the U.S.

**Approach to Tax Incentives:** We participate in government sponsored tax incentives where they are made broadly available and in accordance with the relevant statutory, regulatory, or administrative framework, especially where we conduct significant manufacturing or R&D activities.

## Transparent Relationships

**Cooperation with Governments and Tax Authorities:** We engage with governments and tax authorities in a collaborative, timely, and transparent manner. We work to foster trust and cooperation with all tax authorities and are committed to resolving disagreements through open discussions.

**Proactive Engagement:** We proactively work with tax authorities to provide full, fair, accurate, timely and understandable disclosures. We strive to reduce uncertainty in our tax matters, which may include seeking guidance through the use of tax forums or tax rulings, as well as advance pricing agreements, cooperative compliance programs, and other appropriate legal measures.

**Transparency:** We transparently share tax information as required with appropriate governmental authorities including in our annual report and through the OECD Country-by-Country Reporting framework ([BEPS Action 13](#)). We also work to make our priorities and positions on key issues clear by including information on our [Public Policy website](#) and by publicly supporting amicus briefs or other joint policy communications. We regularly publish statements on our Public Policy [blog](#) covering a range of issues important to our business and industry, including taxation matters.

**Support of Effective Tax Systems:** We encourage stability, certainty, and simplicity in worldwide tax laws, including tax policies that encourage manufacturing and innovation. We support the OECD's efforts to create a more efficient and rules-based global tax system which reduces tax disputes and limits the potential for double taxation of the same activity and income.