

OFFSHORE APOCALYPSE

THE COLLAPSE OF THE TAX HAVEN INDUSTRY
- WHAT DOES THE FUTURE HOLD?

AN ORACLE

OFFSHORE APOCALYPSE

The Collapse of the Tax Haven Industry
– What Does the Future Hold?

April 2012

© An Oracle
help@anoracle.info
www.offshoreapocalypse.info

Disclaimer: The authors, publishers and any other person involved in the preparation and publication of this book disclaim all liability or responsibility for loss or damage of any kind (whether foreseeable or not) that may arise from any person acting on any statements contained in this book notwithstanding any negligence, default or lack of care.

The term "he" is used throughout the book for convenience only and does not reflect any gender bias.

This work is subject to copyright. All rights reserved, whether the whole or part of the material is concerned, specifically the rights of translation, recitation, reprinting, or in any other way and storage in data banks. Violations are liable to prosecution under the Copyright Law.

CONTENTS

PART I.

FOREWORD	13
1. INTRODUCTION	25
2. DEFINITIONS	41
2.1. Tax Evasion – Tax Avoidance – (Aggressive) Tax Planning	41
2.2. Tax Havens and Offshore Financial Centres	46
2.3. Ultimate Beneficial Owner vs. Beneficial Owner	51

PART II.

3. OFFSHORE REQUIEM	57
3.1. The “Nine-Point U.S. Offshore Execution List”	58
3.1.1. Growth in tax haven abuse	59
3.1.1.1. Sample of U.S. corporations with offshore tax havens	61
3.1.2. Case Studies	62
3.1.3. The big boys of Corporate America and the government	68
3.1.3.1. Was the collapse of the global economy planned?	70
3.1.3.2. The Obama effect	71
3.1.3.3. Progress toward closing tax havens	73
3.1.3.3.1. Stop Tax Haven Abuse Acts of 2009 and 2011	73
3.1.3.3.2. Foreign Accounts Tax Compliance Act of 2009 (FATCA)	75
3.1.3.3.3. Revised FBAR – obligation to report offshore companies registered in the U.S.	82
3.1.3.4. Financial Accounting Standards Board (FASB)	84
3.1.3.5. Repeal of the 80/20 Rule	84
3.1.3.6. More corporate disclosure on tax havens required by the SEC	85
4. CHANGES IN THE INTERNATIONAL TRADE ENVIRONMENT: THE RISE AND DECAY OF TAX HAVENS	87
4.1. The Liechtenstein Disclosure Facility	90
5. INTERLUDE: IS IT TOO GOOD TO BE TRUE?	96
5.1. “Questions to ask yourself!”	96
6. ECONOMIC SUBSTANCE – SUBSTANCE OVER FORM	99
6.1. The Application of Various Doctrines in Other Jurisdictions	101
6.1.1. United States	101
6.1.2. China	108
6.1.3. India	110
6.1.4. Russia	114
6.1.5. Spain	116
6.2. The U.S. Conjunctive Test	117

7. THE RESIDENCY TEST – MANAGEMENT AND CONTROL	123
8. PART II SUMMARY: THE “WWW EFFECT”	133
PART III.	
9. THE BEGINNING OF THE END	141
9.1. The “Ugland House Syndrome”	141
9.2. Companies Registered in Tax Havens with Double Tax Treaties	146
10. ABUSE OF THE CONVENTION	155
10.1. Conduit Companies	157
10.2. Limitation on Benefits	163
10.3. Provisions Aimed at Entities that Benefit from Preferential Tax Regimes	168
10.4. Provisions Aimed at Preferential Regimes Introduced after a Double Tax Treaty Has Been Concluded	173
10.5. Remittance-Based Taxation	175
10.6. Limitations on Source Taxation: Procedural Aspects	176
10.7. Offshore Companies and the Problem of Permanent Establishment	177
10.7.1. How using attorneys for “service of process” may constitute a permanent establishment	185
11. THE “SIX-POINT INTERNATIONAL OFFSHORE-EXECUTION LIST”	189
12. THE IRS APPROACH TO TAX-HAVEN TRANSACTIONS	197
12.1. Placing Business Activity in a Trust Does Not Make It Tax-Exempt	197
12.2. Multiple Entities Do Not Change the Character of Income	198
12.3. Abusive Offshore Tax-Avoidance Schemes	199
12.4. Legitimate Structures	200
12.5. Abusive Promotions and the Role of Promoters	201
12.6. Entities and Schemes Used in Abusive Offshore Tax Planning	204
12.7. Repatriation of Funds	206
12.8. The Role of Tax Havens	207
12.9. Examples of Abusive Tax Scheme Investigations	208
12.10. Are There No Exceptions?	213
12.10.1. KPMG and the cost-benefit analysis	213
12.10.2. Former partners of Ernst & Young	217
12.10.3. BDO Canada	218
13. THE ENABLERS	220
13.1. The False Promise of Advantages	220
13.2. Promoters and Their Responsibility	221
13.2.1. Misleading advice from offshore company registration promoters	223
13.2.2. The threats to offshore-company promoters and how they are prosecuted around the world	225
13.2.2.1. The usability of secret recordings	225
13.2.3. The Canadian endeavour	227
PART IV.	
14. TAX PLANNING IN THE EU	231
14.1. An Anatomy of Abuse	235
14.1.1. Legal cases	239
14.1.1.1. The outset – Van Binsbergen	239
14.1.1.2. Tax emigration: Fundamental right, or abuse of free establishment?	240

14.1.1.3. Abuse tests: How to identify abuse of Community law	248
14.1.1.4. Harmonisation of cross-border cooperation in tax matters	251
14.1.1.5. Compatibility of anti-avoidance legislation and Community law	252
14.1.1.6. The illegal merger by exchange of shares	259
14.1.1.7. Applicability of thin capitalisation rules and limitation on benefits provisions	266
14.1.1.8. Excluding fundamental freedoms for non-EU residents and denying tax advantages for lack of genuine business purpose	269
14.1.1.9. Giving taxpayers a chance to explain their actions: An EU-only privilege?	273
14.1.1.10. Stricter rules for audits on foreign-earned income	279
14.1.1.11. Ring-fencing laws as illegal state aid	281
14.1.2. Conclusion	282

PART V.

15. "TAX PLANNING" THROUGH U.S. LLCs, S CORPORATIONS AND C CORPORATIONS	287
15.1. An Orange Peel on the Body of the USA – 217,000 Companies in the Office Building on Orange Street, Wilmington, Delaware	288
15.2. The LLC	291
15.2.1. Taxation of LLCs in the U.S.	293
15.2.2. The LLC tax identification number	294
15.2.3. The use of LLCs for tax-planning purposes	295
15.2.4. Misinformation about the "benefits" of U.S. LLCs	296
15.3. The S Corporation	298
15.3.1. S Corporations in tax planning	301
15.4. C Corporations	302
15.4.1. Taxation of C Corporations	302
15.4.2. The abuse of C Corporations for tax-planning purposes	303

PART VI.

16. GAME OVER: THE END OF BANKING SECRECY	307
16.1. Switzerland – The Alpine Source of Banking Secrecy	308
16.2. 1945-2009: Switzerland Safeguards Bank Secrecy	313
16.3. Blowing the Whistle on Bank Secrecy	320
16.4. Falciani – HSBC	321
16.5. Elmer – Julius Baer	324
16.6. Kieber – LGT	325
16.7. Anonymous – Credit Suisse	328
16.8. Michael F. – Liechtensteinische Landesbank	330
16.9. When Can a Bank Be Held Liable?	331
16.10. When Banks Denounce Their Clients	332
16.11. The UBS Disaster	333
16.12. The UBS Aftershock: HSBC, Wegelin and Others	345
16.13. Offshore Enablers as Hunted Wild Game?	347
16.14. 2009: The Bell Tolls for Bank Secrecy	349
16.15. London Summit: How the OECD and the G20 Tackled Bank Secrecy	350
16.16. The New Face of Bank Secrecy	354
16.17. The Future: Bank Secrets Revealed	358
16.17.1. The total value of EU citizens' Swiss bank accounts	359
17. AGGRESSIVE TAX PLANNING	367
17.1. Conclusion	374

18. THE WORLD VS. TAX HAVENS	379
18.1. The Internationally Agreed Tax Standard	379
18.2. Peer Reviews: The 10 Essential Elements of Transparency and Exchange of Tax Information	383
18.3. How Should Countries Cooperate?	387
18.4. The McIntyre TIEA Model	389
18.4.1. Recent anti-avoidance measures in various jurisdictions	403
18.4.2. General anti-avoidance rules	403
18.4.3. Recent developments	415
18.5. VAT Issues – The Credibility of Offshore Invoices	425
18.5.1. The Ecotrade case	425
18.5.2. The impact of the Ecotrade case	428
19. CAROUSEL FRAUD	431
19.1. The Cases of Optigen, Fulcrum and Bond House	432
19.2. How the EU Is Combating Carousel Fraud	434
19.3. How Software Could Help Combat Carousel Fraud	437
PART VII.	
20. OFFSHORE COMPANIES AS THE PRIMARY TOOL OF MONEY LAUNDERING	445
20.1. The First Million	445
20.2. Does the Grand Total of Laundered Money Run into the Trillions of Dollars?	447
20.3. Money by the Pound	452
20.4. The Hawala Money Laundry: Money Transfers without the Movement of Funds	453
20.5. The Phases of Money Laundering	456
20.6. A Country’s Attractiveness to Money Launderers	461
21. HISTORY OF ANTI-MONEY LAUNDERING LEGISLATION	464
21.1. Background	464
21.2. International Organisations and The Global AML Regime	466
21.3. Blacklisting or Blackmailing?	469
21.4. The Egmont Group and the FIUs	472
21.4.1. Information gathering by FIUs from official databases	475
21.5. CARIN and Sheltered Offshore Wealth	481
21.6. Opacity Index	484
22. THE SUBJECT OF MONEY LAUNDERING	489
23. TAX PLANNING AND MONEY LAUNDERING	497
23.1. FATF: Tax Crimes as a Predicate Offence to Money Laundering	499
23.2. Introduction to the U.N. Model Provisions	500
23.3. Money Laundering Offences	502
23.4. Anti-Money Laundering Regulations in the EU	507
23.5. Country Examples	511
23.5.1. United Kingdom	511
23.5.2. United States	513
23.5.3. Canada	519
23.5.4. Switzerland	520
23.5.5. Example of a developing country: Hungary	521
23.5.5.1. Money laundering with proceeds from offences committed through another party	523
23.5.5.2. Self-laundering	526
23.5.5.3. Serious money laundering	527

23.5.5.4. Negligent money laundering	530
23.5.5.5. Side note: Negligent money laundering in an international context	532
23.6. Does an Offshore Company's UBO Qualify as a Money Launderer?	533
PART VIII.	
24. AMBIGUOUS ADVICE AND NAIVE FAITH AS HARBINGERS OF DOOM	537
24.1. The Fortress of the Overconfident	538
24.2. Is the End Nigh in Emerging Markets, as Well?	540
24.2.1. Offshore Crime, Inc.	540
24.2.1.1. The fallen	542
24.2.1.2. But how does it work in practice?	543
24.2.1.3. The Petrom Service case	547
24.2.1.4. The promoter's database: "My god, thousands!"	550
25. UBO AND CO. (MONEY LAUNDERING) LTD. AND THE CRIMINAL LIABILITY OF ENABLERS	560
25.1. Principals and Accomplices	560
25.2. Perpetrators: Principals and Joint Principals in the Offshore World	562
25.3. Offshore Promoters as Accomplices: Aiding and Abetting / Accessory	563
25.4. Aiding by Nonfeasance	566
25.5. Aggravating Circumstances	567
25.6. Conclusion	567
PART IX.	
26. TAX AMNESTIES: EFFECTIVE, OR UNETHICAL?	571
26.1. Tax Amnesties: Mixed Results	572
26.2. "People realized that it's a question of time before we get them. I tell them, we'll get you, we'll find you..."	585
CONCLUSION: THE COMING APOCALYPSE	591
ANNEX I: Alternative Model Tax Information Exchange Agreement (TIEA)	596
BIBLIOGRAPHY	616
INDEX	667

PART I.

FOREWORD

*"Quod nimis miseri volunt, hoc facile credunt" –
"Whatever the wretched anxiously wish for, this they readily believe"
(Seneca)*

1.

Adam John Hargraves and Daniel Aran Stoten were directors of the Phone Directories Company (PDC), a publisher of telephone listings on the Gold Coast in eastern Australia. Business was good, so they decided to improve their financial position by way of "tax planning." This is nothing unusual – companies do tax planning whenever they identify allowances, deductions or legal loopholes that reduce their tax liabilities. But Hargraves and Stoten intended to use the money for their own purposes. They used a common method, probably the most primitive one: With help from a Swiss consultancy, they set up a network of firms based in "tax havens" – countries that offer rock-bottom (or even zero) tax rates for non-resident corporations, coupled with a policy of refusing to disclose company data to authorities in the owners' home countries. PDC paid grossly inflated invoices to these tax haven-based companies, which then deposited the funds into offshore bank accounts. Hargraves and Stoten then accessed the money using ATMs, which allowed them to avoid transferring the money directly to their Australian bank accounts.

Hargraves and Stoten operated the scheme from 1999 to 2005, reducing PDC's tax basis by at least AUD 4.46 million (approximately \$4.65 million) and cheating the Australian treasury out of AUD 2.22 million.¹ It was not long before authorities got wise to their ruse. In June 2010, the Supreme Court of Queensland sentenced both men to 6.5 years in prison for conspiring to deliberately cause a loss to a Commonwealth entity through tax fraud and abuse of offshore companies. The judge said the pair's failure to cooperate with investigators contributed to the length of their sentences.²

After the verdict was read, John Lawler, chief of the Australian Crime Commission (ACC), fired a salvo at the people who facilitate Hargraves and Stoten's kind of crimes – offshore company-registration agents, advisors, lawyers and the like. In a statement,³ Lawler reminded the public that in April 2010, the Supreme Court of Victoria convicted attorney Paul John Gregory for simply advising

¹ Joint Australian Crime Commission and Australian Taxation Office media release, "Queensland company directors receive 6 ½ years for tax fraud," 8 June 2010, <http://www.crimecommission.gov.au/media/queensland-company-directors-receive-6-%C2%BD-years-tax-fraud> visited on 27 June 2011.

² Supreme Court of Queensland, *R v. Hargraves and Stoten* (2010), QSC 188, <http://www.austlii.edu.au/au/cases/qld/OSC/2010/188.html>, visited on 28 June 2011.

³ Joint ACC/ATO media release, "Queensland company directors receive 6 ½ years."

entertainment impresario Glenn Wheatley to transfer AUD 400,000 he earned from a 2003 boxing match to an offshore company.⁴ Gregory was found guilty of conspiring to defraud the Australian government of AUD 194,000 and was sentenced to two years in prison.

Lawler also noted that in May 2010, the Supreme Court of Western Australia sentenced accountant Trevor Neil Thomson to three years and three months in jail⁵ because he advised clients to conceal their property from tax officials by transferring it to offshore trusts. Thomson's actions helped defraud the Australian government of as much as AUD 27.68 million, prosecutors said.⁶ "The ACC is focused on disrupting the activities of principal organisers and facilitators behind these schemes," Lawler warned.⁷

2.

In late 2001, the United States began ramping up its efforts to identify and prosecute people who evade taxes through offshore schemes, along with the people who advise them. As a first step, the U.S. Internal Revenue Service (IRS) announced an amnesty⁸ for people who had been concealing money in tax shelters,⁹ offering to "waive certain accuracy-related penalties that may apply to tax shelters and other questionable items that resulted in an underpayment of tax."¹⁰ In return, taxpayers had to disclose information including the names of tax-shelter "promoters" – the agencies and law firms that make money from offshore tax planning schemes.¹¹ By the time the 120-day amnesty ended on 23 April

⁴ Supreme Court of Victoria, *The Queen v. Paul John Gregory* (2010) VSC 121, at <http://www.ato.gov.au/content/downloads/snc00220075Sentencing.pdf>, visited on 27 June 2011.

⁵ Because Thomson pleaded guilty and cooperated with investigators, the judge reduced his punishment to 13 months in jail.

⁶ Joint ATO/ACC media release, "Operation Wickenby – Tax fraud jails Perth accountant for 13 months," 13 May 2010, <http://www.ato.gov.au/corporate/PrintFriendly.aspx?ms=corporate&doc=/content/00241119.htm>, visited on 27 June 2011.

⁷ The investigations are part of Project Wickenby, the nickname for Australia's clampdown on offshore tax cheats (see Chapter 16). Participants in the project are the Australian Taxation Office, Australian Federal Police, Australian Crime Commission, Australian Securities and Investments Commission, and the Commonwealth Director of Public Prosecutions, with support from the Australian Transaction Reports and Analysis Centre (AUSTRAC), the Australian Government Solicitor and the Attorney General's Department. See ACC, "What is the difference between Project Wickenby and Operation Wickenby?"

<http://www.crimecommission.gov.au/node/108> visited on 16 January 2012.

⁸ See section 26.1.

⁹ "Tax shelter" refers to any method of reducing taxable income through transactions that have no valid commercial reason other than a tax advantage. Most advanced countries deem tax shelters illegal.

¹⁰ IRS news release IR-2002-22, "Tax Shelter Disclosure Initiative Reaches Mid-Point; IRS Adds New Protection on Privileges," 22 February 2002, <http://www.irs.gov/pub/irs-news/ir-02-22.pdf>, visited on 5 March 2012.

¹¹ The current denunciation document (which the IRS modestly calls a "Referral Form") is available at http://www.irs.gov/pub/irs-utl/referralform_reportingabusiveschemes.pdf.

2002, some 1,206 taxpayers had offered information on 1,664 fraudulent tax transactions.¹² The IRS followed up the 2001-2002 amnesty with three additional programmes. The most recent one, announced in 2012, has no deadline.¹³

The IRS has the option to refuse an amnesty application and file criminal charges against the applicant, but this happens only rarely. At this stage, the IRS' main objective is not to prosecute tax evaders, but to "smoke out" other offenders. People who enrol in the amnesty must fill out a three-page form to be scrutinised by the IRS' Criminal Investigation (CI) division. These forms have offered up a virtual treasure trove of information on tax-shelter promoters and the techniques they use. The agents thoroughly investigate the promoters' activities and gain access to other clients' particulars, which most promoters are legally obliged to keep on file). IRS agents can thereby identify tax fraudsters who might otherwise have escaped their attention.

In 2010, CI began to sharpen its focus on the offshore sector. This should be cause for despair among tax-haven abusers: Since its foundation in 1919, CI's conviction rate for federal tax prosecutions has consistently topped 90% – higher than any other federal law enforcement agency.¹⁴ Since 2009, CI has initiated more than 4,000 criminal investigations per year; more than 80% of the people who were convicted went to prison.¹⁵

Doubters should ask Harry Abrahamsen, the New Jersey businessman who got mixed up in a tax-evasion scheme run by UBS, Switzerland's largest bank. CI's special agents revealed that Abrahamsen had failed to tell the IRS about more than \$1 million he had been keeping in two UBS accounts. It is unlikely that reporting the funds would have substantially improved Abrahamsen's situation: A good deal of the money was proceeds from tax fraud. In 2000, Abrahamsen transferred his UBS deposits to accounts held by Primrose Properties, a Panamanian shell company he founded with the assistance of a Swiss private banker and lawyer. This fictitious company name allowed him to conceal income and interest payments from the IRS. In addition, Abrahamsen reduced the tax base of his U.S. resident company, SJT Imaging Inc., by paying false or inflated invoices to a Swiss company for printing services at more than fair market value. This allowed him to add \$1.3 million to his

visited on 18 October 2009.

¹² IRS news release, "Tax Shelter Disclosure Initiative Benefits the IRS in Fighting Abuse," IR-2002-99, 16 September 2002, <http://www.irs.gov/pub/irs-news/jr-02-99.pdf>, visited on 18 October 2009.

¹³ See section 26.1.

¹⁴ IRS, "The History of IRS Criminal Investigation (CI)," last updated 12 October 2010, <http://www.irs.gov/compliance/enforcement/article/0,,id=107469,00.html>, visited on 27 June 2011.

¹⁵ IRS, "Three Fiscal Years Trends in Investigations – Criminal Investigations," last updated 4 November 2011,

<http://www.irs.gov/compliance/enforcement/article/0,,id=107484,00.html>
visited on 7 March 2012.

UBS accounts, according to the U.S. Department of Justice.¹⁶

On 24 May 2011, Abrahamsen pleaded guilty and was sentenced to three years' probation, including 12 months' home confinement with electronic monitoring. Abrahamsen also had to pay back taxes, interest and penalties totalling more than \$600,000 and a penalty in excess of \$300,000. Furthermore, Lucille Abrahamsen Jackson, his daughter, admitted to concealing more than \$750,000 in a Swiss bank account. She was sentenced to probation for filing a false tax return in 2005.¹⁷ In the grand scheme of things, the Abrahamsens got off fairly lightly – they could easily have ended up in the penitentiary.

U.S. prosecutors have been trying to target the people who facilitate crimes like Abrahamsen's for decades, but only recently has the legal environment supported such efforts. A key ruling was *U.S. v. Popkin* (1990),¹⁸ where Atlanta lawyer Gerald Popkin was charged with "corrupt or forcible interference" with U.S. tax laws after he knowingly helped a client create a normal domestic corporation for the purpose of shielding foreign-earned income from U.S. taxes. Unbeknownst to Popkin, the client was actually part of a government sting operation.

At first glance, the U.S. government's case against Popkin may seem petty: His fee for the transaction amounted to a mere \$1,755, and as far as he knew, his client intended to pay tax on his corporation's future income. Furthermore, the company never even operated. Still, the sole act of assisting in the formation of a company for purposes of tax evasion was enough for a jury to find Popkin guilty of infringing tax laws. In July 1990 he was sentenced to a year and a day in prison and was instructed to pay \$6,755 in restitution.¹⁹ Perhaps the only consolation for Popkin was that the

¹⁶ U.S. Department of Justice press release, "New Jersey UBS Client Sentenced for Failing to Report More Than \$1 Million in Swiss Bank Account," 24 May 2011, <http://www.justice.gov/opa/pr/2011/May/11-tax-669.html>, visited on 27 June 2011.

¹⁷ *ibid*

¹⁸ United States Court of Appeals, Eleventh Circuit, *United States v. Gerald M. Popkin*, 943 F.2d 1535, 9 October 1991, available at <http://openjurist.org/943/f2d/1535/united-states-v-m-popkin>, visited on 28 June 2011.

¹⁹ Gerald Popkin was charged in a three-count indictment in January 1990. Counts I and II of the indictment are related to defendant's actions in preparing his client Stephen Musick's tax returns for 1983 and 1984. The defendant was acquitted on these counts but was convicted on count III, which charged the defendant under 26 U.S.C. § 7212(a), alleging that Popkin had corruptly obstructed and impeded and endeavoured to obstruct and impede the due administration of Title 26, United States Code, by preparing the tax returns described in Counts I and II and by creating a California corporation expressly so that Musick could disguise the character of illegally earned income and repatriate it from a foreign bank. Popkin appealed to the Eleventh Circuit Court of Appeals, to no avail: The court affirmed his conviction, even though there was no corrupt solicitation, no threatened or actual violence against an employee, and the scheme simply involved one individual's evasion of taxes. The Popkin case has often been criticised as an abuse of an *omnibus clause* in the Internal Revenue Code (IRC). Prosecutors probably chose this route because the U.S. had no laws against money laundering at the time Popkin committed his offence; such laws would have allowed prosecutors to press charges fairly easily.

sting operation took place in 1985, and federal money laundering laws did not come on the books until 1986.

Since *Popkin*, U.S. prosecutors have galvanised their efforts to punish people who facilitate tax fraud. They are even going after foreign promoters suspected of helping American citizens dodge taxes. In July 2010, a federal grand jury charged Felix M. Mathis, a partner of Swiss law firm Froriep Renggli LLP, with “conspiring to defraud the United States and structuring the importation of currency into this country.”²⁰ A warrant was later issued for his arrest.

Mathis, a member of the bar in both Switzerland and New York, was indicted in connection with his role as an adviser to Andrew Silva, an American physician who pleaded guilty to conspiracy to defraud the U.S. in February 2010. Prosecutors say Mathis helped Silva conceal money he had inherited in 1997 at a Swiss affiliate of HSBC through the Liechtenstein-based Pentruvoi Trust.²¹ In September 2009, HSBC informed Silva it was closing his account. Like many Swiss banks, HSBC was under pressure to get rid of its American clients due to stepped-up enforcement of U.S. tax evasion laws. HSBC did not want to report Silva’s details to the IRS – an act that would have violated Swiss rules.²² Silva needed a new hiding place for his cash.

What happened next might have been taken from a spy novel. According to prosecutors, Mathis advised Silva not to wire his Swiss funds to the U.S. because it would leave a paper trail. Instead, Mathis told Silva to mail himself the cash in instalments of less than \$10,000 (that is, below the threshold of U.S. customs reporting obligations) using several different Swiss post offices to mail the letters. Silva and Mathis communicated with each other through code words: For example, if Silva wanted to discuss the Swiss accounts with Mathis, he sent a letter asking to “meet for coffee.” All in all, Silva sent \$235,000 by mail, and also transported cash in person when returning from trips to Switzerland.

Silva was caught and charged. In February 2010, he was fortunate enough to get just two years’ probation, including four months’ home detention; he could have received 25 years in prison

²⁰ DoJ press release, “Swiss Lawyer Indicted for Helping to Hide Swiss Bank Accounts and Monies Returned to U.S. Clients,” 15 July 2010,

<http://www.justice.gov/opa/pr/2010/July/10-crt-815.html>, visited on 5 March 2012. Mathis is also charged with “Klein conspiracy,” which relates to allegations of tax fraud. The general federal conspiracy statute has two clauses: The first makes it a crime for two or more persons to conspire to commit an offense against the United States by violating a specific statute or statutes, and the second clause makes it a crime for two or more persons to agree “to defraud the United States, or any agency thereof in any manner or for any purpose...” Criminal No.: 1:10-CR-260; Count 1: 18U.S.C. § 371 (Conspiracy); Count 2: 31 U.S.C. § 5324(c)(3), (d)(2) (Structuring); and Count 3: 31 U.S.C. § 5324(c)(3), (d)(2) (Structuring).

²¹ DoJ, “Swiss Lawyer Indicted for Helping to Hide Swiss Bank Accounts.” See also United States District Court for the Eastern District of Virginia, *United States v. Felix M. Mathis*, criminal no. 1:10-CR-260, available at Worldwide Tax Daily, “Attorney Indicted for Involvement in Scheme to Conceal Transfer of U.S. Funds to Evade Tax,” 15 July 2010 (2010 WTD 137-49).

²² See section 16.2.

and a fine of as much as \$1.25 million. Naturally, he had to repay the taxes due. He also had to disclose all details about the conspiracy and cooperate with the U.S. authorities – leading directly to the charges against his erstwhile attorney, Mathis.

Luckily for Mathis, Switzerland is unlikely to extradite its own citizens in connection with the kinds of charges that the U.S. has filed against him. But for the time being, Mathis is advised not to travel to any country that has an extradition treaty with the U.S. – in other words, he basically cannot travel.

HSBC's role in the Silva conspiracy remains to be clarified. The bank denies involvement in tax evasion. However, HSBC has a branch network in the U.S., which may make it easier for federal prosecutors to target it.

Methods of eliminating such tax evasion schemes are spelled out in a "six-point execution list" drawn up by a group of non-governmental organisations dedicated to tax justice.²³ Once governments integrate this list into national law, HSBC and other big banks will not have to worry about losing clients who are engaged in tax fraud and money laundering to the competition. Since all banks will be playing by the same rules, these clients will have nowhere else to go.

3.

Throughout this book the reader will come across case studies by the Egmont Group, an international network of financial intelligence units (FIUs) – national authorities who investigate suspicious financial transactions.²⁴ These come from a collection of 100 real (albeit anonymised) stories that the Egmont Group has compiled to warn offshorers that their crimes have been identified and are subject to prosecution. The cases are presented in boxes; they should provide a respite from the academic language in some other parts of the book. Take the following case for example:²⁵

²³ See Chapter 11.

²⁴ See section 21.4.

²⁵ Egmont Group, "FIU's in action: 100 cases from the Egmont Group," Case no. 64, <http://www.egmontgroup.org/library/cases>, visited on 10 October 2010.

A European FIU received an anonymous disclosure about Josie, which claimed that Josie was committing large-scale tax evasion. The FIU decided to undertake a preliminary investigation into Josie's finances to determine whether the allegation was true.

The FIU established that Josie had opened a bank account several years ago. She had told the bank at the time that she was a representative of an offshore company and that she was acting on its behalf. The FIU discovered that in addition to Josie's claimed connection to this offshore company, at that time she had also controlled a company that had been trading but had not been registered with the authorities. It appeared that the cover story of the links with the offshore company had allowed Josie to obtain a company account without alerting suspicion.

According to the FIU's investigation, Josie had arranged contracts with various Eastern European companies. These contracts stated that Josie's company was to undertake construction work and supply equipment. When using Josie's services, the foreign companies transferred their payments to the offshore company's bank account, thus avoiding any record of taxable activity taking place within the jurisdiction.

A significant number of Eastern European companies had credited Josie's bank account over the years, as by not paying tax she had been able to reduce her costs and thus offer a cheaper service than legitimate suppliers. The FIU calculated that Josie had received over US\$ 250,000, although Josie had already taken the majority of this money out of the account. Armed with the knowledge that Josie had operated a non-registered company, the FIU surmised that it would be interesting to look at her tax declarations. It came as no surprise that Josie had failed to declare any income and had never paid taxes on her earnings.

At time of writing an in-depth investigation into the extent of the criminality was ongoing although a prosecution on tax evasion and money laundering charges seemed likely.

4.

Would-be tax evaders might think that countries with less-developed law enforcement systems will turn a blind eye to offshore offences. They would be wrong. Emerging-market governments are taking an increasingly proactive stance against the offshorers who rob them of tax revenue and the promoters who make their crimes possible.

In October 2010, Romanian police arrested László György Kiss, a notorious enabler of offshore tax-evasion schemes.²⁶ Kiss was accused of masterminding a scheme to embezzle and launder money

²⁶ See section 24.2.

from Petrom Service SA, a Romanian energy services company. Prosecutors also suspect that the ultimate beneficiary of the plan was Romanian media mogul Sorin Ovidiu Vantu.²⁷ The arrangement that Kiss concocted was not so different from the schemes that Western companies use to channel oil and other commodities to Europe – schemes that were thought to be legal and rock solid.

The Petrom Service affair was just one of thousands of offshore schemes that Kiss had engineered for clients who wanted to get rich by avoiding taxes. He had been conducting his illicit enterprise quite openly at his Bucharest firm, Lamark Tax Planning Consult SRL. He even authored a book on how business people could profit from his offshore techniques.

As Kiss can attest, offshore promoters should fear not only the law, but the media as well. Before his arrest, Kiss unwittingly granted an interview to undercover reporters from the Organized Crime and Corruption Reporting Project (OCCRP),²⁸ a group of investigative journalists from across Eastern Europe. Posing as businessmen who wanted to conceal proceeds from an oil deal, the journalists secretly recorded Kiss explaining how they could evade taxes without raising suspicion. The reporters then presented Kiss' plan to Romanian authorities and inquired about its legality. It was bad timing for Kiss, who was already under investigation in relation to the Petrom Service deal. He was behind bars a few weeks later.

The power of the press is also evident in the collapse of Kiss' New Zealand-based partner, Ian Taylor. On 3 June 2011, Taylor notified his clients that he was shutting down all operations in New Zealand and the island of Vanuatu under pressure from authorities.²⁹ The decision came after Fairfax Media, an Auckland-based news group, conducted a 16-month investigation into the Taylor family's offshore dealings, with an exposé coming out just days before Taylor announced he was closing shop. *"I fully understand that you will be frustrated and angry at this situation, as I am also,"* Taylor told his clients in an e-mail published by the local media. *"We have spent the last 10 years building a good reputation, good client base and a good business, and it is all gone due to some irresponsible media and a government department that was embarrassed by that media and looked to blame someone."*³⁰

The Taylors are accused of setting up Bristoll Export Ltd., which authorities suspect of moving proceeds from a \$245 million Russian tax-fraud scheme into Swiss bank accounts in 2007-2008. A lawyer

²⁷ Mihai Munteanu, "Kiss: Police Arrest Kiss," Organized Crime and Corruption Reporting Project (OCCRP), 20 November 2010, <http://www.reportingproject.net/offshore/index.php/kiss-the-downfall-and-arrest-of-kiss>, visited on 29 June 2011.

²⁸ OCCRP, "Crime Goes Offshore," 20 November 2010, <http://www.reportingproject.net/offshore/index.php/offshore-havens-enable-crime>, visited on 16 January 2012.

²⁹ Michael Field, "'Shell' operation shuts after crime links exposed," Fairfax Media Ltd., 7 June 2011, at <http://www.stuff.co.nz/auckland/local-news/5107131/Shell-operation-shuts-after-crime-links-exposed>, visited on 30 June 2011.

³⁰ *ibid*

who was looking into the affair died in Russian police custody.³¹ In addition, the U.S. Department of Justice accuses the Taylors of incorporating companies that helped launder as much as \$50 million from the Mexican Sinaloa drug cartel to Wachovia Bank in America.³² In his e-mail, Taylor complained of heavy-handed treatment by New Zealand officials: *"We are forced to cease fighting the Companies Office from striking off companies. Even our top level lawyers are afraid to stand by us because they fear what the government may do to them, despite the fact that we are the victims,"* the press quoted him as saying.³³

New Zealand's clampdown against the Taylors comes at a time when the country is trying to promote itself as a new kind of "offshore centre" – a credible place with reliable laws and a good system of exchanging data with other countries. New Zealand officials who read this book should painstakingly consider what sort of business they want to attract. The consequences of New Zealand turning itself into a tax haven could be devastating for its reputation.

5.

Anyone who serves as a nominee director for a shell company that is *de facto* owned and operated in Italy may want to take a hard look at a ruling the Italian Supreme Court handed down in February 2012.³⁴ The judgment broke new ground in cross-border tax jurisprudence by affirming that the legal representatives of a Luxembourg-based offshore firm could be held liable for the crime of omitted tax return in Italy, where the firm actually operated. This view is almost a novelty, at least in Europe: Until now, persons who have acted as legal representatives for offshore entities have rarely faced prosecution for aiding and abetting mere tax evasion. It is also surprising that a country like Italy, where tax evasion is a national pastime second only to football, would go after foreigners with such determination.

"Fiduciary companies, financial intermediaries, advisors and counsels of foreign companies of Italian groups when acting as members of the board of the said foreign companies should carefully assess whether such companies fall within the definition of sham companies i.e. società esterovestite, in order to identify the potential Italian tax liabilities of the company and avoid potential criminal tax consequences which may derive personally to them from the failure to fulfill such obligations," write Bernadette Acili and Domenico Gioia of

³¹ Michael Field, "Web of Intrigue," *Sunday Star-Times*, 29 May 2011, available at <http://www.stuff.co.nz/national/crime/5070730/Web-of-intrigue>, visited on 1 July 2011.

³² Michael Field, "NZ Firms Linked to Money Laundering," *Sunday Star-Times*, 29 May 2011, available at <http://www.stuff.co.nz/national/5069771/NZ-firms-linked-to-money-laundering>, visited on 30 June 2011.

³³ *ibid*

³⁴ Corte di Cassazione n 7739 2012.

the Paul Hastings LLP law firm.³⁵

• • •

If the reader disagrees with the quote from Seneca at the beginning of this chapter, the following pages will be of little value to him. He may wish to stop reading right here. One can only hope that the above stories will persuade him to get rid of his offshore company – the sooner the better. If he is not yet convinced, this book offers a cornucopia of other examples that will plainly demonstrate how authorities are coordinating efforts to clamp down on tax-haven abuse. Anyone who has engaged in offshore abuses will reap the consequences, most likely before the applicable statute of limitations expires. Tax planning through offshore companies may result in imprisonment in the U.S., Australia, and even in less-developed countries. If an offshorer is fortunate enough to have an amnesty programme available in his jurisdiction, he may be able to liberate himself from criminal prosecution after he has paid up his back taxes and related charges.

Most countries have not aggressively gone after people who abuse offshore regimes because their foreign partners are often reluctant to cooperate. But there can be little doubt that enforcement officials are starting to cooperate more closely and will prosecute cross-border tax crimes more rigorously. The Organisation for Economic Cooperation and Development (OECD) intends to work towards a legal framework that aims to close loopholes and illegal tax evasion.

This will be reinforced by the FIUs that exist in virtually every country – even in tax havens.³⁶ These agencies are already working with one another to combat tax evasion and money laundering. As the Egmont Group's case studies show, they are yielding results.

Anonymity is a thing of the past. Money laundering regulations oblige nominees (the frontmen who pose as directors, managers, and shareholders of offshore companies on paper) and financial-service providers to disclose information about the real owners of

³⁵ Bernadette Acili and Domenico Gioia (Paul Hastings LLP), "Italy: Tax Avoidance: Criminal Liability for a Foreign Company's Management," 21 March 2012, http://www.mondaq.com/x/169450/Corporate+Tax/Tax+Avoidance+Criminal+Liability+For+A+Foreign+Company+Management&email_access=on, visited on 25 March 2012.

³⁶ All tax havens have FIUs, but people who invest through offshore companies often do not know they exist. Naturally, tax-haven governments do not advertise them: No offshorer would be willing to put his money in an offshore regime that is committed to exposing his involvement in money laundering. Tax havens had no choice but to establish FIUs and to start cooperating with international agencies: Had they refused, they would have been excluded from international banking correspondence. They have been compelled to accept the recommendations of the Financial Action Task Force (FATF), which oblige tax havens to provide information to FIUs in capital-exporting countries upon request. Tax havens have also had to implement anti-money laundering laws. Nonetheless, offshore-company registration providers in tax-haven jurisdictions are reluctant to alert authorities to money laundering activities – they would effectively be denouncing themselves.

offshore companies. Financial institutions know that offshore business is the single-most important vehicle for money laundering worldwide. They are often the first to notify authorities about suspicious offshore transactions.

As the reader will learn, some countries are already using money-laundering laws to prosecute tax crimes, meaning tax offences will become “more criminalised” in many jurisdictions. This should be a frightening prospect for offshore company owners.

1. INTRODUCTION

"The avoidance of taxes is the only intellectual pursuit that carries any reward"
(John Maynard Keynes)

"In this world nothing can be said to be certain, except death and taxes"
(Benjamin Franklin³⁷)

This book is dedicated to anyone who is involved in the offshore industry. First and foremost, it seeks to reach business owners and other laymen who allow themselves to be advised – or, perhaps more accurately, duped – by offshore-industry professionals. The real-life anecdotes in the Foreword encapsulate the authors' main message: If the reader, however reluctantly, reconsiders the wisdom of planning taxes through offshore schemes, he can avoid a world of trouble. This may be a tough pill to swallow. It may not be easy for someone who has been profiting from the offshore industry to learn that he has no choice but to enrol in a tax amnesty programme – if available – or to conduct a self-audit, saddling himself with untold back taxes plus hefty interest.

The authors hope that offshore business owners and their relatives will not be the only ones who find these lessons compelling. Lawyers, tax advisors, offshore-company registration agents, accountants and certain employees of financial institutions – collectively known as “promoters” or “enablers” in the offshore world – can benefit from this book. The book may also prove useful for company managers who pay invoices issued by offshore companies or otherwise maintain contractual relations with them.

While we offer examples from around the world, our primary focus is on anti-tax haven enforcement by the U.S. and the IRS. America presents somewhat of a paradox: On the one hand, it is the biggest tax haven in the world; on the other hand, it passionately combats tax-haven abuse – primarily by its own taxpayers. (We will explain how this unfortunate situation developed.) Washington's efforts significantly influence the work of the Organisation for

³⁷ Several famous authors have uttered lines to this effect. The first was Daniel Defoe in *The Political History of the Devil* (1726): “Things as certain as death and taxes, can be more firmly believed.”

Benjamin Franklin (1706-90) used the form we are currently more familiar with, in a letter to Jean-Baptiste Leroy (1789), which was re-printed in *The Works of Benjamin Franklin* (1817): “In this world nothing can be said to be certain, except death and taxes.”

Another thought on the theme of death and taxes is Margaret Mitchell's line from her book *Gone With the Wind* (1936): “Death, taxes and childbirth! There's never any convenient time for any of them.”

<http://www.phrases.org.uk/meanings/death-and-taxes.html>, visited on 20 February 2011.

Economic Cooperation and Development (OECD), an institution dedicated to cracking down on abusive tax practices. The struggle against tax havens does not end in the OECD member states: Developing nations such as the BRIC countries (Brazil, Russia, India and China) are also joining the fight – particularly the latter two. These fast-growing emerging markets understand the failures of the developed world, which has allowed its taxpayers to reduce their tax bases through more or less dodgy schemes.

No matter what the reader's background may be, and regardless of whether he agrees with the book's message or not, he will soon experience significant changes in the way state authorities deal with tax havens and the businesses registered there. Specifically, he can expect increasingly stringent tax audits, criminal investigations, and punishments, as recounted in the Foreword.

People who work in the offshore-company registration industry may not agree. In recent decades, the offshore lobby has published a veritable throng of booklets and pamphlets extolling the benefits of owning companies in tax havens. A large number of these publications discuss how business people can plan their taxes through offshore regimes – which, they allege, is absolutely legal. In the age of the Internet, these booklets have been replaced by websites, a development that has further encouraged tax planning through tax havens. There are also periodicals that specialise in this subject, as well as newspaper articles and conferences.

The reader would be well advised that this promotional literature cannot provide a fair analysis. Its publishers have a direct interest in supporting the offshore industry because that is where they make their living as lawyers, advisors or nominees. Most of this (dis)information ignores an inconvenient truth: Traditional tax-planning options are disappearing as some of the best-known offshore jurisdictions succumb to international pressure to reform their laws. Specifically, they have been watering down bank secrecy, the glue that keeps offshore structures together, and have agreed to begin exchanging tax information with governments whose citizens operate on their territory. As investigative techniques develop and intergovernmental cooperation strengthens, authorities will become all the more successful in uncovering abusive practices. The consultancies that promote offshore structures and tax haven-related investment will collapse, hastening the downfall of company-registration agencies in offshore locations.

Legal tax planning will remain possible. The key to successful and lawful tax planning is “substance” – that is, companies based in tax havens and the transactions they conduct must have some commercial rationale other than the owners' desire for a lower tax bill. Entrepreneurs who want continue planning taxes will have to dismantle their “substance-free” offshore structures and replace them more robust “onshore” structures. This means they will have to effectively manage their firms in the countries where they are registered.

The problem is, establishing substance in a foreign country is a very expensive and time-intensive process. Tax planning can only be safe if it has been successfully tested against the increasingly comprehensive, up-to-date anti-avoidance legislation and related court rulings. Business that lack sufficient capital will probably be shut out from legal tax-planning opportunities in the future.

This book will substantiate this message. It will detail the efforts that the OECD, the Financial Action Task Force (FATF) and other international institutions are undertaking to combat tax havens. It will outline new legislative initiatives by the European Union and the U.S., and will review court rulings handed down in numerous countries. We will also discuss the advanced methods of criminology that expose a great number of tricks employed by offshore practitioners. (The simplest way for authorities to combat offshore tax planning is to seize the databases of offshore-company registration agencies.) Readers will discover that in the overwhelming majority of cases, tax havens do not offer a legal way for them to avoid taxes in their home countries.

We will then review the methods through which companies might continue tax planning through legal, albeit much costlier, means.

WHY THIS BOOK WAS WRITTEN

1. Amnesty Awareness

Tax evasion has broad appeal to companies in countries where taxes and social contributions are particularly burdensome. Company owners sometimes try to lighten the load by paying fictitious or inflated invoices to offshore firms, which allows the owners to book expenses that reduce their domestic tax bases. They may also register their workers as employees of an offshore company to try to lower the cost of employment. Once a taxpayer moves his assets offshore, it is very difficult for him to legally re-integrate them into the domestic economy. He can always conduct a self-audit that reviews his liabilities – but this is a painful process that most people would just as soon avoid.

Numerous governments have addressed this problem by introducing amnesty programmes. When a state offers an amnesty, it tacitly acknowledges that (i) its unreasonably high tax rates have “forced” people to evade taxes, and (ii) the state is (or was) not able to properly enforce its tax laws. In a typical amnesty programme, authorities forgive the wrongdoing of those who have used tax havens. In return, the wrongdoers (which, depending on the jurisdiction, may include perpetrators of serious tax crimes) have to pay tax on their offshore wealth typically at rates ranging from 2% to 40%. If a taxpayer enters an amnesty programme, the local

promoters who helped him set up the company might also escape punishment. But this is not always the case: U.S. authorities can prosecute promoters of tax-avoidance schemes using information they receive from programme participants.

A successful amnesty programme will encourage voluntary reporting of taxable wealth held offshore. The taxpayers should be granted a one-time redemption of all untaxed funds, regardless of whether they are held domestically or abroad. Major assets that have previously escaped taxation could be regularised at a special tax rate that should not exceed 5% (10% in highly developed countries). The rate could even be reduced to 2.5%, provided that the taxpayer invests his regularised wealth in the domestic real estate market. That would boost the domestic construction and property industries while simultaneously saving public funds. The programme would be even more attractive if it were open to companies as well as individuals.

In less-developed countries, it is crucial for amnesties to offer the one-time redemption of funds. Very few emerging-market companies have enough cash on hand to pay 5% of the wealth that they want to regularise. In most cases, the firms have already used the assets that escaped offshore to finance their domestic ventures and improve their competitiveness. (This typically occurs through borrowing or capital contributions from the offshore company.) Alternatively, the taxpayer may have already invested his offshore “savings” in real estate.

There are two major stumbling blocks that may hamper an amnesty programme’s success. The first is weak tax morale: If taxpayers are not afraid of the state due to ineffective law enforcement, an amnesty programme may fail even if its terms are entirely reasonable. The second obstacle is the black economy: If a UBO can continue to profit from under-the-table business without major repercussions, why would he expose his company to greater tax liabilities?

For this reason, the success of any amnesty programme is closely linked to tax reform. If authorities fail to cut taxes, no amnesty can be popular: Upon entering the programme, a company’s tax burden would rise so dramatically that it would lose market position to competitors who continue to engage in tax evasion. Radical cuts in major taxes may stem the growth of the black economy and hamper capital flight. They may also make the country more attractive to foreign direct investment. This book addresses the question of why and how countries should overhaul their tax structures and implement a tax burden that people consider fair (and are willing to pay).

As we shall see, the only economically successful amnesty programmes were the ones offered by Argentina³⁸ and Italy.³⁹

³⁸ Argentina has implemented the most successful amnesty programme in the world (at least from the perspective of this book’s authors). As Argentine President Cristina Fernández de Kirchner told Dow Jones on 1 September 2009, the Argentine state was not over-zealous and did not seek to achieve unrealistic goals. The

Whether they were successful from an ethical perspective is an open question: Opponents say amnesties reward dishonest taxpayers and create a disincentive for people to pay on time. But since an amnesty is voluntary, opponents have a hard time mounting legal challenges against it.

In countries where no amnesty programme exists, people who engage in tax haven-related business would be well-advised to conduct a self-audit. This is a good idea even if the belated payment of tax does not save the taxpayer from criminal prosecution. Any effort to regularise untaxed income and property may induce authorities to consider more lenient punishment.

2. Dose of Reality

It is not the author's intention to frighten the reader; however, the discussion in the following pages may do just that. Those who see the reality of their offshore business should logically think over the consequences of owning such a company – even though it looked advantageous at the outset. They will eventually have to acknowledge that the conditions for offshore business have deteriorated.

Decades ago, tax haven governments introduced “secrecy laws” to prevent foreign authorities from obtaining information about their citizens who had moved assets offshore. Secrecy laws are one of the cornerstones of the offshore industry: They keep tax evaders safe from prosecution in their home countries. It is no wonder that the gross value of assets kept in tax havens may reach into the trillions of dollars.⁴⁰ But today, pressure from wealthy nations has

programme allowed individuals to be discharged from tax liability by paying an 8% tax or, exceptionally, a 1% tax, provided that they invested their regularised income into Argentine real estate or movable property. Without the amnesty programme, they would have been obliged to pay a 35% tax, plus late-payment interest and penalties. Companies that entered the amnesty programme had the opportunity to pay 30% of the normal tax that would otherwise have been due. About 200,000 individual and corporate taxpayers took part in the programme; the state managed to recoup some ARS 33 billion (\$8.3 billion) in tax revenue. See Mike Godfrey, “Argentina’s Tax Amnesty Raises USD8.3bn In Revenue,” Tax-News.com, 4 September 2009, available at

http://www.lowtax.net/asp/story/front/Argentinas_Tax_Amnesty_Raises_USD83bn_In_Revenue_38889.html, visited on 16 January 2012.

³⁹ In 2009, Italy declared its third tax amnesty since 2001, the so-called Scudo III (“shield” or “protection”), which imposed a 5% penalty on undeclared foreign savings. (The amnesty has since been extended, but the penalties have been raised as high as 7%.) The programme was truly successful from an economic perspective: As much as \$137 billion has been repatriated, generating \$7 billion in tax revenues – far surpassing the government’s expectations. However, the amnesty has been criticised as unethical because it allowed the legalisation of funds from criminal sources (not only tax evasion). “Parliament is aiding and abetting bands of criminals,” opposition Italian Values party leader Antonio di Pietro told Bloomberg in October 2009, a clear reference to the Mafia. See Steve Scherer, “Italy Tax Amnesty Poised to Pass; Opposition Says It Aids Mafia,” Bloomberg, 1 October 2009,

<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=aMijLhTnaPuM>, visited on 16 January 2012.

⁴⁰ In 2000, an IMF study estimated the total value of on-balance sheet cross-

forced the most ardent supporters of secrecy – including Switzerland – to back down. Offshore tax dodgers can no longer feel secure that their secrets will not be exposed.

Surely, taxpayers – or ultimate beneficial owners (UBOs), as this book will refer to them⁴¹ – have long been aware that offshore “tax planning” is not entirely legal. People who do business with tax haven-registered firms must also sense that something is amiss: Sober minds can surely identify the danger in signing a contract with a company whose official address is nothing but a post office box on a Caribbean island, in an Alpine hamlet in Liechtenstein, or even a city in a developed jurisdiction such as Hong Kong, Luxembourg, the U.S., the Netherlands or Switzerland. Intelligent people are certainly also aware that a company with no proper management cannot sign a virtually unlimited number of contracts and issue countless invoices to anybody for anything. Nor does it seem feasible that a legitimate firm could share the same office space with several thousand other firms.

Anyone who invests through a tax haven-registered entity must know that the firm is based on fictitious paperwork – especially given that all contracts, invoices and other documents are produced in the company’s normal office in the UBO’s home country (albeit with the offshore company’s letterhead). This is also the place where business partners meet with the company’s managers.

The idea that it is possible to create an artificial company whose profit is not subject to any tax anywhere (save an annual maintenance fee of \$1,000-\$2,000 payable to the company-registration agent) is a pipe dream. Any taxpayer of sound mind must realise it is simply too good to be true. He must also know that such a setup is exceedingly vulnerable: One does not require a law degree to understand that simulated contracts and forged invoices constitute tax fraud and falsification of corporate documents. Forgery of official documents also occurs whenever an offshore

border assets parked in offshore financial centres at \$4.6 trillion (as of June 1999). Caribbean basin countries hosted \$900 billion of the total (not including Bermuda or Panama, which did not provide data). Asian tax havens had \$1 trillion, while London, Japan and the United States absorbed \$2.7 trillion dollars of tax haven-related business. The financial infrastructure of the latter jurisdictions was used to transfer and manage the funds derived from tax havens. See Ahmed Zoromé, “Concept of Offshore Financial Centers: In Search of an Operational Definition,” IMF Working Paper, April 2007, p. 25, footnote 24,

<http://www.imf.org/external/pubs/ft/wp/2007/wp0787.pdf>, visited on 28 February 2012.

According to a 2011 report by the U.S. Public Interest Research Group (USPIRG), offshore tax havens added \$434 to the average U.S. taxpayer’s tax bill in 2010. See Benjamin Davis, Elizabeth Ridlington, Gary Kalman and Jeffrey Musto (U.S. PIRG Education Fund), “Tax Shell Game: How Much Did Offshore Tax Havens Cost You In 2010?” April 2011, available at

<http://cdn.publicinterestnetwork.org/assets/6199a01e45e44ebdea96ad519a6f0642/Tax-Shell-Game-web-vUS.pdf>. See also U.S. PIRG press release, “Washington, D.C.: Off-Shore Tax Havens Cost U.S. Taxpayers \$434 a Year,” 18 April 2011, <http://www.uspirg.org/news-releases/tax-and-budget/tax-and-budget-news/washington-d.c.-off-shore-tax-havens-cost-u.s.-taxpayers-434-a-year>. All sites visited on 16 January 2012.

⁴¹ See the definition of UBO in section 2.3.

company's "nominee director" signs blanket declarations in advance, which the UBO can then backdate as he pleases. The moment the UBO moves his funds offshore, he becomes involved in the crime of money laundering. So might any of his relatives whose daily lives are financed by the tax haven-registered business (provided that they are aware of the criminal source of the funds).

In developed countries, authorities can easily detect abusive practices by UBOs of tax haven-based companies. This is not yet the case in many developing nations. Authorities here rarely investigate tax haven abuse proactively, chiefly because their main targets would be politicians and members of the economic elite. Hence the average UBO pays little attention to the risks of doing business in tax havens. But in some emerging markets, especially India and China, it may be high time for them to change their ways...

Offshore-company promoters are supported by an outstanding marketing campaign. Its success is evident in the fact that the people who participate in offshore schemes come from the educated and affluent sectors of society. This is why there are millions of offshore companies that account for more than half of worldwide capital turnover, virtually free of tax.

One particularly persuasive ploy that offshore-company registration agencies use is the idea that the European Union's fundamental freedoms support their right to exploit tax havens such as Cyprus, Malta or Luxembourg. The agencies claim that the EU's Merger Directive⁴² can be invoked to avoid capital gains tax following the exchange of shares between two companies incorporated in the EU or the European Economic Area.⁴³ They fail to emphasise that the Merger Directive has a built-in anti-abuse provision (Article 11). Promoters also tout the EU Parent-Subsidiary Directive as a means of eliminating tax on dividends through offshore companies. They neglect to mention that Article 1(2) of the Directive explicitly authorises member states to prevent such abuses. In other words, if a tax advantage is the sole purpose of a merger, or if such a transaction is wholly artificial, then the benefits of the Parent-Subsidiary Directive may not apply (depending on domestic law).

Most offshore companies are compelled to operate in the UBO's country of residence because most tax havens enforce "ring-fencing" laws that prohibit offshore firms from conducting business on their

⁴² *Official Journal of the European Communities*, EU Directive 90/434/EEC of 23 July 1990 on a common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States, 20 August 1990, L 225/1,

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31990L0434:en:HTML>, visited on 22 January 2012.

⁴³ See European Court of Justice, *Leur-Bloem v. Inspecteur der Belastingdienst*, C-28/95 (1997) ECR I-4161,

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:61995J0028:EN:HTML>, visited on 28 February 2012. (This case is fully discussed in section 14.1.1.6.)

territory. If an offshore company were to actually operate in the tax haven where it is registered, it would be subject to domestic taxes, which can be fairly steep. This would defeat the entire purpose of establishing “tax planning” arrangements through an offshore company, which is for the UBO to dodge taxes in the country where he keeps his “physical” offices.

A few tax havens allow – or even require – businesses to maintain a local presence. For example, Cyprus, Luxembourg, Malta, the Netherlands, Singapore, Switzerland, United Arab Emirates (UAE) and Uruguay have all concluded double tax treaties (DTTs) with other countries. In a standard DTT, a company’s effective place of management prevails over the place of incorporation for the purposes of determining tax residence; therefore, offshore companies that are not effectively managed in these tax havens are not considered to be resident there. And most UBOs do not manage their companies in these tax havens because the operating costs would be too high.

Since place of effective management determines tax residency, tax haven-related schemes can hardly withstand legal challenges in the UBO’s home country, regardless of whether his business operates offshore or onshore. The UBO will not be able to defend himself by saying he does not effectively manage his business in his home country. If he tried this tactic, he would be undermined by his business partners, nominees, the company-registration agent(s) and the employees of the bank where the business accounts are kept. All of these people will uniformly testify that the company in question belongs to the UBO and that it does not operate in the tax haven where it is registered. They will declare that they do not take part in the effective management of the company, even though they operate it on paper; they will even claim they did not take part in the company at all. They have a direct interest in denying involvement; otherwise, they will become entangled in a criminal procedure and will not be able to avoid responsibility for aiding and abetting tax fraud and money laundering. They also do not want to risk being charged with the falsification of company documents or subornation of forgery.

The conclusion is that taxpayers who become entangled in offshore tax-avoidance schemes cannot avoid committing the crime of tax evasion and a number of related offences. The statute of limitations on these related offences may be much longer than those that apply to the tax offences themselves. And once a criminal procedure is initiated, the taxpayer will lose his reputation in the business community.

3. Highlighting the threat of criminal organisations

Engaging in tax haven-related transactions is never a one-man job. A taxpayer begins by approaching lawyers and advisors in his home country who specialise in tax haven-related schemes. They are

usually contractors for company-registration agencies that operate in tax havens; annual maintenance fees are also paid through them. The taxpayer also needs to find “nominees” in the tax havens to serve as the owners and directors of his offshore company on paper; usually, these people are also retained by the company-registration agencies. Such nominees can only participate through fictitious contracts. They do not operate the business; their sole function is to sign the papers given to them.

Most UBOs work with advisors in their countries of residence who speak their language, are familiar with local laws and have established business contacts. (Some UBOs approach the company-registration agencies in tax havens directly – but this is rare.)

So, at least three people are needed to run a tax-haven company – the UBO, the offshore consultant (promoter) in the UBO’s country of residence, and the company-registration agent based in the tax haven (not to mention the nominees). The number three is important: In some jurisdictions, the legal category of “criminal organisation”⁴⁴ applies to cases where at least three people holding different positions conspire to commit significant crimes, durably, with a gainful purpose and in collaboration with each other. Naturally, the punishment for a crime committed by a criminal organisation is harsher than if the same crime were committed by one offender singlehandedly.

To make matters worse, people who evade taxes through offshore schemes may be charged with a combination of tax fraud, money laundering and other related crimes.⁴⁵ Such a “compound crime” may trigger extra-harsh punishment.⁴⁶

• • •

People who invest via tax havens may feel the pressure mounting. International organisations like the G20 are working on recommendations that would oblige member states to automatically exchange information on people who invest through tax-haven entities – possibly even retroactively.

In February 2012, the Financial Action Task Force (FATF) issued a recommendation for states to include tax crimes as a predicate

⁴⁴ In the U.S., criminal agreements are often referred to as “conspiracy” (which again has various forms). This book uses the more European terms of “criminal organisation” or “accomplices.”

⁴⁵ The case may be further complicated by charges of VAT fraud. A variety of services performed by companies based in tax havens are often taxable in the UBO’s home country because that is where these services are actually rendered, and therefore, the company should have charged VAT.

⁴⁶ Most countries’ laws provide severe punishment for tax evasion, but it is an entirely different question as to how these laws are enforced. Courts are hesitant to hand down long prison sentences or big fines, even in countries that are OECD members. This approach is not surprising because the infringement of tax laws through tax havens is frequently not treated as a crime. Authorities therefore have not initiated criminal proceedings, even in cases where the unpaid tax has been clearly identified.

offence for money laundering. All FATF member states will have to integrate this recommendation into their domestic legislations in some form or another. This means people who commit tax crimes may be implicated in money laundering – even in countries like the U.S., where tax evasion is not yet considered a predicate offence.

In the U.S., the Foreign Account Tax Compliance Act (FATCA), passed in 2009, will require foreign financial enterprises to disclose U.S. interests in their institutions from 1 January 2013. A large number of European banks are already trying to get rid of their U.S.-based clients – who previously were their most prized customers.

Australia has taken a similar path. In April 2010, the Australian Taxation Office asked the biggest financial enterprises in the country to provide information on the bank accounts of Australian resident taxpayers (both individuals and companies). Following the U.S. model, Australia is determined to investigate the wealth that has been invested offshore and has escaped taxation at home.

It will be many years before the statute of limitations runs out on current acts of tax evasion and money laundering through tax havens. As a result of the above-mentioned efforts of international agencies, it is very likely that automatic information exchange will be implemented in due course, even if local authorities are sluggish about providing the data. It is then up to authorities in capital-exporting countries to decide whether to use this information, and if so, how.

4. New tax laws, new growth

Many emerging markets do not have the economic infrastructure to attract significant investment over the long term. A competitive tax system could make them significantly more attractive. It is particularly important to reduce the burden on employment; this would make it possible to create jobs at companies that can serve as a supply base for multinationals. These countries would then have an opportunity to whiten their economies, and escaped wealth could be repatriated.⁴⁷

It is every country's goal to adopt a system where taxpayers prefer to pay taxes rather than evade them. This can only be

⁴⁷ Some tax havens are seeking to preserve their foreign clients by remaking themselves as "competitive low-tax regimes," with corporate tax rates not exceeding 10% (on average). Cyprus applies a 10% rate and Gibraltar introduced a 10% corporate tax rate in 2011. If Central and Eastern European (CEE) countries were to introduce such tax rates, they could become attractive destinations for investment because they also offer the benefit of a cheap and well-educated work force. Countries like Liechtenstein, where labour costs are substantially higher, might find it hard to compete.

Governments that wish to implement these reforms must also conclude double tax treaties (DTTs) with capital-exporting nations that allow for the full exchange of tax information (e.g. Hong Kong's DTT with Belgium). Such agreements are vital; without them, investors in low-tax jurisdictions might be forced to pay taxes in both the jurisdiction and their home state.

achieved if there is no significant difference between the cost of paying taxes and the cost of evading them, particularly in countries with weak tax morale. According to model calculations based on interviews with 10,000 company managers in 80 countries, cheating and corruption cannot be eliminated unless fair taxes are applied.⁴⁸ Unfortunately, the economic environment in developing countries often invites tax evasion. Companies simply cannot survive unless they are able to shirk part of their tax burden. Since their competitors are also massively engaged in tax evasion, they have no other choice but to do likewise.

In countries where economic operators pay just a small part of their taxes, it is logical to ask why the state does not reduce taxes to tolerable levels. Such a measure would be unlikely to cause a budget deficit because tax receipts do not increase when nominal tax rates are higher. Indeed, the tax cuts may even bolster state revenues since taxpayers, aware of the heavy punishment they risk, will be less apt to break the law. With fewer tax evaders, a smaller, but well-paid staff of tax authorities would be able to work more efficiently to combat tax evaders who are unwilling to pay even the reduced taxes.

It would also be important for states to guarantee these deep tax cuts for at least four years. This is because tax-evasion schemes are unlikely to be eliminated for at least one or two years after the reforms go into effect. Once someone has legalised his venture, it will become impossible for him to return to the black economy in the short term since regularised funds cannot be quickly reconcealed. However, if a businessman who has “gone legal” is then slapped with tax hikes that dramatically raise his production costs, it will be difficult for him to compete against business rivals who continue to dodge taxes.

Within the EU, Slovakia has been particularly proactive, setting income tax, corporate tax, and VAT at 19%,⁴⁹ and making dividend income tax-free. Romania went further by introducing income and corporate taxes at 16%. Neighbouring Hungary has adopted a 10% tax on corporations whose annual profits are less than HUF 500 million (approximately \$2.5 million), a 19% tax for companies whose profits exceed this threshold, and a 16% flat income tax. Bulgaria went so far as to introduce income and corporate taxes at 10%.

Some countries outside the EU also levy corporate taxes at no more than 10%. Serbia’s corporate tax does not exceed this level, and its income taxes are no more than 20%. Meanwhile, neighbouring Montenegro has introduced a 9% tax on corporate profits, a 12% flat income tax and 17% VAT. Initially, the Adriatic

⁴⁸ Sacit Hadi Akdede, “Corruption and Tax Evasion,” Adnan Menderes University (2006); Eric M. Uslaner, “Tax Evasion, Corruption, and the Social Contract in Transition,” University of Maryland-College Park, 2007; and Douglas A. Hibbs and Violeta Piculescu, “Institutions, Corruption and Tax Evasion in the Unofficial Economy,” Göteborg University (2005).

⁴⁹ Slovakia raised its standard VAT rate to 20% on 1 January 2011.

nation's leaders expected tax revenues to fall, at least in the short term. But this was not the case:⁵⁰ Privatisation, foreign direct investment and a streamlined tax system combined forces to spur economic growth and broaden the tax base. These reforms helped to improve Montenegro's image from that of a statelet mired in the black economy to a country with competitive tax laws.

Tax rates unquestionably affect a country's competitiveness. The World Economic Forum (WEF) publishes an annual Global Competitiveness Report that ranks countries' economic competitiveness based on surveys of business executives and other data. In the 2010-2011 edition,⁵¹ Southern European countries fared poorly in the question on how taxes affect investment and labour: Out of 139 countries, Greece came in 99th, Spain was 112th, Portugal ranked 123rd and Italy was 133rd.⁵² Top-ranked countries are as follows:

1 Bahrain	6.1
2 Hong Kong SAR	6.0
3 Singapore	5.6
4 Oman	5.6
5 United Arab Emirates	5.5
6 Kuwait	5.5
7 Luxembourg	5.4
8 Mauritius	5.4
9 Saudi Arabia	5.3
10 Switzerland	5.0
11 Qatar	4.8
12 Cyprus	4.7
13 Botswana	4.6

Rankings for average tax burdens – including income tax, social charges on employment and other taxes – are as follows:⁵³

1 Timor-Leste	0.2
2 Namibia	9.6
3 Qatar	11.3
4 United Arab Emirates	14.1

⁵⁰ See István W. Szekeres, "Monte Carlo-jelölt a Balkánon" (in Hungarian), *Figyelő*, 19 November 2009,

http://www.figyelo.hu/hetilap/20091116/monte_carlo_jelolt_balkanon/, visited on 16 January 2012.

⁵¹ World Economic Forum, "The Global Competitiveness Report 2010–2011," (2010) http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2010-11.pdf, visited on 16 January 2012. Rankings for 2010-2011 were based on a weighted average of data from 2009 and 2010, except as noted.

⁵² Extent and effect of taxation: What impact does the level of taxes in your country have on incentives to work or invest? (1 = significantly limits incentives to work or invest; 7 = has no impact on incentives to work or invest); 2009-2010 weighted average. "Global Competitiveness Report 2010-2011," p. 431.

⁵³ The variable shown is a combination of profit tax (percentage of profits), labour tax and contributions (percentage of profits), and other taxes (percentage of profits) for 2009. "Global Competitiveness Report 2010-2011," p. 432.

5 Saudi Arabia	14.5
6 Bahrain	15.0
7 Georgia	15.3
8 Kuwait	15.5
9 Zambia	16.1
10 FYR Macedonia	16.4
11 Botswana	17.1
12 Lesotho	18.5
24 Singapore	27.8

Countries that received top honours for spending public money efficiently are:⁵⁴

1 Singapore	6.1
2 Rwanda	5.8
3 Qatar	5.7
4 Oman	5.6
5 Tunisia	5.3
6 Saudi Arabia	5.2
7 United Arab Emirates	5.2
8 Bahrain	5.1
9 Switzerland	5.0
10 Gambia	5.0
11 Hong Kong SAR	5.0
12 Sweden	4.9
13 Luxembourg	4.8
14 Finland	4.7
15 Botswana	4.7

Notably, Italy is 108th and Greece is 128th on this list.

The above data suggest that a shift of emphasis in taxation policy impacts individual behaviour. It invites people who are deeply involved in offshore tax planning to change their conduct and abandon the misuse of foreign jurisdictions. This presents a grave challenge for the offshore-company registration industry: Once countries that want to compete for foreign direct investment replace the tax-shelter model with comprehensive tax cuts, the offshore-registration agencies will lose their *raison d'être*. Moreover, these low-tax countries will be cooperating with OECD and other international agencies. Company-registration agents in tax havens will have to either start providing services that facilitate genuine business activity, or cease to exist.

• • •

⁵⁴ Wastefulness of government spending: How would you rate the composition of public spending in your country? (1 = extremely wasteful; 7 = highly efficient in providing necessary goods and services); 2009–2010 weighted average. "Global Competitiveness Report 2010-2011," p. 373.

This book seeks to explain the complex subject of tax haven-related abuses simply and concisely. We deliberately try to avoid using excessive “legalese” and academic jargon in our discussion of court cases and other texts in order to make this information accessible to the broadest audience possible. It reaches out to UBOs of companies that are registered in tax havens, who may not be experts in the intricacies of international tax law.⁵⁵ The book may equip them with the knowledge they need to assess the risks associated with such enterprises, to explore the possibility of legalising their businesses, or to decide whether to abandon their tax-haven companies entirely.

There will also be extensive discussions of court cases. They may be useful for lawyers and advisors of UBOs who would like to deepen their knowledge of the topic. Civil servants and state officials may also discover lessons in foreign court rulings that will help them improve the application and enforcement of laws in their own countries.

The presentation of certain cases will inevitably be lengthy: The authors consider it important to cover a broad range of details. The topic of tax havens has countless ramifications and can hardly be outlined comprehensively, even in hundreds of pages. We welcome any feedback at this book’s dedicated website – www.offshoreapocalypse.info – or via email at help@anoracle.info

This introduction must conclude with a warning: The offshore era is drawing to a close. Developed countries, along with an increasing number of emerging markets, are stepping up their surveillance of offshore tax avoidance and prosecuting offenders. International agencies are becoming increasingly active and more tax information is being exchanged. People who abuse tax havens face punishment for tax offences whose statute of limitations may exceed 10 years. The time has passed when UBOs could benefit from a company that is mechanically registered in a tax haven without living, breathing local managers. These developments mean the offshore-company registration industry is also on its last legs.

The message is clear: “Game over!”

⁵⁵ With minor exceptions, tax laws are not “international.” According to Roy Rohatgi, *“International tax law refers to the principles derived from public international law that deal with tax conflicts involving cross-border transactions.”* Roy Rohatgi, *Basic International Taxation: Volume 1: Principles*, second edition (2007), p. 14.

(....)

INDEX

80/20 rule: 57, 68, 84-85, 142
100 cases (Egmont Group): 19-20, 24, 475-480, 498, 509-510
1929 Luxembourg Holding: 274

A

Aaronson, Graham: 404, 405-407, 410, 414
Abacha, Sani: 446
Abacus 2007-AC1 (Goldman Sachs product): 66-67
Aberdeen Property Fininvest Alpha Oy case: 271-273
Abetting: 22, 29(fn), 33, 343, 491, 508, 563-564
Abnormally low: 379(fn)
Abrahamsen, Harry: 16
Abuse: 14-15, 17(fn), 23, 26, 31-32, 39-40, 46, 57-59, 68, 72-74, 75(fn), 76, 80, 94, 105, 111-112, 119(fn), 132, 138, 141, 146-147, 155-157, 162, 168, 173-174, 183-184, 190, 196-197, 202, 213(fn), 226-227, 232(fn), 233, 235, 236-237, 239-243, 245, 248-251, 255, 257(fn), 260(fn), 261, 263-266, 282-283, 303, 314(fn), 354, 356, 374-375, 394, 403, 414, 420, 427(fn), 441, 456, 468, 484(fn), 497, 512, 550, 594, 609, 612
Abuse of law: 46, 80, 232-283, 374, 403, 497
Abusive tax planning: See Aggressive Tax Planning
ACC (Australian Crime Commission): see Australian Crime Commission
Accomplice: 227, 530-532, 560-566
Accountants: 25, 85(fn), 107, 137, 205, 215(fn), 302, 426, 485(fn), 512, 543, 576
Accounts: 13, 16, 17(fn), 18, 22, 33, 35, 74-75, 77, 79, 82, 90, 93, 115-116, 125, 135, 144(fn), 153, 185, 191, 193-195, 203-204, 206, 209-212, 215, 307-308, 311, 314, 316, 321-322, 323(fn), 325-326, 328, 330-331, 333(fn), 334, 336-339, 341, 342(fn), 346, 349(fn), 352-353, 357, 359-360, 362-366, 369-370, 376-377, 383, 390, 392, 407, 417, 419, 428, 430, 435(fn), 438, 446, 457, 459, 472, 477-478, 480, 483, 510, 515, 519, 522, 526, 548, 573-577, 586, 588, 592, 607
Acili, Bernadette: 23
Action plan: 189, 395-397, 451(fn)
Addley, Esther: 325(fn)
Administrative practice: 49, 207(fn), 599, 604-605, 614
Advantage: 15(fn), 32, 42, 46, 48, 50, 58-59, 61-63, 64(fn), 65(fn), 66(fn), 67, 84, 90, 92, 94, 105, 133-134, 136-137, 147, 150, 153, 177, 199-200, 220-221, 232, 234, 237, 241, 249-250, 253-255, 259, 262, 264-265, 269, 275, 278, 283, 289, 291(fn), 301-302, 312, 324, 334, 343, 369, 373-374, 413(fn), 437(fn), 468, 503, 565, 578, 580, 582
Advice: 201, 221-224, 226, 238, 335, 371, 388, 402, 424, 508(fn), 530, 537, 541, 602
Advisor: 14, 23, 25-26, 33-34, 40, 133, 137, 143, 167, 171, 187, 201, 213-214, 221-222, 227, 240, 261, 332, 347, 376(fn), 400, 416, 424, 508, 512, 521, 575, 588(fn)
Agenzia (Italian revenue office): 426-427
Aggravating circumstances: 567
Aggressive Tax Planning (ATP): 42, 43, 142, 367-369

Agnelli, Gianni: 376
Aiding: see aiding and abetting
Aiding and abetting: 22, 33, 68, 75, 134, 193, 343, 348, 491, 508, 563-566, 577
AIG (American International Group, Inc.): see American International Group
Ainsworth, Richard Thompson: 437-440
Akdede, Sacit Hadi: 36(fn)
Albert Collée v. Finanzamt Limburg an der Lahn: 427(fn), 433(fn)
Aldrick, Philip: 351(fn)
Allen, Malcolm: 366
Allenby Partnership: 375
Alldridge, Peter: 512
Alter, Jonathan: 71
Altmann, Maria: 312
Altria: 142
American Express: 204, 365(fn)
American Jobs Creation Act: 578
American International Group (AIG): 66
AML (anti-money laundering): 24(fn), 52, 96, 193, 289(fn), 291,307, 344, 357, 393, 396-397, 399, 446-447, 455, 458, 461, 464, 465(fn), 466-467, 468(fn), 470(fn), 471(fn), 472(fn), 474-475, 480(fn), 489, 492, 498, 500, 501(fn), 507, 510, 511(fn), 512(fn), 518, 521(fn), 522(fn), 523-524, 532(fn)
AML directive: 507
Amnesties: 28-29, 90(fn), 571-572, 577, 579-580, 582, 583(fn), 587, 590
Amnesty: 15, 23, 25, 27-30, 86, 90, 326, 354, 366, 551, 571-575, 577, 579-583, 586-590
ANAF (National Agency for Fiscal Administration, Romania): see National Agency for Fiscal Administration
Andalon, Azadi Bachao: See *Union of India*
Anderson, David: 80(fn)
Andorra: 47(fn), 88(fn), 91, 313, 353, 362, 463, 487
Andrew Clark: 288
Anguilla: 88(fn), 221(fn), 488
Anonymous: 19, 88, 144(fn), 202, 307, 328, 361, 365(fn), 456, 478, 522
Anti-avoidance: 27, 45(fn), 96, 138, 152, 155, 167, 173, 222, 233, 241, 252, 254, 256, 258, 259, 260, 262, 271, 273, 278, 282, 403, 405, 407, 412. See also General anti-avoidance rules and Specific anti-avoidance rules.
Antiochos the Great: 539
Antle v. Her Majesty The Queen: 218-219
Apocalypse: 591, 595
Argentina: 29, 151, 589-590
Aristotle: 460(fn)
Armitstead, Louise: 141(fn)
Arm's length: 99, 117, 164, 267, 268(fn), 313
Arms trade: 455
Articles of association: 429
Aruba: 88(fn), 279, 487
Asher, Rubinstein: 346
Ashfield, Keith: 227
Ask, Beatrice: 279
Associated Press: 194, 322(fn), 327, 332
Asymmetric Threats Contingency Alliance (ATCA): 447, 448(fn)
ATCA (Asymmetric Threats Contingency Alliance): see Asymmetric Threats Contingency Alliance
ATM: 13, 135, 592
ATO (Australian Tax Office): see Australian Taxation Office
Attorney: 14, 18, 60(fn), 101, 102(fn), 126, 135, 151(fn), 152(fn), 153, 185-187, 205, 209, 214, 218(fn), 232(fn), 279, 296, 335, 341, 346(fn), 477, 491, 493,

508-509, 513-514, 519, 529-529, 531, 541, 549, 552-553, 562, 573, 576, 602
Attractiveness Index: 461-463
Attractiveness to money launderer: 461
Audiencia Nacional (Spain): 116-117
Australia: 13-14, 23, 35, 44, 100, 108, 190(fn), 325, 351(fn), 365-366, 404, 410-413, 414, 463, 465, 471(fn)
Australian Crime Commission (ACC): 13-14
Australian Taxation Office (ATO): 13-14, 35, 44, 100, 365-366
Austria: 48, 82, 94, 100, 184, 190(fn), 312, 318, 351(fn), 352, 353(fn), 359, 362, 363, 369, 377, 380, 439, 463, 471(fn), 481, 483, 486, 521
Automatic (tax) information exchange: 35, 74, 79, 80, 191-192, 196, 352-353, 354, 358, 361-362, 365, 382, 383, 390-395, 400-401, 480, 481, 500, 594, 600, 607, 611, 614
Aval (Avallo): 453
Avi-Yonah, Reuven S.: 59, 158
Axel Kittel and Recolta Recycling case: 437(fn)

B

Baches, Zoé: 347(fn)
Bactrian camels: 538
Baden-Württemberg: 329, 349(fn)
Bahamas: 127-131, 192(fn), 194, 205, 212, 333, 384(fn), 463, 486
Bahamian: 333
Bahnhofstrasse (Zurich): 344
Bain, David: 67(fn)
Baker, Raymond: 291(fn)
Ball, Deborah: 322(fn), 581(fn)
Ban phoney: 68
Banco Santander: 323(fn), 472(fn)
Banerjee, Ronojit: 511(fn)
Bank: 13, 16, 17(fn), 18-20, 22, 26, 33, 35, 48, 52, 53(fn), 54, 59-61, 63-65, 68, 70-72, 75-76, 80, 82-83, 88-89, 93, 97, 105, 107, 116, 125, 129, 134-136, 144, 152(fn), 153, 164-165, 191, 192(fn), 193-196, 203-205, 209-210, 212, 214(fn), 215-216, 221, 224, 247, 249, 263, 280, 300, 302, 307-308, 309(fn), 310-313, 316-318, 320-321, 323-340, 342, 344-356, 358-366, 369-370, 377, 381(fn), 382-383, 392-395, 396(fn), 397, 400, 430, 434-435, 438(fn), 441, 445-447, 448(fn), 449-452, 455, 457-459, 461, 467-469, 471-473, 476-480, 483-484, 489, 492-495, 498, 509-510, 514-516, 519, 525-528, 531-534, 541, 548, 558, 573-577, 579-581, 585-589, 592-594, 603-604, 613-614
Bank account: 13, 16, 17(fn), 18(fn), 19-20, 22, 35, 54, 82-83, 93, 107, 125, 134-136, 144(fn), 153, 191, 195, 203-204, 210, 212, 215, 307, 316, 318, 321, 323(fn), 325(fn), 328, 331, 333-334, 335(fn), 346, 349, 359-360, 363-365, 369-370, 430, 438(fn), 441, 446, 457, 459, 468, 477-478, 480, 483, 509, 515, 516(fn), 525-526, 548, 558, 573-575, 577, 580, 587(fn), 589
Bank for International Settlements (BIS): 396(fn), 448(fn)
Bank of America: 61, 64-65
Bank Secrecy Act (U.S.): 480(fn)
Banker: 16, 60(fn), 69-70, 194, 205, 307-310, 312, 323(fn), 325(fn), 333-334, 336, 341, 349, 353, 356-358, 364, 399, 472, 491, 508-509, 525, 541, 560, 562(fn), 565, 576
Banking secrecy: 26, 30, 47, 48, 51, 72, 73, 74, 82, 88, 135, 137, 199-200, 201, 207, 289(fn), 307-315, 320-321, 325, 332, 334-335, 337-338, 340, 344, 348, 349-359, 362, 364-366, 379, 381(fn), 382, 391(fn), 394, 395, 397, 400, 460, 461, 469, 471, 480(fn), 484-488, 495, 541, 573, 585, 592, 593-594, 613, 614
Bankman, Joseph: 102-103

Barandun, Angela: 442(fn)
Barbados: 109, 172(fn), 218, 424, 463, 471(fn), 487
Barbados Spousal Trust: 218
Barclays Mercantile Business Finance Ltd. v. Mawson: 405(fn)
Bart, Katharina: 339(fn)
Basler Handelsbank: 310
Basler Kantonalbank: 347
Basler Zeitung: 309(fn), 323(fn), 363(fn), 442(fn)
Batliner, Herbert: 318-319
Baucus, Max: 76, 105
Bavaria: 349(fn)
BBC: 321(fn)
BDO: 41, 218-219
Bear Stearns: 70
Bearer shares/bonds: 78, 212, 468, 545-546
Beck, Kurt: 445-446
Beckenbauer, Franz: 342-343
Becker, Boris: 318
Becker, Helmut: 158(fn)
Befera, Attilio: 376
Beijing: 58, 113, 354, 577
Beijing State Taxation Bureau: 113
Belgian: 256-258, 280, 352, 407-408, 434
Belgium: 36, 48, 190(fn), 239, 240, 256-258, 279-280, 352, 359, 380, 407-408, 434, 463, 481, 486, 497, 582
Belize: 472, 487
Ben Nevis Forestry Ventures Ltd and Ors v. Commissioner of Inland Revenue: 409
Bénéficiaire effectif: 54
Beneficial owner: 51-54. See also Ultimate beneficial owner.
Benefit: 163, 168
Berger, John: 62-63
Berlusconi, Silvio: 441, 579-581
Bermuda: 30(fn), 59, 62-63, 119, 120, 144, 195, 221(fn), 279, 384(fn), 425, 450, 462, 486, 594
Bernstein, Jack: 104, 106, 109, 162, 166-167
Best Buy: 61
Bête noire: 593
Bickford, David: 450
Big Boys: 68
Birkenfeld, Bradley: 333-335, 341, 364
BIS (Bank for International Settlements): see Bank for International Settlements
Bit money: 447-449
Black economy: 29, 37
Blackburn, Jean-Pierre: 586
Blackhurst, Chris: 450(fn)
Black money: 318, 587
Blacklist: 350-351, 418
Blacklisted: 351(fn), 377-378, 391, 418
Blacklisting: 355(fn), 380, 469
Blackmail: 330-331, 469
Blankfein, Lloyd: 65, 70, 71-72
Blevins, Bill: 589
Blevins Franks: 589
BLIPS: see Bond Linked Issue Premium Structures
Bloch-Bauer, Ferdinand: 312
Bloomberg: 121, 181

Blum, Jack: 60, 324
BND (Bundesnachrichtendienst): see Bundesnachrichtendienst
BNP Paribas: 193-194
BO: 51, 54
Boeing: 61
Bona fide: 106, 159, 160, 161, 413
Bond and Option Sales Strategy (BOSS and Son of BOSS)(Pricewaterhouse-
Coopers product): 216
Bond House Systems: 432-433, 437(fn). See also *Optigen*.
Bond Linked Issue Premium Structures (BLIPS)(KPMG product): 215-216
Bosley, Cathrine: 322(fn)
Boston Consulting: 309(fn), 446
Brazil: 26, 452, 587-588
Bristoll Export Ltd.: 22
British: 42, 60(fn), 88(fn), 90-92, 120(fn), 123, 130-131, 134, 143, 192(fn), 195,
212, 221(fn), 231, 232(fn), 241-242, 248(fn), 251, 254, 267-268, 276, 279,
346, 360, 370-371, 375, 389, 399, 404, 407, 408(fn), 427(fn), 432, 441, 450,
460, 462, 472, 486, 494-495
British Bankers' Association: 399-400
British Virgin Islands: 60(fn), 88(fn), 134-135, 212, 221(fn), 276-277, 279, 462,
472, 486
Broe, Luc de: 266(fn)
Brookes, Robert: 338(fn)
Brown, Gordon: 389
Brown, Mayer: 106, 405(fn)
Brugger, Florian: 146(fn)
Buffett, Warren: 447(fn)
Bundesgerichtshof: 584
Bundesnachrichtendienst (BND): 318, 445
Bureau of Engraving and Printing (U.S.): 452
Burgy, Patrick: 587(fn)
Bush, George W.: 68-69, 71, 86, 577
Business and Investors Against Tax Haven Abuse: 58
Business purpose: 44, 99(fn), 101, 102, 103(fn) 106, 163, 200, 201, 236,
241(fn), 269, 273, 274, 280, 283, 290, 370, 377, 378, 422-424, 500, 598. See
also Commercial reason (purpose).
Bussee, Nils: 329-330
Busuioc, Elena Madalina: 520(fn)
BVI (Brit Virgin Islands): see British Virgin Islands
By Laws: 429
BZST (Bundeszentralamt Steuern): 319

C

C Corporation: 83, 299, 301, 302-304, 442, 552(fn)
Cadbury Schweppes plc v. Commissioners of Inland Revenue: 251, 254-255, 258,
265-266
Cadwalader, Wickersham & Taft: 73(fn)
Calderón, Jose Manuel: 116(fn)
Cambyses (Persian King): 537(fn)
Camden Assets Recovery Inter-Agency Network (CARIN): 481-483
Cameron & McKenna: 370(fn)
Canada: 42, 45, 100, 104, 106, 123, 147, 149, 166, 180, 189, 190 (fn), 218-219,
227, 351 (fn), 368, 375, 404, 413-414, 452, 463, 471 (fn), 487, 519-520, 585-
587
Canada v. McLarty: 45
Canada Revenue Agency (CRA): 42, 227, 585-587

Canadian: 42(fn), 45, 180, 218-219, 227, 413-414, 519-520, 585-586
Canary Islands: 252
Capgemini: 309
Capgemini and Merrill Lynch: see Capgemini
Cappadocia: 538
Carbon-credit trading: 431, 435
Caribbean: 30(fn), 31, 60, 118, 143, 295, 346, 381(fn), 386, 441, 449, 450, 467(fn), 499, 500, 501(fn), 555
CARIN (Camden Assets Recovery Inter-Agency Network): see Camden Assets Recovery Inter-Agency Network
Carlisle, Linda E.: 60(fn)
Carnall, Wayne: 85
Carousel fraud: 431-442, 593
Carr, Kelly: 289(fn)
Carrot-and-stick: 585
Cartesio Oktató és Szolgáltató bt case: 243-245
Castles built on sand: 537
Caterpillar: 61, 266(fn)
Cayman Islands: 59, 60, 65, 66-67, 88(fn), 110-111, 120, 121, 141-145, 195, 205, 221(fn), 279, 324, 366(fn), 384(fn), 394, 425, 449, 462, 486, 494, 496, 499(fn), 594
CD (Compact Disc): 307, 328-329, 349(fn)
CDS (Credit Default Swap): see Credit Default Swap
Center on Budget and Policy Priorities: 85-86
Centros Ltd v. Erhvervs-og Selskabsstyrelsen: 242-243, 244, 245, 266
Certificate of Incorporation: 429
Certificate of Tax Residence: 109, 124-125, 126, 132, 154, 167(fn), 424, 429
CFC (Controlled Foreign Company): see Controlled Foreign Company
CFT (counter financing of terrorism): see Counter Financing of Terrorism
Channel approach: 160-161
Chestney, Nina: 431
China: 26, 32, 58, 99, 104, 106, 108-109, 113-114, 171-172, 210, 354, 380, 422-425, 452, 453, 456, 539, 547
China Mobile (HK): 113-114
Chinese: 108-109, 114, 171-172, 351(fn), 354, 422, 424, 425(fn), 456, 539, 547
Chongqing tax bureau (China): 171, 424
Chop system (China): 453-454
Christensen, John: 389-390, 400
Christian Aid: 189, 389(fn), 451
Churchill, Winston: 345(fn), 460(fn)
CI (IRS Criminal Investigation): see Criminal Investigation
Circular on Application of Dividends Provision of Tax Treaties (China): 423
Circular on Interpretation and Determination of Beneficial Owner under Tax Treaties (China): 423
Citigroup: 61, 472(fn)
Civil law: 46, 133, 227, 236, 323(fn), 341, 356-357, 403, 501(fn), 521(fn), 560-561, 566
Clark, Andrew: 288
Clifford Chance: 377
Coca-Cola: 142, 288-289
Cocaine: 452, 461
Coder, Jeremiah: 79(fn), 346(fn)
co-existence model: 361
Cohan, William D.: 70, 71-72
Coleman, Norm: 72, 141, 215
Collée v. Finanzamt Limburg an der Lahn: 427(fn)
Collins, Chuck: 58(fn)

Colmer, Ruiz-Jarabo: 437(fn)
Columbus Container Services BVBA & Co. v. Finanzamt Bielefeld-Innenstadt: 256-259, 282
Combat: 24, 27, 36, 78(fn), 160, 236, 239-240, 245, 274-276, 316, 354, 357, 367, 382(fn), 394, 415, 437, 439, 464, 467, 501(fn), 502, 521(fn), 522(fn), 593-594
Combating: 87, 161, 194, 197, 224, 257(fn), 259, 263, 275, 282, 289(fn), 296, 356, 382, 392, 415, 419, 431(fn), 434, 465, 480(fn), 481(fn), 521(fn), 523, 529(fn), 531, 532(fn), 585(fn), 607
Commentaries: 612
Commentary on Model Convention: 158, 163, 186
Commercial reason (purpose): 15(fn), 99(fn), 112, 115, 219, 259, 260, 263, 264, 267, 372(fn) 378, 429, 567. See also Business purpose.
Commission: 13(fn), 14, 66, 85, 137, 179, 186-187, 190(fn), 222, 236, 251, 252(fn), 256(fn), 270(fn), 274(fn), 278(fn), 281, 282(fn), 342, 344(fn), 345, 420(fn), 428, 431, 439, 446, 456, 490-491, 503, 508, 510, 526, 528, 562-566, 581-582
Commission and Spain v. Government of Gibraltar and United Kingdom: 281-282
Commission of the European Communities v. United Kingdom of Great Britain and Northern Ireland: 251-252
Committee on Fiscal Affairs: 132(fn), 146(fn), 387(fn)
Common law: 46, 102, 118, 133, 197, 236, 388, 403-404, 500(fn), 501(fn), 503, 504, 560-561, 563, 564, 582
Competitiveness: 28, 37, 38(fn), 39(fn), 59, 73(fn), 102, 119, 142, 151(fn)
Conceal: 14, 16, 18, 21, 199, 205, 210-212, 215, 217, 291, 307, 311, 318, 333-336, 346(fn), 362, 446, 457, 491, 514(fn), 518, 527, 530, 532, 555, 567, 572, 588(fn), 591-592
Conduit companies: 53-54, 98, 104, 108, 109, 116, 132(fn), 142, 150(fn), 157-160, 167, 168, 171, 172, 202, 369, 423
Congressional Joint Committee on Taxation (U.S.): 76, 151(fn), 403
Congressional Research Service (U.S.): 72, 73, 578
Conjunctive Test (U.S.): 117-118, 145(fn)
Conlon, Michael: 249-250
ConocoPhillips: 114-116
Conseil d'Etat (France): 240
Consultant: 34, 59, 89, 127, 222, 371, 374, 477, 529, 531-532, 537, 550, 555
Control Commission (Switzerland): 342, 345
Controlled Foreign Corporation (CFC) rules: 96, 153, 167(fn), 233, 253-256, 259, 282, 302, 375, 377, 378, 429, 508
Convention: 48, 51, 53, 54(fn), 92, 98, 115, 121(fn), 122(fn), 123, 125(fn), 131(fn), 132-133, 145(fn), 146-149, 151(fn), 152-166, 167(fn), 168(fn), 169, 173-178, 180, 182-183, 187-187, 189(fn), 190(fn), 254(fn), 258, 268, 274, 278(fn), 290, 297-298, 303-304, 313, 314(fn), 316, 349, 353, 356-357, 372, 381, 386-387, 390, 395(fn), 397, 402, 421, 465, 489-490, 501, 502(fn), 522(fn), 532, 607-608, 611, 613
Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (Strasbourg Agreement): 465, 498-490, 507, 521
Cook Islands: 386, 471, 488
Cooley, Thomas: 71
Coplan, Robert: 217-218
Copley, Caroline: 593(fn)
Copthorne Holdings Ltd v. The Queen: 414
Corporation Trust Company: 290
Corte di Cassazione (Italy): 22(fn), 187-188
Costa, Antonio Maria: 495
Council of Europe: 313, 372, 386, 465, 466, 489-490, 501(fn), 522(fn), 611
Counter financing of terrorism (CFT): 52(fn), 396, 397, 466, 474, 500-501, 521,

523, 524
Countrywide Financial Corporation: 61, 64
Court: 13-14, 16(fn), 17(fn), 18(fn), 22, 27, 32(fn), 39-40, 43, 44(fn), 45, 67(fn),
73, 100, 103-104, 105(fn), 111-113, 114(fn), 115-117, 127, 129-130, 136-
137, 167(fn), 170(fn), 179(fn), 181, 185, 187-188, 197(fn), 202(fn), 208(fn),
209-212, 214, 218-219, 221-222, 224, 226, 231-232, 234, 236(fn), 237(fn),
238-243, 246-247, 248(fn), 250-251, 254-255, 257-258, 262-263, 265,
266(fn), 270, 272, 273(fn), 275, 277-278, 282, 293, 312, 322, 323(fn), 325,
327, 329-332, 334-335, 337(fn), 338-340, 343, 345, 346(fn), 347, 352(fn),
353, 364, 365(fn), 371(fn), 373-375, 376(fn), 388-389, 403, 409, 411, 413-
414, 415(fn), 425-427, 433, 436, 458, 478-479, 492, 494, 498-499, 515-517,
526, 529-530, 540(fn), 541, 546, 548, 550, 551(fn), 562, 582, 584-586, 604
Craft, Theodore L.: 101
Craggs, Adam: 406-407
Crail, Alison: 372-373(fn)
Credit card: 75, 136, 203, 210, 363-364, 365(fn), 366, 459-460, 525
Credit Card Project: 364
Credit Default Swap (CDS): 66, 74
Credit Suisse: 329-330, 347, 349(fn), 366, 472(fn)
Crime: 13(fn), 14, 17(fn), 21-22, 31, 33-34, 96, 121, 134, 187, 226-227, 278,
312, 313(fn), 314, 317, 348, 353(fn), 354, 356, 382, 398(fn), 399-400, 446,
448(fn), 450, 455, 457(fn), 458-459, 461, 462(fn), 464-465, 467, 470(fn),
480(fn), 481(fn), 482(fn), 483(fn), 484, 485(fn), 489-490, 497-504, 506,
507(fn), 511-514, 516-517, 519-520, 521(fn), 522(fn), 524(fn), 530, 540-
541, 543, 546, 560-567, 591(fn), 599(fn)
Crime Trends Analysis: 461, 462(fn)
Criminal Investigation (CI) (IRS Division): 15-16, 573
Croesus (King of Lydia): 537-539
Croker, Richard: 406(fn)
Crown Dependencies (UK): 192(fn), 221(fn), 389, 495
Crozier, George: 417(fn)
Crusades: 456
Cuellar, Mariano-Florentino: 468(fn)
Curcio, Karly: 484(fn)
Customized Adjustable Rate Debt Facility (CARDS)(Deutsche Bank product):
216
Cypel, Sylvain: 70
Cypriot: 124, 126, 153-154, 169, 419, 544
Cyprus: 32, 33, 36(fn), 38, 58, 82, 95, 97, 109, 124-126, 131, 132, 134, 149(fn),
150(fn), 152-154, 157, 169-170, 184, 279, 295, 359, 418-419, 462, 472, 483,
486, 497, 498, 509, 543, 544, 548, 555
Cyrus the Great (Cyrus II, King of Persia): 537-539

D

D'Ascenzo, Michael: 366
Dacia Logan scandal (Romania): 554-555
Dahake, Vaibhav: 346
Daily Mail, The: 241-242, 244, 245
Daily Mail and General Trust: 241, 242(fn)
Daley, Suzanne: 583
Daniel, Jerry: 289-290
Danish: 170(fn), 242, 261-262, 333, 419-421, 435(fn)
Darius I (King of Parsa): 537(fn)
Davis, Benjamin: 30(fn)
DD (Due Diligence): see Due Diligence
Deák, Dániel: 244

Deferred Prosecution Agreement (DPA): 335-340, 494
De La Feria, Rita: 242
De Lasteyrie du Saillant, Hughes: See *Hughes de Lasteyrie du Saillant*
Delauriere, Jérôme: 323(fn)
Delaware: 47, 79, 116, 195, 288-291, 294, 295, 297, 298, 442, 485, 498, 543, 544, 545, 546, 547, 548, 549, 550, 552, 553, 554, 555, 556
Delaware Intercorp Inc.: 545
Deloitte: 249(fn), 420(fn), 588(fn)
Delphi: 537-538
Demerve, Kurt: 264(fn)
Dempsey, Judy: 329(fn)
Democracy: 460(fn), 540(fn), 541(fn)
Denmark: 149(fn), 150(fn), 170, 190(fn), 242-243, 251(fn), 261-262, 276(fn), 351(fn), 360, 419-421, 435(fn), 463, 487, 497
Department of Justice (DOJ): 16, 22, 213, 214(fn), 333, 369, 370(fn), 494, 513, 515(fn), 562(fn)
Der Spiegel: 325(fn), 326(fn)
Derivative: 158(fn), 447-448
Derivatives Quadrillion Play: 447(fn), 448(fn)
Detection activity: 458
Deutsche Bank: 216, 435, 472(fn)
Deutsche Welle: 584
Dev Kar: 450(fn), 484(fn)
DiCicco, John: 214
Die Wochenzeitung: 342
DIICOT (Romania's Organized Crime and Terrorism Investigative Department): 540(fn), 546, 548
Di Pietro, Antonio: 29(fn), 580
Directive: 32, 88-89, 132, 144, 152, 170(fn), 191, 193, 195, 248(fn), 249-251, 252(fn), 259-265, 271, 274, 276-277, 280(fn), 283, 316, 352, 359-362, 383(fn), 388-389, 391, 400, 402, 420, 427-428, 433, 435, 437(fn), 438-439, 466(fn), 501(fn), 507, 508(fn), 514, 515(fn), 521(fn), 522(fn), 523, 582
Discovery Channel: 452
Disregarded entity: 79, 83, 97, 104, 112, 156, 198, 248(fn), 293-294, 297, 301, 374, 421, 424
Dixon, Kim: 324(fn)
Dodge: 17, 32, 37, 59, 67, 273, 288(fn), 289(fn), 290(fn), 370, 499
Doe, John: 75, 335, 337, 340-341, 344, 364, 365(fn)
Doggett, Lloyd: 58, 73, 119
DoJ (U.S. Department of Justice): see United States Department of Justice
Domestic: 17, 28, 32, 35, 41, 45, 57, 62, 63(fn), 72, 79, 82(fn), 83, 97-98, 112, 119(fn), 127, 142, 147, 149-150, 153, 155-158, 160, 167, 171, 173-176, 184, 186, 195(fn), 198, 200, 206, 208, 238, 240, 243, 247-248, 253-254, 256, 258, 265, 266(fn), 267, 271-272, 280, 283, 289-290, 293, 297, 299(fn), 300, 314, 320, 352(fn), 355, 362, 365, 379(fn), 381(fn), 385, 401, 419, 425, 428, 431, 437, 442, 473, 490-491, 498, 501, 503, 508, 519, 522(fn), 524-527, 560, 576, 578, 590, 592, 594, 596, 599, 601, 603, 609, 613-614
Dong, Tony: 422
Dooralong: 261-262
Dorsey & Whitney LLP: 257(fn), 406(fn)
Double Tax Treaties: 33, 36(fn), 42, 57, 95(fn), 133, 143, 145-146, 254, 256, 268, 301, 314-316, 339(fn), 351, 354, 355(fn), 380, 390, 485, 595
Double tax treaty (DTT): 33, 36(fn), 42, 53, 57, 91-92, 94-95, 97, 98, 108, 109, 115, 118, 119, 122, 123, 125, 131-132, 133, 143, 145, 146-154, 155-188, 192, 254, 256, 257, 258, 262, 268, 269, 272, 274, 277, 290, 296, 297, 298, 301, 302, 303, 314-315, 316, 321, 322, 338, 339, 340, 341, 349, 350, 351, 352(fn), 355(fn), 356, 357, 372, 373, 375, 380, 381, 383, 384, 389, 402, 459, 471, 485,

497, 595
Double Taxation Agreement: see Double tax treaty
Double Taxation Convention: see Double tax treaty
Dourado, Ana Paula: 260(fn)
Dow Jones: 29(fn), 339(fn), 341(fn), 435, 590
Dow Jones Newswires: 435, 590
DPA: 335-340, 494
Drug trade: 22, 223, 291, 452-453, 455, 457, 464, 465, 471, 489, 492-496, 498, 505, 573
DTT Double Tax Treaties (or Conventions): see Double Tax Treaties
Dual Criminality: 277, 314, 315, 316, 354, 482(fn), 503
Duan, Alex: 425(fn)
Dubai: 195, 455, 486, 499
Dubber, Markus D.: 560-562, 563-564
Due diligence: 75, 77, 191, 193, 307, 398, 399, 429, 430, 455, 458, 468, 472, 490, 507, 529, 530
Duke of Westminster: See *Internal Revenue Commissioners v. The Duke of Westminster*
Dutch: 110, 116-117, 123, 129-130, 139, 239, 241(fn), 242, 245-247, 259-260, 264, 265(fn), 268, 279-280, 389, 582-583

E

Eastern Europe: 20, 21, 36(fn), 478-479, 509, 523, 540-541, 543, 552
EBT (Employee Benefit Trust): 370, 371(fn)
ECJ (European Court of Justice): see European Court of Justice
Ecofin (EU Economic and Financial Affairs Council): 481, 500
Economic and Financial Affairs Council (ECOFIN): see ECOFIN
Economic substance (doctrine): 27, 44, 46, 49, 94, 98, 57, 99-122, 127, 130, 131, 136, 163, 173, 214, 405, 411, 422, 424, 498, 595, 598. See also Business purpose and Commercial reason.
Economist, The: 394(fn), 448(fn)
Ecotrade SpA v. Agenzia delle Entrate – Ufficio di Genova 3: 425-428
Edmonds, Richard: 411
Education Jobs and Medicaid Assistance Act: 84
EEA (European Economic Area): see European Economic Area
Effective tax rate: 64, 65, 216, 372, 373
Egan, Louise: 586(fn)
Egmont Group: 19-20, 24, 136, 448, 472-475, 475-480, 489(fn), 498, 509-510
Eisenhower, Dwight: 298
ELISA case: see *Européenne et Luxembourgeoise d'investissements SA*
Elliffe, Craig: 409
Elliott, Amy S.: 346(fn)
Elmer, Rudolf: 324-325, 449
El-Qorchi, Mohammed: 455(fn)
Emigrant: 456
Employer Identification Number (EIN): 294
Emsland-Stärke GmbH v. Hauptzollamt Hamburg-Jonas: 248-249, 282
Enabler: 20, 25, 220-227, 345, 347-348, 394, 541, 560-568. See also Promoter.
Enron: 216(fn)
Ericsson: 332-333
Ernst & Young: 120, 216, 217-218, 421
Escobar, Pablo: 452-453
Esterl, Mike: 326(fn)
Etkind, Steven M.: 78(fn)
EU (European Union): see European Union
Eurocanet (European Carousel Network): see European Carousel Network

European Carousel Network (Eurocanet): 434-435
European Commission: 88, 251, 256(fn), 274(fn), 278(fn), 281, 428, 431, 433, 439, 581-582
European Convention on Mutual Assistance in Criminal Matters (ECMA): 313
European Council: 88, 377, 383, 435, 482(fn), 483
European Court of Auditors: 433-434, 436
European Court of Human Rights: 374
European Court of Justice (ECJ): 32(fn), 136, 231-283, 374, 388, 403, 425-428, 432-433, 437(fn), 582
European Economic Area (EEA): 32, 276(fn), 277-278, 418
European Parliament: 382-383, 522(fn)
European Union (EU): 27, 32, 37, 49, 59, 79, 88-90, 94, 95, 96, 126, 132, 136, 143(fn), 144, 152-153, 154, 169, 170(fn), 187, 190(fn), 191, 193, 195, 223, 231-283, 315-317, 349, 351, 352-353, 359-362, 363, 377, 382-383, 388-389, 391, 400, 402, 403, 418, 419-420, 425-436, 438-439, 466, 481-483, 489, 495, 498, 500, 507-511, 512, 520, 521-523, 543, 544, 545, 555, 581-582, 583, 594
Européenne et Luxembourgeoise d'investissements SA (ELISA) v. Directeur général des impôts, Ministère public: 273-276, 278
Europol (European Police Office): 481
Eurowings Luftverkehrs AG v. Finanzamt Dortmund-Unna: 252-253, 254, 257-258
Exchange of tax information: 35, 36(fn), 40, 47(fn), 48, 49, 57, 74, 79, 83, 88(fn), 151(fn), 154, 160, 191(fn), 192(fn), 194, 207, 251, 279, 280, 283, 314(fn), 315, 316, 332, 338, 349, 351-355, 356-358, 361-362, 365, 367, 379-389, 389-395, 396-397, 400-402, 418, 423, 434, 436, 440, 442, 459, 471, 473, 474, 481-483, 485, 499, 500, 583, 592-593, 594, 596-615. See also Automatic (tax) information exchange and Tax Information Exchange Agreement (TIEA)
Excise duty: 233(fn), 251(fn), 252, 388, 398, 544
Execution list: 19, 58, 189-190, 194, 196, 221(fn), 289, 365, 389(fn), 500, 594
Expenditure test: 106
Exxon Mobil: 58, 61

F

Fairhurst, Aaron: 406 (fn)
Faking industry: 96
Falciani, Hervé: 321-323, 329, 586
Falkner, Claire: 411
Fallen: 542, 551
False: 16, 97, 205, 207, 209, 210, 212, 215, 218, 220, 224, 227, 314, 319, 323(fn), 334, 335, 336, 340(fn), 370, 510, 513, 516, 517, 518, 555, 567, 573, 574(fn)
Falsified: 314, 429
Faroe Islands: 91, 351(fn), 463
FASB (Financial Accounting Standards Board): 84
Fastweb: 441-442
FATCA (Foreign Account Tax Compliance Act): see Foreign Account Tax Compliance Act
FATF (Financial Action Task Force): see Financial Action Task Force
FATF Recommendation: 505, 506
FBAR (Report on Foreign Bank and Financial Accounts): see Report on Foreign Bank and Financial Accounts
FBI: 449(fn)
Federal Constitutional Court: 329
Federal corporate tax: 302
Federal Court: 214, 218(fn), 219, 329(fn), 334, 343, 414, 499, 584
Federal Reserve: 70, 71

Federal Tax Crimes blog: 514
Fei-ch'ien (flying money): 453, 456
Felony: 333(fn), 354, 520, 525, 561, 563(fn)
Feria, Rita de la: 242
Fictitious: 16, 27, 31, 34, 128, 153, 171, 184, 201, 203, 205, 207, 209, 215, 223, 255, 267, 279, 295, 319, 320, 369, 374, 428, 437(fn), 497, 524, 547, 554, 558, 559, 566
Fictitious company: 16, 171, 184, 201, 203, 205, 207, 209, 255, 279, 374, 437(fn), 566
Fidium Finanz AG v. Bundesanstalt für Finanzdienstleistungsaufsicht: 269-270, 271(fn)
Fiduco Treuhand: 332
Field, Michael: 21, 22, 330, 331
Fight: 26, 63, 90, 119(fn), 121(fn), 189, 213, 311, 317, 318, 335, 357, 382, 398(fn), 422(fn), 464, 466, 467, 468(fn), 470(fn), 473, 475, 476, 480, 481(fn), 501(fn), 521, 522(fn), 538, 542
Fighting Fraud to Protect Taxpayers Act (U.S.): 498-499
Financial Accounting Standards Board (FASB)(U.S.): 84
Financial Action Task Force (FATF): 24(fn), 35, 52, 53, 54, 88, 136, 144, 189-191, 193-194, 196, 289(fn), 317(fn), 393, 395(fn), 397-400, 449, 461-462, 464, 466-467, 469-471, 481, 485, 489, 490(fn), 499-503, 505-506, 510, 521-523, 567, 594
Financial centre: 30(fn), 46, 49, 50, 51, 96, 137, 192(fn), 207, 221(fn), 309, 317, 351, 353, 356, 357, 360, 365, 379(fn), 380, 381, 383, 397, 401, 402, 415, 448, 450, 471, 472, 476, 485(fn), 506(fn), 592, 593
Financial Crimes Enforcement Network (FinCEN)(U.S.): 82, 471, 480(fn)
Financial intelligence unit (FIU): 19-20, 23, 24(fn), 288, 296, 376, 381, 382(fn), 400, 430, 448, 459, 469, 472-481, 485, 500, 509-510, 528, 594. See also Egmont Group.
Financial Secrecy Index: 484-488
Financial Stability Board (FSB): 50, 395(fn), 396. Formerly known as the Financial Stability Forum.
Financial Supervisory Authority (PSZAF) (Hungary): 527
Financial Times: 348, 450
FinCEN (Financial Crimes Enforcement Network): see Financial Crimes Enforcement Network
Finews.ch: 347(fn)
FINMA (Swiss Financial Market Supervisory Authority): see Swiss Financial Market Supervisory Authority
Finnish National Bureau of Investigation: 532(fn)
First Advisory Group: 332
First Data: 364, 460
First million: 445
Fiscal neutrality: 427
Fiscally transparent: 256, 291, 292, 294-298, 301
FIU (Financial Intelligence Unit): see Financial Intelligence Unit
Fixed place of business: 121(fn), 145(fn), 177-180, 182
Fishing expedition: 94, 341, 352(fn), 355, 363, 608
Fletcher, Pascal: 493(fn)
Fleury, Sylvain: 45
Flynn, Daniel: 377(fn)
FLIP (KMPG and Wachovia Bank tax product): 216
Flow-through entity: 198, 293
Flying money: 453, 456
F., Michael: 330-331
Foggia – Sociedade Gestora de Participacoes Sociais SA v. Secretario de Estado dos Assuntos Fiscais: 263-264

Foot, Michael: 192(fn), 221(fn), 495
Foot Report (UK): See Foot, Michael
Forbes magazine: 452
Foreign Account Tax Compliance Act (FATCA)(U.S.): 35, 57, 75-81, 82, 119(fn),
194-195, 365, 391, 480, 594
Foreign financial institution (FFI): 75-78, 79-80, 586, 594
Forgery: 31, 33, 96, 223, 314, 339, 375, 428, 506, 533, 566, 595
Form: 15, 35, 44, 48, 64(fn), 74
Formal ownership: 301
Fortune magazine: 288
Foster Wheeler Ltd: 119
France: 58, 79, 80-81, 99, 156(fn), 190(fn), 212, 240-241, 252, 273-275, 276-
277, 309, 310-311, 321-323, 328, 329, 348, 351(fn), 358, 360, 379, 381(fn),
394, 415-416, 419, 453, 463, 488, 612
Francheschini, Dario: 580
Francis, David: 595(fn)
Freedman, Judith: 404
Froriep Renggli LLP: 17
Fulcrum Electronics Ltd.: 432-433, 437(fn), 442. See also *Optigen*.

G

G20: 35, 50, 52, 87-88, 136, 154, 189, 191, 192, 289, 308, 349-351, 365, 379,
381(fn), 382-383, 389, 390-391, 394-398, 400, 402, 500, 593, 594
GAAR (General Anti-Avoidance Rules): see General Anti-Avoidance Rules
Gál, István László: 450(fn), 452(fn)
Galleon Group: 225
Galli, Carlo: 378(fn)
Game over: 40, 307
Garmin: 120
Garofalo, Pat: 59(fn)
Gatermann, Reiner: 333(fn)
Gauthier-Villars, David: 322(fn)
GDP: 279, 309, 419, 448, 450, 455, 462, 580(fn), 581
Gefängnis: 310(fn), 520
Gehilfen: 564
Geiser, Urs: 338(fn)
Geithner, Timothy: 71
General anti-avoidance rules (GAAR): 46, 100, 108, 113, 128, 158, 173, 219,
232(fn), 403-415, 417, 422
General Motors: 288, 289
Geneva: 120, 128, 308-310, 314, 321, 346, 348, 557, 587, 593
George, Tim: 371(fn)
German: 54, 113, 131, 184-185, 232(fn), 241(fn), 248, 252, 256-258, 268, 303,
310(fn), 311-313, 318-320, 323, 326-332, 342, 349-350, 358, 381(fn), 388,
435, 445-446, 539, 560-561, 563-564, 571-572, 584
German Federal Central Tax Office (BZST): 319
German Federal Court of Justice (Bundesgerichtshof): 584
German-Teutonic mode: 446
Germany: 58, 79, 89, 99, 104, 106, 184-185, 190(fn), 232(fn), 241(fn), 248, 252-
253, 256-258, 268, 269-270, 282, 303, 311-313, 316, 318-320, 323, 324,
325-328, 328-330, 330-331, 331-332, 348, 349, 351(fn), 358, 360, 362, 377,
379, 381(fn), 388, 434, 435, 445-446, 463, 481, 486, 532, 539, 560-561, 563,
564, 572, 584
Gertsch, Vivien: 92(fn)
Gestapo: 313

Gewerbsteuer (German trade tax): 252
Gibraltar: 36(fn), 221(fn), 251-252, 279, 281-282, 462, 483, 487
Gioia, Domenico: 23
Giri, Arun: 167(fn)
Glaberson, William: 313
Glass pocket policy (Sweden): 460
Glenharrow Holdings Ltd v. Commissioner of Inland Revenue: 409
Global Competitiveness Report: 37-39, 59. See also World Economic Forum.
Global Financial Integrity (GFI): 189, 190, 291(fn), 389(fn), 450, 484
Global Forum: 87(fn), 88(fn), 90(fn), 351(fn), 379(fn), 380, 381(fn), 384, 386-387, 395(fn), 396-397, 402
Global Telephone Services LLC: 442
Global Witness: 189, 389(fn), 447, 541
Godfrey, Mike: 29(fn), 79(fn), 590(fn)
Gold, Matea: 594(fn)
Goldman Sachs: 61, 65-67, 68-71, 71-72, 472(fn)
Goldsmith, Jonathan: 193(fn)
Good Standing, certificate of: 429
Gordon, Greg: 66(fn)
GPML (Global Programme against Money Laundering Proceeds of Crime and the Financing of Terrorism): 501
Graf, Peter: 318
Graf, Steffi: 318
Grassley, Chuck: 498-499
Gravelle, Jane G.: 73
Great Britain (United Kingdom): 41, 49, 58, 79, 89, 90-93, 94, 99, 110, 113, 123, 130, 143, 150(fn), 175, 190(fn), 192, 195, 221(fn), 223, 231, 231-232(fn), 241-242, 245, 245-246(fn), 248(fn), 249-250, 251-252, 254-255, 266-267, 268-269, 276(fn), 279, 281-282, 346, 351(fn), 352, 358, 360, 362, 366(fn), 368, 369, 370, 371-375, 380, 387, 389, 399, 403, 404-408, 414, 417-418, 432, 434, 439, 449, 450, 460, 463, 481, 486, 494, 495, 504(fn), 511-512, 588-589
Greece: 37, 39, 190(fn), 351, 360, 460, 538, 520, 537, 583-584, 591
Greenberg, Theodore S.: 484(fn)
Gregory, Paul John: 14
Gregory v. Helvering: 43-44, 102, 104, 236(fn)
Griffith University: 465
Grow, Brian: 289(fn)
Grundy, Milton: 160(fn)
Guardia di Finanza (Italy): 442
Guardian, The: 289
Guatemala: 381, 487
Gue, Thomas Earl: 291(fn)
Guernsey: 60(fn), 88(fn), 192(fn), 221(fn), 248(fn), 252, 462, 483, 486, 495
Guex, Sebastien: 310(fn)
Guidance on Establishment of Tax Residence Status for Chinese-controlled Offshore Companies under Effective Management Rules: 220
Guilty: 14, 16-18, 197, 209-211, 214, 217-218, 225, 237, 333-334, 340(fn), 343, 346, 525, 528, 531, 544, 560, 563, 591
Guinea pig: 236
Guoshuifa circular (China): 108
Guoshuihan circular (China): 109, 172
Gurtner, Kuno: 587(fn)
Gusmeroli, Michele: 421
Gutman, Harry L.: 403-414

H

- Halifax plc et al. v. Commissioners of Customs & Excise*: 248, 249-251, 282, 427(fn)
- Hallam, Mark: 584(fn)
- Halys river: 538
- Hamburger, Tom: 594(fn)
- Hamersley, Michael: 213-214
- Hanimann, Carlos: 342(fn)
- Hans Markus Kofoed v. Skatteministeriet*: 261-263, 265
- Harbor Point Limited: 62-63
- Hardy, Peter D.: 513-514
- Hargraves, Adam John: 13-14
- Harmful: 49(fn), 50, 157, 168, 190(fn), 202, 260(fn), 379, 471(fn)
- Harmful tax competition: 50, 168, 202, 379
- Harris, Leon: 127-130
- Harrison, Graham: 438(fn)
- Hart, Herbert: 231
- Hartnett, David: 90, 362
- Hawala: 451, 453-456
- Hawaladar: 454, 456
- Health Care and Education Reconciliation Act (U.S.): 101, 117-118
- Hedge fund: 60, 78(fn), 89, 144, 225, 496
- Heine, Heinrich: 539
- HeKa (Hess-Kaiser): 343
- Helleiner, Eric: 470(fn)
- Helvering: 43-44, 102, 104, 236(fn)
- Helvering v. Clifford*: 104
- Hepburn, Daniel: 370(fn)
- Her Majesty the Queen v. Allan McLarty*: 45
- Her Majesty's Revenue and Customs (HMRC): 90-93, 113, 123, 346, 362, 369, 371-375, 387, 407, 414, 418, 449, 511-512, 588-589
- Her Majesty's Treasury (UK): 417, 449
- Herodotos: 539
- Hess, Hans: 342-345
- Hibbs, Douglas A.: 36(fn)
- Highsmith, Brian: 85-86
- Hijacked: 432
- Hindu Business Line: 225(fn)
- Hinton, Eric. F.: 260(fn)
- Hiring Incentives to Restore Employment (HIRE) Act (U.S.): 73, 76, 119(fn)
- HMRC (Her Majesty's Revenue and Customs): see Her Majesty's Revenue and Customs
- Holder, Eric: 279
- Holding company: 104, 105-107, 112, 114, 116, 117, 142, 152-153, 162, 170, 260, 263, 274-275, 276, 281, 419, 424
- Holmes, Sue: 92-93
- Holy Land: 456
- Hongler, Peter: 298(fn)
- Hong Kong: 31, 36(fn), 38, 39, 58, 97, 106, 108-109, 114, 128, 129, 151, 184, 210, 351, 353, 422, 462, 486, 497
- Hope, Kerin: 583(fn)
- Hopkins, Andrea: 585(fn)
- Hopton, Doug: 511(fn)
- Hosenball, Mark: 325(fn)
- Houlder, Vanessa: 433(fn)
- HSBC Bank (Hong Kong Shanghai Banking Corp.): 18-19, 212, 321-323, 345-

346, 419, 472(fn), 495, 586-587, 593
Hug, Daniel: 333(fn)
Hug, Peter: 310
Hughes de Lasteyrie du Saillant v. Ministère de l'Économie, des Finances et de l'Industrie: 240-241
Huitson, Robert: See *The Queen on the application of Robert Huitson v. HMRC*
Human trafficking: 455
Hungarian Financial Supervisory Authority (PSZAF): 524(fn), 527
Hungary: 37, 69, 95, 150(fn), 190, 226, 243-245, 360, 488, 521-531, 540(fn), 572
Huston, John C.: 183
Hussain, Tair: 370(fn)
Hutchison Essar Ltd. :110-111, 113
Hyroiades: 539

I

ICAR (International Centre for Asset Recovery): see International Centre for Asset Recovery
IFT (informal funds transfer): see informal funds transfer
Il Giornale: 377(fn)
Illegal: 15(fn), 17(fn), 23, 41-42, 44, 46, 97, 184, 189-190, 198, 200, 211, 213, 216, 218, 220-221, 223, 226, 233, 256(fn), 259, 260(fn), 273(fn), 274(fn), 281, 290, 293, 301, 316-317, 321, 323-324, 329(fn), 339, 350, 363, 369, 403, 411, 428-429, 437(fn), 451-452, 455-456, 458, 476, 478, 483, 493, 506, 517(fn), 526, 529, 541, 544, 555, 559, 571(fn), 573, 580
Illicit: 21, 52(fn), 68, 189(fn), 202, 218, 317(fn), 382, 389(fn), 450-451, 453, 461, 465, 484, 490, 502, 505, 508, 522(fn), 527, 532
Illicit funds: 68, 202, 453
IMAC (Act on International Criminal Assistance): 315, 323, 355-357
IMF (International Monetary Fund): see International Monetary Fund
Imprisonment: 23, 312, 315, 316(fn), 317, 504-505, 523-525, 527-528, 530-531, 533, 546, 589, 591(fn)
Improperly: 168, 199, 205, 255
Income: 15(fn), 16-17, 20, 29(fn), 30, 37-38, 44, 51, 53, 57-58, 61-62, 64, 73, 77, 78(fn), 79, 84-86, 89, 90(fn), 91-92, 97, 100, 102(fn), 105, 108-109, 111(fn), 114, 116, 118, 119(fn), 122(fn), 127(fn), 131-136, 145-146, 148(fn), 149-153, 157, 159, 161-169, 170(fn), 171-177, 179-180, 186, 188, 192, 196, 198-200, 202-206, 208-209, 211-212, 214-215, 217, 223, 238, 254, 256-258, 262, 269, 271-272, 274, 276, 279, 280, 281, 288, 290-295, 297-299, 301-304, 313-314, 317-318, 324, 327-328, 333(fn), 334-337, 339, 340(fn), 352, 354, 358, 359(fn), 361-362, 366, 369-375, 377, 391-393, 402, 406, 408, 410-413, 416, 417-423, 449, 452, 457, 458, 464(fn), 465(fn), 481, 497-500, 516(fn), 519, 524(fn), 527, 562(fn), 567, 573, 576-577, 583, 585, 588, 594, 600, 607-608, 610, 613
Incorporation: 33, 47(fn), 51, 116(fn), 120, 123, 141, 143, 145, 146(fn), 149-150, 177, 180, 188, 224, 242, 244-245, 246(fn), 255, 287, 289-290, 302, 378, 429, 576
Incorporation Transparency and Law Enforcement Assistance Act (U.S.): 141, 287
Independence: 187
Independent, The: 84, 192(fn), 221(fn), 450(fn), 495(fn)
India: 26, 32, 58, 99, 104, 106, 110-113, 156(fn), 167, 180, 225, 309, 345-346, 384(fn), 394-395, 415-417, 422, 451, 453-456, 487, 589
Indian: 82, 110-113, 167, 225, 309, 332(fn), 346, 394, 415-416, 451(fn), 470, 545
Indictment: 17(fn), 213, 335(fn), 346-347, 515, 518, 563, 593

Indirect taxes: 233(fn), 251(fn), 315(fn), 398, 399(fn), 499-500, 520. See also Value Added Tax, Excise duty.

Indo-Asian News Service: 451(fn)

Industry of forgery: 96

Infringing: 17, 195, 254

Informal funds transfer (IFT): 453-456. See also Hawala.

Infosys Technologies: See *Matter of Infosys Technologies Limited*

Insurance industry: 62-63, 66, 89, 105, 144, 165, 188, 203, 204, 252, 300, 302, 361, 373, 417, 468, 480(fn), 528, 531, 576

Integration: 457-458, 485(fn), 526, 534

Interest and Royalties Directive (EU): 170(fn), 420

Intermediary: 23, 52(fn), 91, 115, 131-132(fn), 153, 160(fn), 167, 194, 198, 300, 362-363, 373, 399, 401, 402, 434, 438-440, 454-455, 469, 472-473, 480, 491, 524-525, 527, 528, 554, 562, 588(fn). See also Qualified intermediary (QI).

Internal Revenue Commissioners v. The Duke of Westminster: 231, 405

Internal Revenue Commissioners v. Fisher's Executors: 232(fn)

Internal Revenue Code (IRC) (U.S.): 82(fn), 171(fn), 197-198, 208, 292, 294, 298(fn), 300, 302, 324(fn), 513

Internal Revenue Service (IRS): 15, 16, 18, 26, 57, 59-60, 64, 68, 73, 74, 75, 76, 77, 79-80, 82-83, 84, 87, 97, 99, 103, 104, 117, 118, 150, 163, 167, 188, 194(fn), 195, 196, 197-218, 287-288, 293-294, 295, 296, 297, 300, 301, 302, 324, 333-341, 345-346, 364, 369, 387, 394, 442, 480-481, 485, 519, 562(fn), 572-575, 576, 577, 579, 594-595

International Bar Association: 104, 106

International Centre for Asset Recovery (ICAR): 484

International Institute of Bankers: 194

International Monetary Fund (IMF): 30(fn), 46, 50, 67, 136, 191, 393, 438, 448(fn), 450, 454-455, 456, 467, 489(fn), 500, 501(fn), 507, 583

International Mutual Assistance in Criminal Matters (IMAC) Act (Switzerland): 315, 355-356, 357

International Tax Compact: 368(fn)

International Tax Competitiveness Act: 73(fn), 119. See also Doggett, Lloyd.

Internationally Agreed Tax Standard, The: 90(fn), 351(fn), 379, 380(fn), 381

Interpol: 453, 455, 459, 481(fn), 501(fn)

In the Matter of the Tax Liabilities of John Does case: 364

Intranet system: 474

Investigation: 14(fn), 15-16, 19-21, 26, 60(fn), 64, 66(fn), 92, 105, 120, 126, 135, 144, 171-171, 187-188, 193, 196, 208, 213-215, 216(fn), 217(fn), 218(fn), 222, 227, 277, 279, 280, 296(fn), 309, 313, 315-316, 318, 321, 323(fn), 326(fn), 329, 332, 338-339, 345-347, 354-355, 365(fn), 375, 381, 407, 419, 422, 435, 437, 455, 474, 479, 480(fn), 481(fn), 482(fn), 493, 497, 510, 512, 528, 532(fn), 540(fn), 541-542, 547, 552, 554, 557, 573, 578, 586, 596, 599, 601, 610-612

Islamic Law: 453

Isle of Man: 60, 88(fn), 192(fn), 221(fn), 223, 370, 372(fn), 375, 462, 483, 487, 494, 495

Italian: 22-23, 29(fn), 131, 187-188, 265(fn), 268, 323, 373-377, 378(fn), 421, 426-427, 441-442, 579-581

Italian Court of Cassation: 187

Italian Job: 441

Italy: 22-23, 29, 37, 39, 58, 79, 106, 187-188, 190(fn), 243, 265(fn), 268, 323, 360, 368, 376-378, 419, 421, 425-427, 441-442, 450, 453, 487, 572, 579-582, 583, 587, 592(fn)

J

Jackson, Randall: 143(fn), 320(fn), 323(fn), 326(fn), 327(fn), 328(fn), 329, 330(fn), 341(fn), 363(fn), 365(fn), 417(fn), 419(fn), 435(fn), 441(fn), 442(fn), 449(fn), 581(fn), 584(fn)
Jacsó-Potyka, Judit: 521
Jacobsen, Geesche: 366(fn)
Jahn, Joachim: 584(fn)
Jain, Anurag: 111-112
Jain, Parul: 111-112
Janus-faced: 473
Japan: 30 (fn), 190(fn), 351(fn), 450, 452, 463, 486
Jarrett, Stephanie: 364(fn)
Jaworski, Thomas: 85(fn)
Jersey: 88(fn), 192, 221(fn), 252, 462, 483, 486, 494-495
Jha, Sanjay: 580(fn)
Jiang, Hao: 113-114
Jiangsu Province (China): 108
Johnson, Alex: 69(fn)
Johnston, Stephanie Soong: 309
John Walker Crime Trends Analysis: 461-463
Joly, Eva: 291(fn)
Jordanian: 554
Jordans, Frank: 322(fn)
Joseph, Lison: 167(fn)
Josie: 19-20, 134, 489
Jost, Patrick M.: 453(fn)
JP Morgan Chase: 61, 71, 216, 366, 472(fn)
Jucca, Lisa: 342(fn), 579(fn)
Julius Baer: 324-325, 347, 449
Jungholz Bank: 318
Jurisdiction: 20, 23-24, 26, 28, 30(fn), 31, 34, 36(fn), 39, 42-44, 46-50, 59(fn), 72-75, 87(fn), 88(fn), 89, 90(fn), 93, 95-98, 99(fn), 100-101, 104, 106-107, 109-110, 116, 121-122, 126-127, 130-131, 133-138, 143(fn), 144-145, 147, 149-150, 152-154, 158, 166-168, 170-172, 175-177, 180, 184, 186-187, 191-192, 194, 196-197, 199-200, 202, 205-207, 221-223, 226, 231, 236, 240, 245, 251(fn), 252-255, 258-259, 163, 269, 271, 276, 283, 290, 294, 297-298, 301, 304, 307-308, 320, 336, 348, 351(fn), 352(fn), 353-354, 365(fn), 373, 375, 377-382, 384-387, 390, 392, 395(fn), 396-399, 401, 403-405, 418, 420-421, 423-425, 429-430, 433, 448, 458-459, 461, 470, 474, 478, 481(fn), 482(fn), 484-488, 491, 496-497, 499-500, 506, 509-511, 521(fn), 524(fn), 528, 531-532, 541, 561, 564, 566-567, 572-573, 591-597, 599, 607-609

K

Kagen, Steve: 69
Kalman, Gary: 30(fn)
Kaneally, Kathryn: 577(fn)
Kar, Dev: 450(fn), 484(fn)
Katz, Guy: 100(fn)
Kellner, Martin: 571
Keiser, Andreas: 363(fn)
Kelsen, Hans: 231
KFC (Kentucky Fried Chicken): 288, 289
Kieber, Heinrich: 325-326, 328(fn), 331-332
Kirchner, Cristina Fernández de: 29(fn)
Kiss, László György: 20-21, 498, 541, 542-559
Kittel, Axel: 437(fn)
Klein conspiracy: 17(fn), 335, 562

Kleptocracy Team: 541. See also Global Witness.
Klinger, Scott: 58(fn)
Knights Templar: 456
Know Your Customer (KYC) policy: 52(fn), 468-469
Kobler, Eveline: 363(fn)
Koch, Hannes: 320(fn)
Kocieniewski, David: 86(fn)
Kofoed: See *Hans Markus Kofoed*
Kohl, Helmut: 319
Konschnik, Kristin: 574(fn)
Korb, Donald R.: 103(fn)
Kortmann: 239
Kovshin, Alexey: 114-116
KPMG: 81, 213-217, 218, 245-246, 277, 374, 434, 451, 455
Kredietbank: 280
Kurilina, Olga: 114-116
KYC (Know Your Customer): see Know Your Customer

L

Lack of: 45, 49, 163, 192, 207, 219, 236, 252, 269, 277, 282-283, 287, 328, 423, 436, 512, 547, 593
Laerstate BV v HMRC: 123-124
Lafarge: 266(fn)
Lamark Tax Planning Consult SRL: 21, 542, 546. See also Kiss, László György.
Land, Stephen: 85(fn)
Lane, Philip R.: 67(fn)
Lang, Michael: 146(fn)
Lankhorst-Hohorst GmbH v Finanzamt Steinfurt: 267
Lao Tze: 539
Latin America: 446, 492
Lau, Orieta: 354
Laundered money: 319, 447, 450-451, 455, 524, 526
Launderer: 458, 461-462, 503-504, 513, 530, 532-533, 566
Laundering: 17, 19-20, 22(fn), 24, 31, 33-35, 49(fn), 51-54, 57, 75, 88(fn), 89, 95-96, 134, 144, 154, 158, 184-185, 187-188, 192(fn), 193-194, 196, 210, 223-224, 227, 287-288, 289(fn), 291, 296-297, 302, 307, 317, 332, 344(fn), 348, 356-357, 375, 381-382, 393, 396, 398-400, 407-408, 429-430, 445-449, 450(fn), 451-453, 455-456, 458-459, 461-462, 464-468, 470, 471(fn), 472-473, 475-479, 480(fn), 481, 489-490, 492, 494-507, 508(fn), 509-524, 526-534, 542, 544-546, 560, 565-568, 572-573, 579-580, 582, 592, 594
Laundry: 453, 581
Laveco: 125(fn)
Laventure, Isabel: 151(fn)
Lawson, Anthea: 541
Lawyer: 14, 16, 17(fn), 18(fn), 22, 25-26, 33, 40, 78(fn), 97, 107, 137, 185-187, 214(fn), 215(fn), 217, 221-222, 224, 227, 302, 314, 315(fn), 318-319, 324, 328, 343, 374, 376, 400, 424, 469, 485(fn), 494, 508(fn), 528-529, 543, 545, 547, 549, 552, 559-560, 565-566, 579, 612
Layering: 457-458, 526
LDF (Liechtenstein Disclosure Facility): see Liechtenstein Disclosure Facility
Leahy, Patrick J.: 498-499
Legal Research Society: 244(fn)
Legislation: 27, 35, 42, 45, 53-54, 63, 72-75, 78(fn), 88, 93, 96, 105, 119, 143(fn), 158, 167, 173-174, 178, 193, 197, 202, 222, 232fn, 233, 238, 241-242, 244-245, 250, 252-259, 262, 266(fn), 267, 268(fn), 270(fn), 271, 273, 275, 277, 278(fn), 282, 308, 310, 317(fn), 357, 371-374, 377-379, 393, 399-

401, 405, 408, 411, 412, 418, 420, 427, 429, 433, 436, 446, 449, 451(fn), 458, 464, 468-470, 479, 481, 482(fn), 484, 489, 499, 501(fn), 502, 504(fn), 505-507, 511(fn), 512, 521, 522(fn), 523, 524(fn), 527, 553, 567, 583-584, 592, 604, 609, 613-614

Lehman Brothers: 61, 69, 70-71

Le Monde: 70-71

Lenaerts, Annakatrien: 249, 403

Lenzin, René: 323(fn)

Leonardis, Peter: 180(fn)

Less-developed: 20, 23, 28, 446, 455

Leur-Bloem v. Inspecteur der Belastingdienst: 259-261, 263

Levi, Michael: 519(fn)

Levin, Carl: 72, 73, 74-75, 105, 119(fn), 141, 213-216, 287, 289, 394

LGT (Liechtenstein Global Trust): see Liechtenstein Global Trust

LGT Treuhand AG: 326, 331-332

Liechtenstein: 18, 31, 36(fn), 46, 47(fn), 58, 88, 90-95, 105, 184, 185, 212, 276(fn), 313, 315(fn), 318, 325-328, 329, 330-331, 331-332, 333, 351-352, 354, 362, 364, 376, 377, 382(fn), 402, 415, 425, 445-446, 462, 483, 487, 558, 589, 593

Liechtenstein Disclosure Facility (LDF): 90-93, 352, 354(fn), 364, 589

Liechtenstein Global Trust (LGT): 105, 325-328, 329(fn), 330, 331-332, 340, 377, 445-446, 593

Liechtensteinische Landesbank (LLB): 330-331

Lilley, Peter: 448(fn)

Limitation on Benefits (LoB) provisions: 149-150, 158, 163-167, 266, 268, 283, 290, 302

Limited Liability Company (LLC): 79, 82-83, 202, 204, 271, 287, 291-298, 301, 302, 401, 442, 468, 576

Lindner, Carl H.: 63(fn)

Linklaters LLP: 84-85

Lisbon Treaty: 232(fn)

LLC (Limited Liability Company): see Limited Liability Company

Lloyds: 389(fn)

LoB (Limitations on Benefits): see Limitations on Benefits

Lomas, Ulrika: 194(fn), 353(fn)

London: 30(fn), 58, 137, 192(fn), 254, 325, 350, 395, 407, 447, 448, 449, 450, 451, 492, 493, 494, 496, 512, 541

Look through: 97, 98, 112, 159, 161, 223, 297, 300, 407, 421

Loophole: 13, 23, 42, 45, 63, 68, 86, 109(fn), 141(fn), 152, 158, 167, 236, 238, 290, 372, 417(fn), 484(fn), 595

Lord Tomlin: 231-232(fn), 405

Lorence, Roger D.: 78(fn)

Louis XIV: 309

Lowtax.net: 144

Lukoil: 114-116

Lump-sum: 91, 295

Lungu, Iurie: 181(fn)

Luxembourg: 22, 31, 32, 33, 38, 39, 47, 48, 59, 60(fn), 82, 91, 105-106, 109, 150(fn), 160(fn), 170, 190(fn), 232, 271-272, 274-275, 276, 280, 289(fn), 318, 326, 351, 352-353, 359, 360, 362, 376(fn), 380, 462, 483, 486, 497, 593, 594

Luxembourg 1929 holding company: 274

Lydia, Kingdom of: 537-539

Lynam Tax: 588(fn)

Lyons, Sarah: 507(fn)

M

Macau: 354, 499
Maduro, Miguel Poiares: 235
Maeder, Sonja: 314-315, 350-351
Malherbe, Jacques: 583(fn)
Mail fraud: 515-519
Mailbox King: 342, 344
Malta: 32-33, 95, 97, 109, 132, 149(fn), 150(fn), 167, 170, 279, 313, 351(fn), 360, 366(fn), 463, 487, 497
Man: 60, 88(fn), 192(fn), 221(fn), 223, 370-371, 372(fn), 375, 462, 483, 487, 494-495
Management and control: 119, 123-125, 130-131, 134, 153, 186, 241-242, 245-246, 498, 553(fn), 595
Managers: 24-25, 31, 36, 40, 98, 121, 128, 142, 145, 200, 221, 288, 290, 292, 334, 336-337, 349, 375, 400, 449, 525-526, 547, 593, 595(fn)
Mannesmann: 113
Marcos, Ferdinand: 446
Marjan and Brian: 476
Market value: 16, 81, 267, 406, 420, 447(fn)
Markosian v. Commissioner: 105
Marples, Donald J.: 578(fn)
Marr, Chuck: 85-86(fn)
Marshall Islands: 47(fn), 486
Martin, Peter: 366(fn)
Martinez-Matosas, Eduardo: 116(fn)
Masciandaro, Donato: 470(fn)
MasterCard: 204, 365(fn)
Matai, DK: 447-448(fn)
Matheson Ormsby Prentice law firm: 809(fn)
Mathiason, Nick: 120(fn)
Mathis, Felix M.: 17-18
Matter of Infosys Technologies Limited: 179-180
Mauritius: 38, 167, 172(fn), 463, 487
Mayer Brown law firm: 106, 405(fn)
McCain, John: 69
McCarthy, Hui Ling: 427(fn)
McClatchy Newspapers: 65-66
McIntyre, Michael J.: 389-394, 596
McLarty case: see *Her Majesty The Queen v. Allan McLarty*
Medvedev, Dmitri: 589
Meiler, Oliver: 323(fn)
Meltdown: 64, 68
Memorandum of Association: 429
Memorandum of Understanding (MOU) (Liechtenstein-UK): 91-92(fn), 402
Merck: 61
Merger Directive (EU): 32, 259-265, 283
Merieux Alliance: 416
Merinews: 455
Merrill Lynch: 61, 64, 70, 309
Meta-principles: 238
Methodology: 185, 191, 309(fn), 385, 486(fn)
Metre, Javier: 152(fn)
Mexicans: 195
Mexico: 120, 350(fn), 190(fn), 195, 351(fn), 387, 492-494(fn)
Micheloud & Cie: 309-312

Milan Kyrian v. Celni urad Tabor: 388(fn)
Milbank, Tweed, Hadley and McCloy: 78, 405(fn)
Milesi-Ferretti, Gian Maria: 67(fn)
Miller, Campbell: 219
Miller, Laura: 374(fn)
Milne, Richard: 348(fn)
Ministero dell'Economia e delle Finanze v. Part Service Srl: 265-266
Missbach, Andreas: 344
Missing trader fraud: see Carousel fraud
Mitchell, Daniel J.: 60(fn)
MLAT (Mutual Legal Assistance Treaty): see Mutual Legal Assistance Treaty
Mobutu Sese Seko: 446
Modehuis A. Zwijnenburg BV v. Staatssecretaris van Financien: 264-265
Model Agreement on Exchange of Information on Tax Matters: 381
Model Convention: 92(fn), 98, 115, 122(fn), 123, 132-133(fn), 146-149, 155, 158-159, 163, 171, 173, 176-178, 180, 182-183, 186-187, 297-298, 303-304, 316, 349, 356-357, 390, 613
Model Provision: 169
Model Provisions on Money Laundering Terrorist Financing Preventive Measures and Proceeds of Crime: 500-504, 507, 521
Modern robber barony: 446
Monaco: 47(fn), 88(fn), 91, 353, 362, 384(fn), 462, 488
Money and power: 71, 72(fn)
Money laundering: 17, 19-20, 22, 24, 31, 33-35, 49, 51-54, 57, 75, 89, 95, 134, 144, 154, 158, 184-185, 187-188, 192-194, 196, 210, 223-224, 227, 287-289, 291, 296-297, 302, 317, 348, 356-357, 375, 381-382, 398-400, 407-408, 429-430, 445-450, 453, 455-456, 458-459, 461-462, 464-468, 470, 472-473, 475-481, 489-490, 492, 494, 496-524, 526-534, 542, 544-546, 560, 565-568, 572-573, 579-580, 582, 592, 594
Money laundry: 453
MONEYVAL: 464, 489(fn), 501(fn), 511, 522-523, 527(fn)
Monroe, Brian: 193(fn)
Montenegro: 37, 540(fn)
Montpelier Tax Consultants Ltd.: 371, 374
Montserrat: 88(fn), 381(fn), 488
Morgan Stanley: 61, 70
Morgenson, Gretchen: 71
Morris, Mark: 89
Morrissey et al. vs. Commissioner of Internal Revenue: 293
Mortimer, Matthew: 405(fn)
Most Favoured Nation: 349
MOU (Memorandum of Understanding): see Memorandum of Understanding
Muga, Miguel: 418, 419(fn)
Mundaca, Michael: 578(fn)
Munteanu, Mihai: 21(fn), 498(fn), 540(fn), 542, 546, 549(fn), 551, 559
Murphy, Kristina: 43(fn)
Murphy, Richard: 42, 45-48, 51, 111, 113(fn), 192(fn)
Mutual Assistance Directive (EU): 274, 276-277, 388(fn)
Mutual Legal Assistance Treaty (MLAT): 279, 315(fn), 350(fn), 459
My God, thousands! (the promoter's database): 550, 557

N

National Agency for Fiscal Administration (ANAF) (Romania): 544
National Bureau of Investigation (Finland): 532(fn)
National Grid Indus BV v Inspecteur van den Belastingdienst Rijnmond/kantoor Rotterdam: 245-247

National Whistleblowers Centre: 341
Naudin, Maryse: 80(fn)
Nauru: 47(fn), 381, 488
Nazakat, Syed: 455(fn)
Nazi Germany: 311-312
NDO (New Disclosure Opportunity): see New Disclosure Opportunity
Neal, Richard: 62, 105
Negligent money laundering: 530, 532
Neiman, Jeffrey: 341
Nenzell, Liss-Olof: 332-333
Netherlands, The: 31, 33, 47, 97, 104, 106, 109-110, 128, 132, 149(fn), 150(fn),
160(fn), 167, 170, 184, 190(fn), 239, 241-242, 245-247, 260, 268, 276(fn),
280(fn), 351(fn), 360, 387, 394(fn), 463, 481, 487, 497, 532, 582
Netto Supermarkt GmbH & Co. OHG v. Finanzamt Malchin: 433
Neue Zürcher Zeitung: 333(fn), 347(fn), 587(fn), 593(fn)
Nevada: 47, 289, 297, 442,
New Disclosure Opportunity (NDO) (UK): 90(fn), 588
New York Times, The: 47(fn), 67(fn), 71, 86(fn), 213(fn), 313, 329(fn), 335(fn),
348(fn), 419, 583
New Zealand: 21-22, 190(fn), 365, 368, 381(fn), 404, 408-410, 413-414, 463,
547-548
News Corp: 61
Newsweek magazine: 71
NGOs (Non-Governmental Organizations): 189-190
Ni, Yongjun Peter: 113-114(fn)
Nigeria: 446, 471(fn), 542-544
Nissenbaum, Martin: 217-218
Niue: 381
Nominee: 22, 31, 54, 96, 124, 127, 131(fn), 132(fn), 134-135, 150, 154, 171,
177, 185-187, 089, 191, 209, 211, 279, 295, 297-298, 301, 319, 333, 339,
342, 363, 429, 442, 508, 530, 533, 562, 577, 602-603
Nominees: 24, 26, 33-34, 96, 98, 124, 135, 212, 220, 292, 319, 375, 490-491,
497-498, 508, 525-526, 532, 549, 566, 604
Nominee director: 22, 31, 127, 134-135, 154, 171, 177, 185-186, 295, 297, 342,
429, 530, 533, 562
Nominee shareholder: 134, 150, 154, 187, 295, 298, 339, 363
Non-cooperative: 88, 365, 395(fn), 490(fn)
Nonfeasance (money laundering by): 566
Non-resident: 13, 50, 111-113, 152(fn), 159, 162, 169-172, 202, 204, 253, 268,
272-273, 300, 379(fn), 407, 414, 424, 509, 597
Nordic Page, The: 120-121(fn)
North Rhine-Westphalia: 328-329, 349(fn)
Norway: 120-121, 137, 156(fn), 190(fn), 215, 291(fn), 351(fn), 398(fn),
421(fn), 422(fn), 463, 504, 532
Norwegian: 120-121, 137, 291(fn)
Notice of Proposed Rulemaking (U.S.): 82
Novack, Janet: 333(fn)

O

Oakley, David: 583(fn)
Obama, Barack: 57, 69, 71-73, 84, 86, 101-102, 119, 141-142, 195, 577
Observer, The: 493-494
Obwalden (Swiss canton): 342-344
OCCRP (The Organized Crime and Corruption Reporting Project): see Organized
Crime and Corruption Reporting Project
OCRA: 222-223

ODA (Official Development Assistance): see Official Development Assistance

OECD (Organisation for Economic Co-operation and Development): 23, 26-27, 34, 39, 41, 46-49, 51-54, 57, 79, 87-88, 90-92, 96, 98, 100, 109, 115, 121-123, 131-133, 136, 145-149, 151, 153-155, 158-159, 163, 167, 170-171, 173, 175-177, 180, 182-183, 189-191, 194, 202, 207, 254, 289-290, 297-298, 303-304, 313, 316, 319, 339(fn), 349-354, 356-357, 365, 367-368, 379-392, 394, 397-402, 419, 439, 457, 464, 466-467, 471, 476, 484-486, 499, 521, 592-593, 606-615

OECD Centre for Tax Policy and Administration: 47(fn), 49(fn), 51(fn), 54(fn), 146(fn), 367(fn), 402(fn), 457(fn)

OECD Commentary: 607-608, 612-613

OECD Committee on Fiscal Affairs: 132(fn), 146(fn), 387(fn)

OECD Global Forum on Transparency and Exchange of Information for Tax Purposes: 87-88(fn), 90(fn), 379(fn), 380-381, 384, 386-387, 395(fn), 396-397, 402

OECD Internationally Agreed Tax Standard: 90(fn), 379-382

OECD Model Tax Convention: 133, 145-146, 148(fn), 254(fn), 290, 313, 353, 381, 386, 402

Oesterhelt, Stefan: 350(fn)

OFC (Offshore Financial Centre): see Offshore Financial Centre

Offence: 314-315, 356-357, 398, 428, 465, 482, 490-491, 499, 503-505, 511-512, 518, 560, 563-564

Offender: 34, 491, 503, 564

Official Development Assistance (ODA): 484(fn)

Official Journal of the European Communities: 50(fn), 250(fn), 252(fn)

Official Journal of the European Union: 316(fn), 359(fn), 361(fn), 383(fn), 388(fn), 435(fn), 466(fn), 482(fn), 507(fn)

Offshore: 19-20, 46, 47(fn), 48, 50-51, 57-59, 61-67, 72-75, 82, 84-85, 93, 103, 105, 109, 113, 114(fn), 116, 130, 137, 141(fn), 142, 144, 173, 177, 189, 199, 202-211, 221(fn), 224, 323-324, 334, 336, 344, 347, 364(fn), 369-371, 382-383, 394, 407-408, 417, 422-425, 445, 468, 470, 476, 478-479, 481-482, 485, 512(fn), 533, 542-550, 552-559, 562-563, 565, 573-576, 589, 592

Offshore Credit Card Project: 364

Offshore Disclosure Facility (ODF)(UK): 90(fn), 588

Offshore factory: 558

Offshore Financial Centre (OFC): 46, 49(fn), 50, 51, 379(fn), 448

Offshore Investment magazine: 75(fn), 93, 114(fn), 142, 362(fn), 574(fn)

Offshore Voluntary Disclosure Initiative (OVDI)(U.S.): 572, 574-575, 577

Offshore Voluntary Disclosure Program (OVDP)(U.S.): 340, 572-575, 577(fn), 586

Offshoreapocalypse.com: 40

Oil: 21, 42, 51, 59, 61, 114, 120, 122(fn), 177-178, 520, 541-547, 552, 557

Oil deals: 552

Olenicoff, Igor: 333-334

Opacity: 199, 287, 484

Opacity Index: 484

Optigen Ltd, Fulcrum Electronics Ltd and Bond House Systems Ltd v. Commissioners of Customs & Excise: 432-433, 437(fn), 442

Oracle: 61, 142, 537

Orange peel: 288

Orange Street: 288, 290

Ordinary trust: see Trust

Organisation for Economic Cooperation and Development (OECD): see OECD

Organised crime: 356, 489, 540

Organised criminal: 505, 552

Organized Crime and Corruption Reporting Project (OCCRP): 21, 540-543, 546-549, 551-552(fn), 554, 559

Organized Crime and Terrorism Investigative Department (Romania) (DIICOT):
540(fn), 546, 548
O'Shea, Tom: 246-247, 261, 273-274, 276(fn)
Other Taxpayers' Alliance, The: 448(fn)
Ought to have assumed: 492
OVDI (Offshore Voluntary Disclosure Initiative): see Offshore Voluntary
Disclosure Initiative
OVDP (Offshore Voluntary Disclosure Program): see Offshore Voluntary
Disclosure Program
Overconfident: 538
Österreichische Zuckerindustrie AG (ÖZAG): 312
Overseas Territories (U.K.): 192(fn), 221(fn), 276(fn)
Owens, Jeffrey: 194, 402

P

Padmore v. Inland Revenue Comrs: 372(fn)
Pakistan: 455
Palanca, Marco: 378(fn)
Palermo Convention (Transnational Organised Crime Convention): 502-503
Panama: 16, 30(fn), 194, 210, 212, 384(fn), 450, 463, 486, 556, 577
Panamanian: 16, 212, 556
Panayi, Christina H.J.I.: 158, 163
Parent-Subsidiary Directive (EU): 32, 152, 170, 265, 271, 420
Parillo, Kristen A.: 79(fn), 81, 90(fn), 111(fn), 112, 329(fn), 346(fn), 371, 372,
373(fn), 377(fn), 390(fn), 400(fn), 410(fn), 415(fn), 586(fn)
Paris Affair: 310-311
Parker, Kenneth: 372, 374
Part Services: See *Ministero dell'Economia*
Partial declarations: 584
Partington v. Attorney-General: 232(fn)
Partnership: 291(fn), 292-294, 297-299, 301-302, 371-373, 393, 468, 540, 576,
597, 600, 604
Passenheim-van Schoot: see *X and E.H.A. Passenheim-van Schoot v*
Staatssecretaris van Financien
Patriot Ledger, The: 370(fn)
Paulson, Henry "Hank": 71
PCMLTFA (Proceeds of Crime (Money Laundering) & Terrorist Financing Act):
see Proceeds of Crime (Money Laundering) & Terrorist Financing Act
PE (Permanent establishment): see Permanent establishment
Peabody v. Federal Commissioner of Taxation: 411
Pederick, Willard H.: 44
Peer review: 87(fn), 380, 383-385, 396, 402, 522
Pelofsky, Jeremy: 493(fn)
Penalties: 15-16, 29(fn), 45, 57, 68, 75(fn), 90, 93, 97, 181, 201, 209-211, 213-
214, 222, 227, 301, 332, 333(fn), 337, 366, 375, 388, 417-418, 426, 531, 571,
573-575, 582-583, 585, 587, 589-590, 595
Penalty: 16, 29(fn), 81, 91, 93, 213, 227, 280, 311, 336-337, 340(fn), 377, 417-
418, 425, 428, 442(fn), 504-505, 520(fn), 574-575, 582, 588
Penido, Tatiana: 377(fn)
Pentruvoi Trust: 18
PEP (Politically Exposed Person): see politically exposed person
PepsiCo: 61, 266(fn)
Permanent establishment (PE): 121, 145, 150, 157, 164, 177-188, 245, 247,
256-257, 290, 304, 371, 424, 442
Perpetrator: 28, 291, 458, 491, 500, 519, 533, 560, 562

Persia: 537-539
Persiani, Alessio: 377(fn)
Personae non gratae: 472
Petrom Service: 20-21, 546-548
Pfaff, Robert: 214-215
Pfäffikon: 120
Pfizer: 60
Phuncards-Broker: 442
Pick, Otto: 312
Piculescu, Violeta: 36(fn)
Pieron, Astried: 106
Pinkerton rule: 562
Pistone, Pasquale: 232(fn)
Place of incorporation: 33, 47(fn), 116(fn), 120, 123, 143, 145, 149-150, 180, 224, 242, 290
Place of management: 33, 106, 121(fn), 134-135, 145(fn), 148, 150, 153, 157, 163, 171, 178, 246, 292, 339, 442
Placement: 457
Plaintiff: 226, 374, 432, 442
Plato: 460(fn)
PoA (Power of Attorney): see power of attorney
PoCA (U.K. Proceeds of Crime Act): see Proceeds of Crime Act
Politically exposed person (PEP): 193, 317
Pooley, Isabel: 370(fn)
Popkin, Gerald: 16-17
Poß, Joachim: 320
Post box factory: 559
Power of attorney (PoA): 126, 135, 153, 185-186, 295-297, 429, 477, 532-533, 549, 562
PRC (People's Republic of China): 423, 425
Prebble, John: 409
Predicate offence: 35, 196, 348, 375, 382, 398-400, 449, 467-468, 481, 490-491, 497-500, 503-506, 510-520, 523-524, 527, 530, 533, 567, 572, 592, 594
Prest, Charlotte: 323(fn)
PricewaterhouseCoopers (PWC): 216, 247(fn), 273(fn), 374, 414
Principal: 339, 371, 560-566, 574, 598
Principal place of business: 234
Principal purpose: 100, 147, 161, 248(fn)
Private banker: 16, 333-334, 336, 341, 358, 364, 491, 509, 525, 541, 565, 576
Probation: 16, 18, 209, 333(fn), 340(fn), 341(fn), 370
Proceeds of crime: 465, 482(fn), 500-501, 503-504, 507(fn), 511-512, 519, 521(fn), 530
Proceeds of Crime Act (PoCA), U.K.: 511-512
Proceeds of Crime (Money Laundering) & Terrorist Financing Act (Canada): 519
Procter & Gamble: 61
Progress Report (OECD): 90(fn), 351(fn), 380-381, 386, 395(fn), 398(fn)
Project Wickenby: 14(fn)
Promoter: 15, 17, 20-21, 25, 28, 32, 34, 83, 97, 103, 133, 137, 199, 201, 203, 208, 210-211, 221-227, 231, 261, 291, 296, 301-302, 307-308, 348, 375, 399, 411, 490-492, 498, 508-509, 526, 528, 541-542, 546, 550-551, 560, 563, 565-566, 575, 577, 588(fn), 591-592, 595. See also Enabler
Prosecute: 14-15, 23-24, 28, 196-197, 324, 330, 356, 460, 497, 513, 592
Prosecutor: 326-327, 435(fn), 478, 563, 580
Pross, Achim: 367(fn)
Prunus SARL and Polonium SA v. Directeur des services fiscaux: 276-277
Pythia (Oracle of Delphi): 537

Q

Qualified intermediary (QI): 77(fn), 194, 402, 480
Qualifying: 281, 299(fn), 374, 423, 567
The Queen on the application of Robert Huitson v. HMRC: 371-375
The Queen v. Paul John Gregory: 14

R

R v. Hargraves and Stoten: 13-14
R v. HM Treasury and Commissioners of Inland Revenue, ex parte Daily Mail and General Trust Plc: 241-242, 244, 245
Racketeer Influenced and Corrupt Organizations Act (RICO)(U.S.): 514, 519
Radu, Paul Cristian: 540(fn)
Raiffeisen Bank (Raiffeisen Group): 593
Rajaratnam, Raj: 225
RAL (Channel Islands) Limited and others v. Commissioners of Customs and Excise: 248(fn)
Ramírez, Guzmán: 151(fn)
Ramsay principle: 405
Ramsay v. Internal Revenue Commissioners: 405
Rangel, Charles: 76
Raphael, Monty: 142(fn)
Rechtsmissbrauch: 232(fn), 235
Reckon LLP: 431(fn)
Recommendations: 24(fn), 35, 52(fn), 53(fn), 68, 144, 190-191, 193, 196, 224, 317(fn), 398-399, 449, 467, 471(fn), 500, 501(fn), 502, 503(fn), 521(fn), 522(fn), 567
Red-chip: 114, 422
Refuse: 15, 108, 243, 278, 349, 354, 359, 383, 391, 472, 499, 600, 612
Registration: 14, 24(fn), 25-27, 31-32, 34, 39-40, 83, 116, 124-126, 134, 144, 147-148, 201, 220-225, 227, 243-244, 261, 269, 281, 287-289, 291-292, 295-297, 303, 348, 434, 483, 490-491, 498, 528, 530-531, 541-543, 545, 549-550, 552, 559, 565
Reid, Katie: 593(fn)
Remittance-based taxation: 175
Reportingproject.net: 21(fn), 498(fn), 540(fn), 541(fn), 542, 546(fn), 549(fn), 551(fn), 557, 559
Report on Foreign Bank and Financial Accounts (FBAR): 78, 82, 83, 195(fn), 202, 209, 210, 294, 480, 481, 573, 574, 576
Residency: 123, 126, 131, 145(fn), 147-149, 154, 177, 180, 219(fn) ~ test: 123, 125, 154 tax ~ (tax resident): 33, 81, 109, 125-127, 130, 133, 145, 149-150, 152(fn), 154, 167(fn), 186, 242, 245, 290, 302-303, 371, 375, 418, 420, 422, 424, 442, 496, 500
Resident: 33, 35, 47-48, 51, 78, 82, 88, 90(fn), 98, 109, 114, 121-123, 125, 128-132(fn), 133, 145, 147-151(fn), 153, 157, 159, 161-167, 169, 172, 174-175, 179, 188, 195(fn), 199, 208, 239, 245, 251, 253, 258, 267-271, 277-279, 293, 297-301, 303, 321, 340(fn), 346, 352(fn), 354, 368, 371-373, 393, 422, 429, 456, 596-597, 600
Responsibility: 33, 64, 210, 221-222, 224, 434, 467, 485(fn), 494, 548, 551, 576
Retroactive: 340, 354(fn), 365-366, 371(fn), 372, 373(fn), 374
Rettig, Charles P.: 573, 575, 577(fn)
Reunion: 252
Reuter, Peter: 519(fn)

Reuters: 289(fn), 322, 324-325(fn), 341(fn), 342(fn), 347(fn), 376(fn)-377(fn),
431, 493(fn), 579(fn), 581(fn), 585(fn), 586, 593(fn)
RICO (Racketeer Influenced and Corrupt Organizations Act): 514, 519
Rickenbach, Andreas: 348
Rickenbach, Matthias: 348
Rider, Barry A.K.: 470(fn)
Ridlington, Elizabeth: 30(fn)
Riguadiana SGPS: 263
Rimbaud SA v Directeur général des impôts: 273(fn), 276
Ringe, Wolf-Georg: 243(fn)
Ring-fencing laws: 32, 134, 145, 269, 281-282, 499(fn)
Roe, Mark: 288(fn)
Rohatgi, Roy: 40(fn), 153(fn), 160(fn), 177(fn), 183(fn)
Romanian: 20-21, 375(fn), 525(fn), 540(fn), 542-547, 550, 551(fn), 553-559
Romney, Mitt: 594
Rosenbloom, David: 157-158(fn)
Rossotti, Charles O.: 59
Rowbotham, Brian: 573-574
Royalties Directive: 170, 420
Rubinstein, Asher: 346
Rushe, Dominic: 225(fn)
Russia: 22, 26, 59, 114-116, 181, 351(fn), 522(fn), 589

S

SAARs (specific anti-avoidance rules): see specific anti-avoidance rule
Sage, Adam: 349(fn)
Saint-Amans, Pascal: 402(fn)
Saipan: 214-215
Sandhu, Harjit Singh: 453(fn)
San Marino: 88(fn), 91, 353, 362, 376-377, 488, 581
Sanofi-Aventis: 415
Santos: 516, 518
Sapirie, Marie: 79(fn), 325(fn), 574(fn)-575(fn)
Sardis (citadel): 538-539
Sarkozy, Nicolas: 194, 394
SARs (Suspicious Activity Reports): see Suspicious Transaction Report
SAT (State Administration of Taxation (SAT) of China): see State Administration
of Taxation
Savings Tax Directive (STD)(EU): 88-89(fn), 144, 191, 195, 316, 352, 359, 391,
400
SBA (Swiss Bankers Association): see Swiss Bankers Association
Scaglia, Silvio: 441
Schaffhausen (Swiss canton): 95(fn), 119-120
Schäuble, Wolfgang: 320, 584
Scherer, Steve: 29(fn), 579(fn)
Schering Plough Corp.: 579
Schick, Gerhard: 320
Schopenhauer, Arthur: 539
Schulte, Elmar: 327, 331-332, 340
Schwob, Renate: 355(fn)
Schwyz (Swiss canton): 120, 343
Science Daily: 452(fn)
S Corporation: 287, 298-303
Scott, Paul Allen: 532(fn)
Scottish Provident Institution v. Inland Revenue Commissioners: 405(fn)
Seagate Technology Inc.: 142-143

SEC (U.S. Securities and Exchange Commission): see Securities and Exchange Commission

Second Joint Declaration (Liechtenstein and the UK): 92-93. See also Liechtenstein Disclosure Facility.

Secrecy: 26, 30, 47-48, 51, 72-74, 82, 88, 135, 137, 195, 199-201, 207, 289, 307-313, 315, 320-321, 325, 332, 334-335, 337-338, 340, 344, 348-351, 352(fn), 353-358, 362, 364-364, 379, 381(fn), 382, 391(fn), 394-395, 397, 400, 460-461, 469, 471, 480(fn), 484-488, 495, 508(fn), 514(fn), 515(fn), 519(fn), 541, 573, 585, 592-594, 613-614

Securities and Exchange Commission (SEC): 66, 85

Seleucid Empire: 539

Self-laundering: 503, 511, 526-527(fn)

Seneca: 13, 23, 539

Sentenced: 13-14, 16-17, 208-212, 217, 218(fn), 225, 327, 330, 333(fn), 340(fn), 341(fn), 343, 370, 442, 478, 551(fn)

Serbia: 37, 540(fn)

Serious: 28, 83, 96, 120(fn), 121, 126, 135, 142, 189, 202, 225, 254, 289, 329(fn), 339, 375, 398(fn), 399, 419, 458-459, 464(fn), 465, 473, 498, 505, 507, 527, 571, 583, 611

Seychelles: 172(fn), 470-472, 487, 498-499, 509, 543, 545-546, 556-559

Shannon offshore regime: 253

Shapiro, Glen: 99(fn)

Shapiro, Richard: 217

Sharman, J.C.: 289, 464-465(fn), 466-470, 471(fn)

Sharp Kemm: 577(fn)

Shaxson, Nicolas: 47

Shell companies: 43, 47, 154, 212, 281, 407

Shell company: 16, 22, 46

Shelter: 15, 39, 75, 103(fn), 105, 109, 119, 206, 213-218, 375

Sheppard, Lee A.: 60(fn), 241(fn), 281, 387(fn), 388, 391(fn), 407-408(fn), 498(fn), 514(fn)

Shreve, Meg: 74, 578(fn)

SICAV (société d'investissement avec du capital variable): see société d'investissement avec du capital variable

Silva, Andrew: 18-19

Simonian, Haig: 349(fn), 442(fn)

Sinco Trust: 348

Singapore: 33, 38-39, 83, 97, 104, 106, 109, 132, 149(fn), 150(fn), 151, 170, 184, 351(fn), 353, 384(fn) 407(fn), 424, 462, 486, 497, 593

Singenberger, Beda: 347

Singh, A.P.: 309

Singh, Joginder: 455

Singh, Manmohan: 394

Skatteverket v. A: 277-278

Skinner, Chris: 473(fn)

Sklar, Holly: 58(fn)

Slapshot tax product: 216

Slapshot (JP Morgan Chase product): 316

Slovakia: 37, 351(fn), 360

Smith, Herbert: 407(fn)

Smith, Michael: 493(fn)

Société d'investissement avec du capital variable (SICAV): 271-273

Sociétés d'écran: 407

Society for Worldwide Interbank Financial Telecommunication (SWIFT): 472-473, 476-477

Somalia: 289

Sommers, Robert L.: 102(fn)

Soong Johnston, Stephanie: 111(fn), 309, 346(fn), 347(fn), 415(fn)
Source taxation: 176
Sovereign Group: 328(fn)
Spain: 37, 58, 79, 104, 106, 116, 190(fn), 212, 252, 281, 323, 349-350, 35(fn),
360, 418-419, 463, 483, 487, 553
Specific anti-avoidance rule (SAAR): 404
Specified Unlawful Activity (SUA)(U.S.): 348, 513-519
Spotless Services Ltd v. Federal Commissioner of Taxation: 411
SST (Streamlined Sales Tax): see Streamlined Sales Tax
SSUTA (Streamlined Sales and Use Tax Agreement): 439, 441(fn)
Stabstelle: 382(fn)
StAR (Stolen Asset Recovery): 451, 484
State Administration of Taxation (SAT)(China): 108, 109, 171, 422
STD (Savings Tax Directive): see Savings Tax Directive
Steinbrück, Peer: 320
Stempel, Jonathan: 347(fn), 493(fn)
STEP Journal: 81(fn), 331(fn)
Stepping-stone: 160-161
Stepping-stone strategies: 160
Stern: 446(fn)
Stewart, David D.: 94(fn), 143(fn), 325(fn), 332(fn), 362(fn), 391(fn), 435(fn)
Stich, Otto: 343
Stier, Ken: 195(fn)
Stiglitz, Joseph E.: 44
Stigset, Marianne: 121(fn)
St. Kitts & Nevis: 488, 555-556
Stolen: 190, 291(fn), 321-323, 325-326, 328(fn), 329, 445-446, 451, 484, 505
Stop Tax Haven Abuse Act: 72-76, 119(fn), 141, 213(fn), 394
Story, Louise: 67(fn)
Stoten, Daniel Aran: 13-14
Strasbourg Agreement: see Convention on Laundering Search Seizure and
Confiscation of the Proceeds from Crime
STR (Suspicious Transaction Report): see Suspicious Transaction Report
Streamlined Sales Tax Governing Board: 441(fn)
Streamlined Sales Tax (SST): 438-439, 441(fn)
St. Vincent and the Grenadines: 91, 487
SUA (Specified Unlawful Activity): see Specified Unlawful Activity
Suarez, Steve: 219(fn)
Subchapter S: 298
Subcommittee on Investigations: 60(fn), 105, 215, 216(fn), 217(fn), 578, 586
Sub-invoicing: 544
Subornation: 33
Sub-PoAs: 186. See also Power of Attorney.
Substance over Form: 94, 99-103, 108, 111, 115
Sullivan, Martin A.: 60(fn), 76(fn), 400-401
Summit: 87, 189, 308, 350-351, 379, 381(fn), 389(fn), 391(fn), 394-395, 397
Sunday Times, The: 349(fn)
Suspicious: 19, 24, 184, 193, 318-319, 381, 399, 429-430, 433, 459, 469, 474,
476, 480(fn), 492, 494, 592, 610
Suspicious Transaction Report (STR): 469 (a.k.a. Suspicious Activity Report
(SAR))
Süddeutsche Zeitung: 446(fn)
Sweden: 39, 190(fn), 277-278, 351(fn), 360, 460, 463
Swedish: 277-279, 332, 460
Sweeney, John: 389(fn)
SWIFT (Society for Worldwide Interbank Financial Telecommunication): see
Society for Worldwide Interbank Financial Telecommunication

Swire, Mary: 113(fn)
Swiss: 13, 16-18, 22, 76, 94, 95(fn), 119, 120(fn), 121(fn), 128-129, 161, 185, 187-188, 194-195, 210, 270, 277-278, 298, 308-318, 321-322, 323(fn), 324-325, 328, 330, 332-335, 337-342, 344-351, 355-364, 376-377, 399, 442(fn), 449, 499(fn), 520, 552, 558, 564(fn), 579(fn), 581, 585-587, 593(fn), 607
Swiss Bankers Association (SBA): 194, 308, 362(fn)
Swiss Confederation: 95(fn), 121(fn), 316(fn), 338(fn), 339(fn)
Swiss Federal Council: 317, 345, 355(fn), 357(fn), 358, 364, 399
Swiss Federal Department of Finance: 355(fn), 356, 358(fn), 361(fn), 520(fn)
Swiss Federal Department of Foreign Affairs: 316(fn), 317
Swiss Federal Supreme Court: 339-340
Swiss Federal Tax Administration: 358, 359(fn), 362
Swiss Financial Market Supervisory Authority (FINMA): 337-340, 344-345
Swissinfo.ch: 322(fn), 338(fn), 363(fn)
Switzerland: 16, 18, 31, 33, 38-39, 47-48, 59-60, 62, 82, 88, 90, 95(fn), 98, 105-106, 109, 118-120(fn), 128, 132, 137, 149(fn), 150(fn), 161, 170, 184, 188, 190(fn), 191(fn), 212, 248, 269, 277-278, 298, 308-322, 325, 328(fn), 329-330, 332-333, 337-351, 353-364, 376, 380, 396(fn), 399-400, 415, 419, 449, 463, 471-472(fn), 483-486, 497-499, 506(fn), 520-521, 567, 573, 581, 585, 587, 592-594
Sydney: 577

SZ

Szekeres, István W.: 37(fn)

T

TAARs ("targeted" anti-avoidance rules): see targeted anti-avoidance rule
TACP (taxpayer assistance and compliance programme): see taxpayer assistance and compliance programme
Tagesanzeiger: 342(fn)
Taibbi, Matt: 65
Tanda, Jean-Francois: 400(fn)
Tang dynasty: 456
Targeted anti-avoidance rule (TAAR); see Specific anti-avoidance rules
Task Force on Financial Integrity and Economic Development: 189-190(fn), 394(fn), 400
Tax: 13-51, 53-54, 57-65, 68-69, 72-81, 82(fn), 83-106, 108-128, 130-138, 141-164, 166-182, 184-186, 188-205, 207-227, 231-233, 235-269, 271-283, 287-298, 300-304, 307-311, 313-344, 346-384, 386-442, 445-446, 448-451, 453-460, 464-465, 471-473, 475-476, 479-481, 483-486, 489-492, 496-500, 506-520, 523-529, 532-534, 537, 542-549, 551-552, 554-555, 559-560, 562, 565-568, 571-599, 601, 603, 606-613
Tax advantage: 15(fn), 32, 42, 63, 250, 264, 265(fn), 266, 275, 324, 413(fn)
Tax amnesty: 25, 29(fn), 86, 571(fn), 572, 579-580, 581(fn), 582, 587-588(fn), 589-590(fn)
Taxand: 109(fn), 265, 582(fn)
Tax avoidance: 23(fn), 28, 33, 40-46, 58, 74(fn), 75(fn), 97-98, 103-104(fn), 133, 147, 157, 160, 167, 190, 199, 200(fn), 201-202, 204(fn), 205(fn), 208(fn), 211, 231-233, 236, 239, 241, 245-246, 259-260, 262, 265(fn), 271(fn), 272-273, 275-276, 283, 303, 355, 367, 369(fn), 371(fn), 372-374, 378, 382, 388, 389(fn), 392-393, 400, 403-406(fn), 408-410, 412-413, 415, 419, 422, 424, 449, 485(fn), 512(fn), 582, 591, 598, 601, 607-609
Tax base: 16, 37, 101, 136, 142, 153, 160, 167(fn), 174, 185, 253, 292, 367, 425, 428-429, 446, 498, 524
Tax cheat: 332(fn), 341(fn), 342(fn), 418(fn)

Tax competition: 47, 49(fn), 50, 60, 190(fn), 202, 233, 252, 343, 379, 451
Tax crime: 23-24, 28, 35, 134, 196, 291, 342, 398-400, 446, 457-458, 480-481,
499, 506(fn), 510-512(fn), 513-514, 520, 524(fn), 567, 572, 591, 593-594
Tax evader: 332(fn), 347(fn), 458, 587
Tax evasion: 16-20, 22-24, 27, 29, 33-34(fn), 35-36, 41-45, 49, 57-58, 60, 69, 75-
78(fn), 90, 120-121(fn), 142-143, 189(fn), 191, 193-194, 196-197, 201, 204,
208, 210, 213, 217, 220, 223-224, 227, 236, 240, 241, 246, 259, 264, 274-
275, 277, 280, 287, 291, 295-296, 301, 307, 314-316(fn), 317-319, 321, 323,
325-328(fn), 329(fn), 330-333, 338-344, 347-349, 351, 353, 355-356,
365(fn), 366(fn), 367, 370, 374-377, 379(fn), 381-382, 389(fn), 391-395,
399-400, 403, 415, 417(fn), 418(fn), 419, 421, 422(fn), 430, 445-446, 449,
451, 456, 458-460, 472-473, 476, 480(fn), 484-485(fn), 490-492, 497-500,
506, 508-516, 518-520, 523-526, 529, 532, 544, 547, 560, 562, 565-567, 575,
577, 583-584, 588, 592, 598, 601, 607-609, 611
Tax-exempt: 64, 79, 83, 164, 168, 260, 274, 420, 423
Tax fraud: 13-14(fn), 16-17, 19, 31, 33-34, 121, 134, 158, 209-210, 214, 220,
223, 227, 236, 279, 314-316, 318, 323, 334(fn), 337(fn), 338-342(fn), 344,
347-348(fn), 353, 355-356, 376, 395, 399-400, 408, 431(fn), 441(fn),
442(fn), 459, 497, 510, 517-518, 520, 533-534, 573, 577, 581-582
Tax Guru: 415, 417(fn)
Tax haven: 13, 15, 22-24(fn), 27-28, 30-36(fn), 39-41, 46-51, 57-65, 67-68, 72-
76, 85, 87-88(fn), 90-91, 93, 95-96, 98, 105, 111, 119(fn), 132-135, 137,
141-146, 148, 150, 152, 154, 157, 167(fn), 177, 180, 188-194, 196-197,
199-202, 204-205, 207-208, 213, 220-222, 225, 227, 251, 253, 256, 259,
269, 273, 279-283, 287, 289-291, 297, 307-309, 313-314, 319-320, 323(fn),
325, 339, 343-344, 348-351, 354, 362, 366, 370, 376, 379-384, 389-391,
394, 399-400, 407, 418-419, 422, 425-426, 428-430, 446, 448-449, 457-
459, 464, 471, 481, 483, 485-486, 489-490, 497, 499-500, 506, 517, 528,
542, 548-549, 555, 578-579, 581, 585(fn), 591-594
Tax Haven Criteria: 49(fn), 207(fn)
Tax holiday: 86, 577-578
Tax ID: see tax identification number
Tax identification number (TIN or Tax ID): 287(fn), 294, 296, 429
Tax information: 26, 36(fn), 40, 49, 57, 88, 135, 160, 191-192, 194-196, 207,
252, 277, 280, 338, 351-354, 361-362, 367, 379-380, 383, 389, 390(fn), 391,
393(fn), 395(fn), 397, 400, 402, 418, 485, 499-500, 583, 585(fn), 593-594,
596, 606
Tax Information Exchange Agreement (TIEA): 57, 88, 90-91, 192, 207, 277, 352-
354, 361-362, 365, 380-381, 383-384, 389-395(fn), 397, 401-402, 471, 485-
486, 583, 596, 606-615
Tax Justice Network (TJN): 42, 49(fn), 111, 189, 192(fn), 291(fn), 389, 391(fn),
395(fn), 400-401, 450-451(fn), 484-485(fn), 486
Tax liabilities: 13, 23, 29, 57, 97, 147, 180, 209-210, 217, 224, 232-233, 236-
237, 242, 250, 254, 259, 273, 283, 294-296, 302-303, 362, 364(fn), 374, 481
Tax liability: 29(fn), 49, 90-91, 110, 123, 134, 146, 148, 156, 173, 184, 186, 201,
203, 211, 245, 258, 303, 372, 412, 598, 603
Tax matters: 88(fn), 91(fn), 92(fn), 238, 251, 274, 279, 282, 314-315, 316(fn),
317(fn), 350, 352(fn), 355(fn), 356(fn), 357, 379-381, 382(fn), 386, 388,
390-391, 395(fn), 596, 608, 611
Tax planning: 13, 15, 23, 27-27, 31-32, 39, 41-46, 62, 84, 97, 102-103, 108(fn),
120, 136-138, 142, 150(fn), 152, 160(fn), 198-200, 204, 218, 220, 222, 226-
227, 231, 233, 236-237, 250, 266(fn), 280, 282-283, 287, 294-295, 298, 301,
303, 367-369, 383, 403-405, 407, 409, 415, 497-498, 512(fn), 546(fn), 568,
572, 578, 585, 592, 595
Tax regimes: 36(fn), 42, 60, 151, 168, 173, 399
Tax resident: 81, 125-126, 150, 152(fn), 186, 242, 302-303, 375, 418, 420, 422,
424, 496

Tax return: 16, 22, 81, 203, 209-211, 301, 314, 332, 370
Tax revenue: 20, 29(fn), 113(fn), 241, 258, 343, 359, 393, 446, 449, 583, 587, 601
Tax shelter: 15, 39, 43, 72, 74(fn), 75, 103(fn), 213-218, 318, 375
Tax Shelter Industry: 215(fn), 216(fn), 217(fn)
Taxable: 15(fn), 20, 28, 34(fn), 42, 73, 83-84, 94, 112, 119(fn), 128, 130-131, 151(fn), 153, 164, 198, 211, 245, 247, 249-250, 280, 297-298, 343(fn), 354, 361, 364, 370, 376(fn), 416, 420, 427, 432, 437(fn), 440, 491, 571, 582
Taxand law firm: 109(fn), 265, 582(fn)
Taxpayer: 28, 30-31, 33-34, 42-46, 64, 73, 75(fn), 80, 91, 100-101, 106-107, 113, 118, 129, 133, 142, 156, 170(fn), 171-174, 176, 201-203, 205-206, 236, 247, 250, 253, 255, 263, 264(fn), 267, 273, 278-280, 283, 297, 302, 314, 319, 336, 341, 352(fn), 353, 355, 363, 373, 378, 387-389, 393, 409, 411-412, 414, 418, 423, 428-429, 433, 438-441, 567, 573, 589, 595(fn), 601, 603, 608, 610-612, 614
Taxpayer Assistance and Compliance Programme (TACP)(Liechtenstein): 91
Taylor, Ian: 21-22, 547-548, 554, 556-557
Telegraph, The: 72(fn), 141(fn), 351
Teleos plc and others v. Commissioners of Customs & Excise: 433(fn)
Temir: 75-76, 83
Test Claimants in Class IV of the ACT Group Litigation v Commissioners of Inland Revenue: 268-269
Test Claimants in the Thin Cap Group Litigation v. Commissioners of Inland Revenue: 266-268
TFI (Treasury's Under Secretary for Terrorism and Financial Intelligence): 480(fn)
Tharoor, Shashi: 454(fn)
Thiede, Ralph: 382(fn)
Thin Cap: 266-267, 268(fn)
Thin capitalisation: 115-116, 233, 240, 242-243, 266-267, 283, 377
Thionnet, Brice: 364(fn)
Thompson, Elizabeth: 586(fn)
Thomson, Trevor Neil: 14
Ticino (Swiss canton): 581, 587
TIEAs : 88, 90-91, 192, 352-354, 365, 380-381, 383-384, 389-390, 394, 397, 471, 485-486, 609
Tie-breaker: 121, 123, 149, 177, 303
Tie-breaker provision: 121, 123, 149, 177, 303
Time magazine: 195
Tinkoff v. United States: 302(fn)
Tirard, Jean-Marc: 80(fn)
Toft, Niels: 261-262
Tolstrup, Bodil: 420(fn)
Tomlin, Lord: 231, 232(fn), 405
Tóth, Mihály: 521(fn), 522(fn)
Townsend, Jack: 514
Toyias, John: 369-370
Transfer: 14, 18(fn), 30(fn), 92, 97, 110-113, 116, 190-191, 203, 205-206, 218-219, 241-243, 245-247, 252, 256, 259, 263-264, 299(fn), 320, 338, 340, 352(fn), 356, 358, 374, 416, 423-424, 428, 453, 456, 465-466, 473, 478-479, 481(fn), 490, 498, 508, 511, 525, 546, 580
Transocean: 120-121
Transparency: 47(fn), 48-49, 87(fn), 88(fn), 90, 141, 189-190, 207(fn), 287, 291(fn), 317, 351, 353, 367-368, 379-381, 383-384, 391, 397, 401-402, 460, 484(fn), 485(fn), 486(fn), 495, 553, 594
Tremonti, Giulio: 580
Treuhand: 326, 331-332

Triangulation: 543-544
Trust: 14, 18, 48, 51-52(fn), 53-54, 74, 78, 80-82, 89, 104-105, 137, 144, 164, 169, 189, 191, 195(fn), 197-198, 200, 204-205, 208-209, 211, 218-219, 221, 299-301, 307, 324, 328, 331, 333, 348(fn), 363(fn), 370-371, 373-375, 393, 401, 417, 421, 453, 455, 468, 497, 576, 595, 597, 600, 604
Trustee: 81, 105, 197-198, 218, 318, 363, 371-372, 400, 421, 468, 525-526, 530, 548, 604
Tsang, John: 353
Tschüscher, Klaus: 446
Turks and Caicos Islands: 88(fn), 221(fn), 386
Turner, Taos: 590(fn)
Tutt, Nigel: 376(fn)
Twain, Mark: 307
Twardosz, Benjamin: 369(fn)
Twoh International BV v. Staatssecretaris van Financien: 433(fn)
Tyco International: 119-120, 142
Tze, Lao: 539

U

U.K.: see Great Britain
U.S.: see United States of America
U.S. Congress Joint Committee on Taxation: 76, 151(fn), 403
U.S. Department of Justice: see United States Department of Justice
U.S. Government Accountability Office (GAO): see United States Government Accountability Office
U.S. House of Representatives: see United States House of Representatives
U.S. Law Watch Daily Tax Report: 188
U.S. LLC: 297-298
U.S. Model Income Tax Convention: see United States Model Income Tax Convention
U.S. Person: 74, 76-77, 79-80, 82-83, 195, 199, 202-203, 206, 299, 346, 365
U.S. PIRG: 30(fn)
U.S. Senate: see United States Senate
U.S. Treasury Financial Crimes Enforcement Network (FinCEN): see Financial Crimes Enforcement Network
UBO (Ultimate Beneficial Owner): see BO
UBS (Union Bank of Switzerland): 573, 585-586, 593
Ugland House: 119-120, 141-142, 145
Ultimate beneficial owner (UBO): 29, 31-34, 39-40, 51-52(fn), 53-54, 77, 79-80, 82-83, 87, 94, 96-98, 122, 126-127, 131, 133-137, 145, 148-150, 152-154, 157-158, 167, 177, 180, 186-188, 191-192, 198-199, 201, 220-221, 223-225, 227, 259, 261, 269, 273-274, 280, 287-288, 290-291, 294-298, 301-304, 307, 340(fn), 348, 353, 363, 369, 375, 378, 382(fn), 399, 425, 428-430, 448, 457-459, 468, 479-481, 485, 490-491, 497-500, 508, 517, 521, 524-530, 532-534, 560, 562-563, 565-567, 573, 580, 592, 594-595
UN Bureau on Drug Crimes: see United Nations Bureau on Drug Crimes
UN Committee of Experts on International Cooperation in Tax Matters: see United Nations Committee of Experts on International Cooperation in Tax Matters
Uncertain tax position: 68, 84, 368, 571(fn)
Uncle Sam: 72, 542
Underground banking: 453
Unfair Advantage (strategy paper): 58-59, 61-63, 64(fn), 65(fn), 66(fn), 67, 84, 105
Unger, Brigitte: 520(fn)
Union of India v. Azadi Bachao Andolan: 167(fn)

United Kingdom: See Great Britain
United Micronesia Development Association (UMDA): 214
United Nations (U.N.): 168(fn), 223, 380, 501(fn)
United Nations Bureau on Drug Crimes: 495
United Nations Committee of Experts on International Cooperation in Tax Matters: 379, 596
United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1998): 502(fn), 522(fn), 532
United Nations Convention against Transnational Organized Crime and the Protocols Thereto (2004): 502(fn), 522(fn)
United Nations Model Taxation Convention: 168(fn)
United Nations Office on Drugs and Crime (UNODC): 458, 461, 467
United Nations Office on Drugs and Crime Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML): 501
United States Department of Justice: 213-214(fn), 369-370(fn), 494, 513, 562(fn)
United States Government Accountability Office (GAO): 59, 61(fn), 87
United States House of Representatives (Congress): 59, 62, 63, 69, 70, 72, 73, 76, 105, 119(fn), 151(fn), 166, 208, 394, 403, 480(fn), 514, 519, 577-578
United States Model Income Tax Convention: 290, 607
United States of America (U.S.): 14, 15, 16-17, 18-19, 22, 23, 26, 27, 28, 30(fn), 31, 34(fn), 35, 43-44, 47, 49, 57, 58-86, 87, 88, 99, 101-102, 103, 104-105, 115-116, 117-119, 121, 123, 128, 129, 131, 135, 141-142, 143(fn), 145, 147, 149-150, 151, 156(fn), 157, 161, 163, 166, 167, 179-180, 181, 184, 188, 190(fn), 192, 193, 194-195, 197-218, 224, 225, 236, 271, 279, 287-304, 308, 316, 321, 324, 325, 333-341, 344, 345-347, 347-349, 351, 352, 355, 358, 363, 364, 365, 368, 369-370, 376, 380, 391, 394, 401, 402, 403, 438, 439, 441, 442, 445, 449, 450, 452-453, 460, 463, 466, 470-471, 473(fn), 480-481, 485, 486, 493-494, 498-499, 513-520, 526, 540(fn), 541(fn), 542, 545, 548, 549, 552, 561, 562, 563(fn), 564, 567, 572-579, 585, 586, 592, 593-594, 595, 607, 609, 611
United States Office of Management and Budget: 61
United States Senate (Congress): 59, 60(fn), 63, 69, 70, 72, 73, 76, 105, 119, 141, 151(fn), 208, 213-214, 215-217, 287, 394, 403, 480(fn), 498-499, 514, 519, 577-578
United States Senate Homeland Security and Governmental Affairs Permanent Subcommittee on Investigations: 60(fn), 216(fn), 217(fn), 578
United States v. Dahake: 346
United States v. Klein: 335(fn)
United States v. Levine: 516(fn)
United States v. Mathis: 17-19
United States v. Morelli: 517-518
United States v. Popkin: 16-17
United States v. Santos: 516, 518
United States v. Tarnopol: 517(fn)
United States v. Weil: 334-335
United States v. Yusuf et al: 515-519
UNODC (United Nations Office on Drugs and Crime): see United Nations Office on Drugs and Crime
Uruguay: 33, 98, 150(fn), 151-152, 351(fn), 380, 487
USA: see United States of America
Uslaner, Eric M.: 36(fn)
USPIRG (U.S. Public Interest Research Group): 30(fn)

V

Vagnoni, Giselda: 376(fn)
Vaines, Peter: 124, 417-418(fn)
Vaish Associates Advocates: 110, 415(fn)
Value Added Information Exchange System (VIES): 436
Value Added Tax (VAT): 34(fn), 37, 126, 149, 154, 184, 233, 248(fn), 249-252, 261, 304, 315, 317, 375, 417, 421, 425-429, 431-436(fn), 437-441, 499, 520, 527, 544, 581-582, 584
Van Binsbergen v. Bestuur van de Bedrijfsvereniging voor de Metaalnijverheid: 239-240
Vanistendael, Frans: 257(fn), 258, 261, 265-266
Vanity Fair: 70
Vanuatu: 21, 47(fn), 463, 488
VAT (Value Added Tax): see Value Added Tax
VAT refund: 184, 428, 433
Vaud (Swiss canton): 120(fn)
Vaughn, Brian: 217-218
VDP (Voluntary Disclosures Program): 585
Vella, John: 243
Verbindlicher Auskunftsbescheid: 369
Vienna Convention Against Illicit Traffic in Narcotics Drugs and Psychotropic Substances: 502-503
Vienna Convention on the Law on Treaties (VCLT): 156
VIES (Value Added Information Exchange System): see Value Added Information Exchange System
Vilas, Guillermo: 343
Villars, David Gauthier: 322(fn)
Vintu, Sorin Ovidiu: 21, 546, 554
VISA: 204, 365(fn)
vis-à-vis: 252, 454, 564
VMW Taxand: 582(fn)
Vodafone: 111-113, 113-114, 167(fn), 415-416
Vodafone International Holdings BV v. Union of India: 110-113, 416
Vogelauer, Stefan: 232(fn)
Vogler, Robert U.: 311
Volkery, Carsten: 325(fn)
Voluntary disclosure: 340(fn), 402(fn), 572, 574(fn), 575-577, 582(fn), 586(fn)
Volvo: 266(fn)
Vullamy, Ed: 493(fn)

W

Wachovia Bank: 22, 61, 216, 321(fn), 492-495, 526
Wainwright Bank and Trust: 63-65
Walker, John: 450, 461-462
Wallner, Robert: 326
Wall Street: 58, 68-72, 494, 496, 498, 594
Wall Street Journal, The: 322, 325-328, 341, 363, 581(fn)
Walt, Johan van der: 406
Wanger, Markus: 92(fn), 93-94(fn)
Warwick-Ching, Lucy: 588(fn)
Wealth: 28, 35-36, 67, 76, 81, 90-91, 93, 98, 134, 175, 207, 217-218, 220, 237, 240, 279-280, 307-309, 311-312, 328-330, 333, 335, 343(fn), 354, 358, 362, 371, 376, 445-447, 450, 481-482, 484, 485(fn), 537, 539, 572-573, 579-584, 588-590

Wealth Bulletin: 67
Weatherford International Ltd: 119-120
Wechsler, William F.: 470(fn)
WEF (World Economic Forum): see World Economic Forum
Wegelin Bank: 345, 347, 395
Wei, Jinji: 108(fn), 109(fn), 171-172(fn)
Weil, Raoul: 334-335(fn)
Weimar Republic: 311
Weiner, Joann M.: 341
We'll get you: 585-586
Wells Fargo: 493(fn), 494
Welt Online: 333(fn)
Werbrouck, Jan: 264
Wethe, David: 121(fn)
Whistle: 213, 320
Whistleblower: 307, 321, 324-326(fn), 341, 494, 528, 586
White list: 90-91, 377
WikiLeaks: 325
Williams, Lindsey: 341
Williams, Robert L.: 183
Wilson, Andrew: 77(fn)
Wirtschaftlich Berechtigter: 54
Wittendorff, Jens: 170(fn), 420(fn), 421(fn)
Woerth, Eric: 322
Wolfsberg Group: 52-53, 136, 47-473
Woods, Martin: 492-495
World Bank: 191, 393, 446, 467, 484, 489, 532(fn)
World Bank Stolen Asset Recovery (StAR): 451, 484
World Economic Forum (WEF): 37, 59
Worldwide Telecommunications Service: 442
Worndl, Barbara: 414(fn)
Wörnle, Günter: 358
Würm, Felix J.: 158(fn)
WWW Effect: 133-135, 429
Wyoming: 47, 289, 291(fn), 294, 297

X

X and E.H.A. Passenheim-van Schoot v Staatssecretaris van Financien, Joined Cases: 279-280
Xinjiang (Chinese court decision): 424

Y

Yerardi, Joseph: 369-370
Yew, Lee Kuan: 353
Yitzhak Niago Dec'd and Rachel Niago v. Kfar Saba Assessing Officer: 127-131
Yusuf, Fathi: 515

Z

Zagaris, Bruce: 75
Zhang, Alice: 422
Zhang, Lu: 547
Zimmer, Frederik: 422(fn)
Zmuda v. Commissioner: 105
Zoromé, Ahmed: 30(fn), 51(fn), 379(fn)

Zschoche, Sören: 452(fn)

Zug (Swiss canton): 120, 343

Zumwinkel, Klaus: 326-329(fn)

Zürcher Kantonalbank: 347

Zurcher: 333(fn), 347, 587(fn), 593(fn)

Zwijnenburg: 264-265