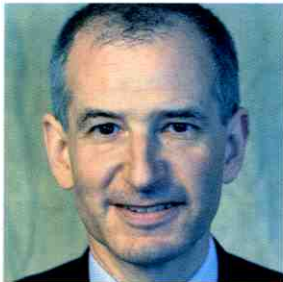


LDF feature permits bulk of offshore assets to stay put

BY HELEN BURGGRAF



Marcovici: a meaningful link

UK taxpayers with undeclared offshore assets are discovering they may take advantage of the Liechtenstein Disclosure Facility without moving more than a portion into a Liechtenstein financial institution.

This ability to keep the bulk of one's money in, for instance, the same Swiss institution in which it has sat for generations, is a little-known feature of the tax 'amnesty' programme announced by HMRC last year, which runs until 2015.

Liechtenstein officials agreed to the deal with Britain because they thought the boost to the

principality's image and that of its banks would outweigh any downside, and because they considered the days of bank secrecy were numbered.

Liechtenstein bankers and others involved in LDF disclosures refer to the sum necessary to launch a declaration via Liechtenstein as a "meaningful" amount.

However, no spe-

cific minimum has been set. Some institutions talk of sums above £50,000 (CHF80,000), while others talk of percentages of assets, such as 10%.

The deal is not limited to banks as assets may be held or placed in trusts, foundations and even investment bonds, sources said.

"It is up to the financial intermediary in Liechtenstein to decide if the established connection to Liechtenstein is, for the purpose of the LDF, sufficiently meaningful," said Philip Marcovici, a Zurich-based former partner of Baker & McKenzie who is now on the board of Liechtenstein bank and trust company Kaiser Ritter Partner.