

## DEADLINE APPROACHING FOR UK/SWISS AGREEMENT

UK residents with Swiss accounts have until the 31 May to avoid a potential charge of up to 41 per cent on the value of their deposits. To avoid the charge, UK residents are required to notify their Swiss bank that they are happy for information to be exchanged with the UK. Alternatively, account holders can provide their bank with confirmation from a lawyer, accountant or tax advisor that they are not domiciled in the UK and are claiming the Remittance Basis of Taxation (where that applies, of course).

Failure to take action will mean that account holders suffer a one-off deduction of between 21% to 41% of their Swiss bank account balance, payable to HM Revenue & Customs.

In addition to this deduction, the bank will withhold tax of between 27% and 43% on any new income or gains credited to the account, until authorisation is given to exchange information with the UK or where the individual is not UK domiciled.

If an account holder is uncertain that they have paid all tax due on the money in their Swiss account, they can opt to disclose potential liabilities via the "Liechtenstein Disclosure Facility", this should ensure liabilities are dealt with on more favourable terms; if in this situation, you should take professional advice.

