

agreement to illustrate the application of the law. A comprehensive financial tax calculation would go beyond the scope of this thesis.

Chapter four compares the agreements in depth. Problem areas such as tax load, privacy, flexibility and the sustainability of the agreements are investigated. Since every case has a counterpart for the other agreement, these pairs of cases can be compared to determine which agreement offers the lowest tax payment for the relevant person.

Finally, a conclusion of the analysis as well as the essential findings is given and the outcome of each research question is summarised.

Terms and Definitions

Tax disclosure: A tax disclosure is a tax amnesty program. Within the framework of the programme the delinquent taxpayer discloses previously unreported information previously to the relevant tax agency.¹ The unreported assets are often deposited and invested offshore. From time to time, some states offer special disclosure facilities for specific tax offences with reduced periods, penalties or without further prosecution. The following countries have recently offered disclosure facilities:²

- Australia: Offshore voluntary disclosure initiative (OVDI)
- Canada: Voluntary Disclosure Program (VDP)
- Poland: General law
- South Africa: Voluntary Disclosure Programme (VDP)
- United Kingdom: Liechtenstein Disclosure Facility (LDF)

Withholding tax: Withholding tax is usually defined as a tax levied on income (interest and dividends) from securities owned by a non-resident.³ For the purposes of this thesis, withholding tax is tax levied in order to withhold the required amount to forward to the client's homeland and cover his tax liabilities for the relevant assets.

Tax Cooperation: Tax co-operation in the broad sense is explained by the OECD with the example of one country requiring a tax reform and other countries undertaking a comparable tax reform in order to be provided with equal taxation.⁴ However, in the context

¹ Canada Revenue Agency, 2013.

² Organisation for Economic Co-operation and Development [OECD], 2010 (1), p 59 & 60.

³ Eggert & Genser, 2005, p. 41-47.

⁴ Owens, n.d.