

that Liechtenstein has actively facilitated tax evasion in Germany and the United States by selling accounts that hide the identity of the ultimate holder.³⁴

As a tax haven, Liechtenstein was made public for the first time in 1997 when the “Spiegel” published a report entitled “Liechtenstein Connection” focusing on trustee Herbert Batliner.³⁵ In 2000, the Bochum public prosecutor's office received the first tax CD free of charge from clients with assets in Liechtenstein. The CD contained data on approximately 400 German clients of the Herbert Batliner trust company.³⁶ In 2008, the next tax CD compiled by Heinrich Kieber was bought by the German intelligence service and contained information on hundreds of clients, including information on Klaus Zumwinkel, former director of Deutsche Post.³⁷

In 2011, the Liechtenstein financial sector consisted of 17 banks with assets under management amounting to roughly CHF 166 billion, 107 asset management companies, with assets under management amounting to CHF 21.8 billion and 198 investment companies (funds) with assets under management amounting to CHF 35.4 billion.³⁸ Furthermore, Liechtenstein has about 400 trustees.³⁹ In comparison, UBS had 2011 assets under management of CHF 2,167 billion⁴⁰ and the Zürcher Kantonalbank CHF 176.6 billion⁴¹. The financial sector generated about 30% of the gross domestic product (GDP) and 50% of the tax revenues of Liechtenstein by the end of 2009.⁴²

1.3.2 Redirection of the Financial Sector

The first grant of assistance in tax matters was given to the US in 2002.⁴³ In 2005, an agreement on taxation of interest was signed with the US government that allows exchange of interest income information for the purposes of investigating tax fraud and other offences.⁴⁴ A few years later, in 2008, Liechtenstein agreed on a TIEA with the US, based on the OECD standard.⁴⁵

³⁴ Ordower, 2010, p. 65.

³⁵ Bölke & Schreiber, 1997, p. 70-87.

³⁶ Kwasniewski, 2012.

³⁷ Ramm, 2012, p. 9-11.

³⁸ Finanzmarktaufsicht Liechtenstein, 2012, p. 9-16.

³⁹ Lauber, 2010, p. 498.

⁴⁰ UBS AG, 2012, p. 6.

⁴¹ Zürcher Kantonalbank, 2012, p.4.

⁴² Lauber, 2010, p. 498.

⁴³ Barmes, Perrin, König & Tirard, 2010, p. 273.

⁴⁴ Lauber, 2010, p. 499.

⁴⁵ Barmes, Perrin, König & Tirard, 2010, p. 273.