non-tax compliant clients.[84] Credit Suisse and Julius Bär announced a demand for evidence of tax compliancy from German clients by the end of 2013.[85] In addition, the Zürcher Kantonalbank proclaimed that it only managed tax compliant assets in the medium term.[86] The withholding agreements with Austria and the United Kingdom came into effect in January 2013.

1.5 Role of the UK

1.5.1 Initial Situation

The fall in tax revenues over recent years and the subsequent problems of United Kingdom (UK) national budget has led to a stronger stance against tax evasion from the UK tax authority, Her Majesty's Revenue and Customs (HMRC).[87] The financial secretary to the Treasury, Stephen Timms, explained it as follows:

> "It is right for those who pay their fair share to resent the actions of a small minority, who use their resources to create a new set of rules for themselves. Who think they can pay tax on a "do it yourself" basis. That kind of behaviour certainly won't wash in the aftermath of the crisis."[88]

Therefore, in 2009, the UK Government increased the penalties for individuals who fail to declare their income and gains from foreign jurisdictions up to 200% of the total tax due.[89] Furthermore, in April 2010, the Treasury declared that it would publish names and other details of tax evaders with serious tax offences. In line with the UK's new strategy against tax evaders, HMRC established two disclosure opportunities: the "New Disclosure Opportunity"[90] and the "Liechtenstein Disclosure Opportunity".[91] These disclosure opportunities were followed by the UK-Swiss tax agreement in 2011 and several other campaigns and initiatives.[92]

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[84] Zeit Online, 2012.

[85] Süddeutsche, 2013.

[86] Marquart, 2012.

[87] Anonymous, 2010, p. 56.

[88] Grocott, 2009 (1), p. 18.

[89] HMRC, 2012(6), p. 1 & 2.

[90] Closed in March 2010

[91] Monty, 2010, p. 15.

[92] HMRC, 2013 (1).