

HMRC is obliging. Relevant persons, who were unable or, for whatever reason, forgot to react properly are not strongly fined under this rule.

## 2.3.6 Third Joint Declaration

### 2.3.6.1 Miscellaneous

The Third Joint Declaration stated that the double tax treaty has been signed and takes effect from 1 January 2013. The parties were satisfied with the MoU. In total, 2,500 taxpayers registered and GBP 363 million had been accounted for. Due to this success, the parties agreed to extend the MoU to 5 April 2016.<sup>265</sup>

The extension of the LDF is a win-win situation for Liechtenstein and HMRC. FIs should gain new clients and HMRC should receive more tax earnings.

HMRC now provides a single chargeable rate of 50% for the 2010/2011 tax year and will provide further information in due course. A single charge rate is not available for the year 2009/2010. HMRC states that capital losses outside the normal time limits are an issue in certain cases and will provide guidance available in the future.<sup>266</sup> As already stated, the lack of CRO for the 2009/2010 tax year warrants criticism.

The declaration also specifies the responsibilities of tax compliant persons. Such persons are now permitted to submit a “Certification of Tax Compliance” form to the FI. This form is reserved for persons who are clear about their tax obligations and does not need to be notarised. The parties will discuss whether a similar form will be introduced for new UK clients in Liechtenstein for the future.<sup>267</sup>

HMRC declared that some individuals applied to use incurred capital losses acquired before 1999. They will permit the use of such “newly discovered losses” in calculating the tax liabilities. However, this must be discussed on a case-by case basis via the bespoke service.<sup>268</sup>

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<sup>265</sup> Third Joint Declaration, 2010, p. 1.

<sup>266</sup> Third Joint Declaration, 2010, p. 2.

<sup>267</sup> Third Joint Declaration, 2010, p. 3.

<sup>268</sup> Third Joint Declaration, 2010, p. 2.