

The TACP is a compressive but fair process to identify and notify UK individuals who then apply for the LDF or declare their tax compliancy. The deadlines are adequate and achievable even for smaller FIs. The subsequent review and audit process seems acceptable. The leading position of Liechtenstein is a mark of confidence from HMRC. The review panel as a contact point for LDF questions in Liechtenstein is important for the FI. However, the publicity of the review panel is low and it requires some time to find out who is participating in the panel and how to contact them. The panel's duty to create a summary of the audits, which is then forwarded to HMRC and the Liechtenstein government, is beneficial for confidentiality and should be regarded positively. The audit of an FI in group B via the ordinary due diligence audit is cost efficient and seems sufficient.

2.3.7.4 Meaningful Relationship

The Ordinance introduces a definition for a meaningful relationship. This definition and the certification requirement are driven by Liechtenstein banks and trustees.²⁹¹

A meaningful relationship is required in order for a new business relationship to benefit from the LDF agreement. There are two ways for a relationship to become meaningful. The first, already introduced under the MoU, is when a client has an existing business relationship with the FI which is both long-term and involves meaningful services.²⁹² The second is to transfer a substantial portion of the assets to Liechtenstein.²⁹³ This second rule is an addition which extends the rule for new clients without replacing the other clause.²⁹⁴

The following conditions have to be met to ensure that the portion of assets transferred is substantial²⁹⁵:

- i) Substantial part means 20% of all the relevant person's bank assets or at least CHF 3 million must be in a Liechtenstein bank account
- ii) If an entity is established in Liechtenstein, only 10% of at least CHF 1 million needs to be in a Liechtenstein bank account.
- iii) Similarly, if a foreign entity is a manager from Liechtenstein, 10% of at least CHF 1 million must be in a Liechtenstein bank account.
- iv) For an insurance policy, the minimum premium is CHF 150,000

²⁹¹ Register, 2012, p. 65.

²⁹² UK TIEA Ordinance, art. 3, para. 2.

²⁹³ UK TIEA Ordinance, art. 3, para. 3.

²⁹⁴ Roth & Thiede, 2013, p. 619.

²⁹⁵ UK TIEA Ordinance, art. 3, para. 3.