

- Cut-off date 2: In order to become a relevant person, the individual must have had a UK address as of **31/12/2010** and on cut-off date 3. The asset value on this date is used for the tax calculation.
- Cut-off date 3: Five months after the agreement came into force, **31/05/2012**, the relevant persons must have informed their bank about whether they are choosing the withholding tax or making a voluntary disclosure. This date is the borderline between the treatment of old and new relationships.
- Cut-off date 4: Six months after the agreement came into force, **31/06/2012**, new client relationships between cut-off date 2 and 3 had to inform the current Swiss paying agent about former relationships with other Swiss paying agents.

### 3.4.3 Regularising the Past

#### 3.4.3.1 Relevant Persons

Relevant persons with relevant assets have the option to either make a one-off payment (Art. 9 paragraph 2) or make a disclosure (Art. 10).<sup>357</sup> If a relevant person fails to agree on one option, then the one-off payment is chosen.<sup>358</sup> Thus tax compliant persons who ignore the letter from the Swiss bank will pay the one-off deduction unnecessarily.<sup>359</sup>

Non-domiciled persons have the additional option of creating a self-assessment and paying taxes on income and gains remitted between the 31 December, 2010, and 6 October, 2011, or of choosing the opt-out method.<sup>360</sup> For the opt-out method, the person requires a confirmation of his non-UK domiciled individual status. The agent has to issue a confirmation for the person.<sup>361</sup> In this case, the Swiss paying agent does not execute the one-off payment or the voluntary disclosure but issues a certificate to the client.<sup>362</sup> The regulation for non-UK domiciled individuals are specifically for the Swiss-UK tax agreement and are, due to the different tax system, not implemented in the Swiss-Austria and the planned Swiss-German tax agreement.<sup>363</sup>

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<sup>357</sup> CH-UK Tax Agreement, 2011, art. 5, para. 1.

<sup>358</sup> CH-UK Tax Agreement, 2011, art. 5, para. 3.

<sup>359</sup> Watt, 2013, p. 15.

<sup>360</sup> CH-UK Tax Agreement, 2011, art. 5, para. 2.

<sup>361</sup> CH-UK Tax Agreement, 2011, art. 11.

<sup>362</sup> CH-UK Tax Agreement, 2011, art. 11.

<sup>363</sup> Hosp & Langer, 2012 (2), p. 352.