

If a relevant person does not have enough assets in the bank account to pay the one-off deduction on the 31st April 2012, the Swiss paying agent has to offer an eight week deadline.³⁸³ If the amount is still too low after the deadline, the agent has to disclose the relevant person according to the voluntary disclosure procedure.³⁸⁴

In the case of a Swiss paying agent failing to identify a relevant person, this relevant person has the option of applying for the agreement before a deadline which has not yet been set.³⁸⁵ The wording implies that the UK authority has the opportunity to refuse a later registration. This is true if the failing was caused by the person, but if the Swiss paying agent failed to identify the person this would be an execution error, and the person must be allowed to enter into the agreement.³⁸⁶ Nevertheless, the agent has to raise an interest for the time between 31st April 2012 and the payment date.³⁸⁷ Whether the interest must be paid in the event of an execution error is questionable.³⁸⁸

If the amount for the one-off payment is too low (in error), the agent can levy the missing amount, including interest, for HMRC.³⁸⁹ The payment in lieu is still valid if the relevant person checked the certificate with reasonable care.³⁹⁰ If the payment amount is too high or wrongly levied, HMRC pays back the amount in due course (plus interest, less expenses), provided the relevant person is able to show evidence.³⁹¹

The one-off payment satisfies past income tax, value-added tax, and gift tax. Furthermore, the payment carries an exemption from punishment for tax evasion. An exemption from punishment is not given if the assets were gained through a criminal act.³⁹²

The one-off payment is mostly very simple and requires little effort from the relevant person. Most of the process is completed by banks, which require an IT-system capable of handling the calculation and payments. Therefore, very little is expected in the way of advisory costs. However, one major problem

³⁸³ CH-UK Tax Agreement, 2011, art. 13, para. 1.

³⁸⁴ CH-UK Tax Agreement, 2011, art. 13, para. 3.

³⁸⁵ CH-UK Tax Agreement, 2011, art. 14, para. 1.

³⁸⁶ Degen, 2012, p. 31.

³⁸⁷ CH-UK Tax Agreement, 2011, art. 14, para. 2.

³⁸⁸ Degen, 2012, p. 32.

³⁸⁹ CH-UK Tax Agreement, 2011, art. 15, para. 1.

³⁹⁰ CH-UK Tax Agreement, 2011, art. 15, para. 2.

³⁹¹ CH-UK Tax Agreement, 2011, art. 15, para. 3.

³⁹² Urtz, 2012 (2), p. 61 & 62.