tionary power was with the board. However, from a recent case, Swiss banks are satisfied with a letter sent by the board of a foundation confirming the discretion of the foundation and the irrelevance of the banked assets to the Swiss-UK tax agreement.

The Swiss-UK tax agreement and the LDF are not mutually exclusive. On the contrary, UK-individuals with assets in Switzerland and assets in Liechtenstein or other jurisdictions are able the regularise the Swiss assets via the Swiss-UK tax agreement and regularise all other assets with the LDF. ⁴⁵⁵

3.7 Conclusion of the Agreement

3.7.1.1 Clients

For clients with bankable assets in Switzerland this agreement allows them to solve their tax issues and leave the asset anonymously in Switzerland. However, if there are further assets in other jurisdictions or assets which are not booked on a bank account, the agreement is only of limited use. Some of the tax issues remain unresolved. The tax rate is acceptable but also includes an anonymity premium as the comparison cases show. The option to choose voluntary disclosure or the LDF is open for every client and should be taken into consideration.

3.7.1.2 Financial Intermediary

For Swiss banks, the agreement is a chance to mitigate the risk of UK untaxed assets in a simple way. Implementing the required IT systems should pose few problems. Handling any future withholding tax should also be possible with the requisite effort. The agreement secures the bank and its employees from prosecution. However, problems with untaxed foreign assets could run out of control, as demonstrated by the recent problems Swiss bank Wegelin & Co bank faced with the “Lex USA”. Even if some clients leave, Swiss FIs should view the Swiss financial market as positive due to the decreased risk.

3.7.1.3 Switzerland and United Kingdom

As Perdelwitz states, the agreement is advantageous for Switzerland. The Swiss financial sector will improve its image by henceforth accepting only taxed funds from individuals from the UK and Austria. This will reduce any claim these countries might have for an automatic exchange of tax information. Perdelwitz complains that this as a not a win-win agreement for the Swiss contracting partners. Each contracting partner receives huge support for the national budget due to the regularisation of the untaxed funds and a further amount of money every year annually. In return, the states must recognise

⁴⁵⁵ Roth & Thiede, 2013, p. 621.