

# Extra assignment



Client's 20 October Evading taxes has unfortunately become a very popular trend in many countries across the globe. This evil practice is evident in almost all the countries, the Asian countries have mastered this evil practice and they are at-least a country mile ahead of all the other countries in this evil practice. The citizens who choose to evade taxes never realize that the taxes collected by the government will be utilized for their growth and development. This paper will focus primarily on an article published in the Wall Street journal dated 7 March 2009; the Wall Street Journal is a very reputed newspaper. The article talks about the evil practice of evading taxes and the topic has been narrowed down by the author and primarily focuses upon the citizens of Switzerland.

There are about 52000 American depositors who have intentionally hidden some information regarding tax evasion with the help of their Swiss Bank accounts, the Swiss authorities are known for their secrecy and this is a double edged weapon and it is certainly proving out to be that way. The US government is putting extreme pressure on the Swiss government to provide them with information of the American citizens who have Swiss bank accounts. The US government has even launched a civil suit in Miami to get access to this pivotal information. The US government firmly believes that the American citizens have hidden their potential worth of about \$ 14. 8 billion in various Swiss bank accounts and recently a Swiss bank by the name UBS provided important information to the US authorities of as many as 250 US citizens who have their bank accounts with the bank.

The Swiss government is trying really hard to implement a tax system which will complement their secrecy but this has not been implemented yet. The French president has also got involved in this and he recently said that

Switzerland would be put in a black list of the G-20 members for being a tax-haven nation. The Swiss president has assured the US authorities that they have set up a panel to deal effectively with this potential problem of tax evasion. The Swiss officials have acknowledged that they have not been invited in a conference that deals mainly with reforming the international financial system. This is quite unfair, the officials should have invited to the conference in order to solve this problem. Avoiding these officials will not help in solving this colossal problem, the whole world is facing the same problem and this does not mean that the officials involved in solving this complicated problem should be avoided, rather they must be invited to all such conferences in order to find an amicable solution of this problem. The G-20 is made up of the EU (European Union) and some industrialized and developing countries. To conclude it is very fair to say that the secrecy offered by the Swiss bank accounts is a double edged weapon that is backfiring now. To deal with this problem, strict laws must be implemented by the Swiss government in order to ensure that all the tax evaders are brought to justice.