



## FACT SHEET

### Liechtenstein Scandal Timeline

- **Nov. 1996** - German investigators broaden the sweep of a two-year tax evasion probe to approximately 70,000 customers of some of Germany's biggest banks. Investigators also probe staff at Commerzbank and Dresdner Bank, part of the Allianz insurance group, on suspicion of abetting tax evasion by shifting funds to hard-to-trace accounts in Luxembourg.
- **Sept. 2003** - Germany endorses a proposal by the European Commission which has asked European Union states to pressure Liechtenstein into signing up to rules for the taxation of money that EU citizens hide abroad.
- **July 2004** - Germany offers a tax amnesty in a bid to lure back money from neighboring financial centers such as Switzerland, Luxembourg and Austria. The amnesty raises less than one billion Euros against a targeted five billion.

#### 2006

- **January** – Germany agrees to pay an estimated 5 million Euros to former LGT bank employee, Heinrich Kieber, for a DVD of confidential LGT client data.
- **August 1**– United States Senate Permanent Subcommittee on Investigations; Committee on Homeland Security and Governmental Affairs releases a detailed report on tax havens: [“Tax Haven Abuses: The Enablers, the Tools and Secrecy.”](#)

#### 2007

- **January 25**–S. 396, “To Amend the Internal Revenue Code of 1986 to treat controlled foreign corporations established in tax havens as domestic corporations” is introduced by Senators Byron Dorgan, Senator Carl Levin and Senator Russell Feingold.
- **February 12**–S.554, “Act for Our Kids” is introduced by Senator Byron Dorgan. Title II, Subtitle B, “Provisions to Discourage Offshore Shelters and Expatriation” targets tax havens specifically.
- **February 17**– S.681, “The Stop Tax Haven Abuse Act,” is introduced by Senators Carl Levin, Norm Coleman and Barack Obama.
- **May 3**–H.R. 2136 “Stop Tax Haven Abuse Act,” is introduced to the House of Representatives.
- **May 16**–H.R. 2345 “The Abusive Tax Shelter Shutdown and Tax Payer Accountability Act of 2007,” is introduced to the House of Representatives.

- **December 1**– U.S. real estate developer, Igor Olenicoff pleads guilty to filing a false 2002 income tax return the same month that *Forbes* runs the article [“The billionaire with the empty pockets”](#) which connects him with offshore centers and tax evasion.

## 2008

- **Feb. 14**- German police raid the home and offices of Klaus Zumwinkel, chief executive of Deutsche Post, in investigations regarding suspected tax evasion.
- **Feb. 15**- Germany announces the launch of a large-scale tax evasion probe based on information it purchased from former LGT bank employee, Heinrich Kieber. Police kick off a series of raids across Germany, targeting around 1,000 people.
- **Feb. 20** - Chancellor Angela Merkel urges Liechtenstein to take rapid action to crack down on fraud, amid suspicions hundreds of rich Germans evaded taxes by parking money there. Merkel also urges better cooperation from Liechtenstein with the Paris-based Organization for Economic Cooperation and Development (OECD) to curb unfair tax practices.
- **Feb. 23** – Germany’s Finance Minister Peer Steinbrueck vows to broaden efforts to crack down on tax havens to include Switzerland, Luxembourg and Austria. Additional countries join Germany:
- **Feb. 25** – Switzerland and Luxembourg distance themselves from Germany's crackdown on tax dodgers saying they are not tax havens.
- **Feb. 25**– The United Kingdom joins Germany in tax evasion probes: Britain's tax agency, Her Majesty's Revenue and Customs (HMRC), confirms it paid for data on LGT bank accounts held by Britons and was seeking to recover 100 million pounds in unpaid taxes.
- **Feb. 25**– The Netherlands join Germany and the U.K. in tax evasion probes, seeking information of Dutch citizens with secret bank accounts in Liechtenstein.
- **Feb. 26** – Canada joins tax-evasion probe: Canada Revenue Agency (CRA) announced its investigation of 100 Canadians on the list of LGT account holders.
- **Feb. 26**– France joins efforts to crack down on tax evasion, seeking information on French citizens with Liechtenstein bank accounts.
- **Feb. 26**– Sweden joins search into tax evasion by their citizens with bank accounts in Liechtenstein.
- **Feb. 26**– Italy joins in tax evasion probes.
- **Feb. 26**– The United States announced that it was investigating over 100 U.S. citizens suspected of evading taxes through investments in Liechtenstein.
- **Feb. 26** - Prosecutors announce the addition of a second bank to the investigation.
- **Feb. 27**– Australia joins other countries in tax evasion probes involving the LGT bank in Liechtenstein, raiding the properties of 20 Australians suspected of having millions in Liechtenstein bank accounts.
- **Feb. 27**– New Zealand joins in the fight against tax evasion, investigating suspected tax evaders with Liechtenstein bank accounts.

- **March 5**– European Commission agreed to draw up proposals to widen the scope of legislation on tax evasion.
- **May 1**–S. 2956 “The Incorporation Transparency and Law Enforcement Assistance Act,” is introduced by Senators Carl Levin, Norm Coleman and Barack Obama.
- **May 7**– U.S. Department of Justice detains senior UBS employee Martin Liechti in connection with an investigation into investment advice that UBS gave American clients between 2000 and 2007.
- **May 14**– European Union, with pressure from Germany agrees to consider toughening its clampdown on tax havens.
- **May 2008** – U.S. Prosecutors charge that Mario Staggl, a Liechtenstein investment advisor, and former UBS banker Bradley Birkenfeld, helped California billionaire Igor Olenicoff and other clients evade taxes (Bloomberg).
- **May 28**– UBS tells former private banking team members responsible for wealthy American clients to avoid travel to the U.S. and made lawyers available to over 50 bankers involved.
- **June 19**- Bradley Birkenfeld pleads guilty in Federal District Court to the charge of helping American billionaire, Igor Olenicoff evade \$7.2 million in taxes on \$200 million in hidden offshore assets (NYT, 20 June 2008).
- **June 30**,– Justice Department asks Court to serve IRS summons for UBS Swiss Bank account records regarding American clients who may be using their Swiss accounts to evade federal income taxes (NYT, 1 July 2008).
- **July 1**– A federal judge agrees to allow the IRS to obtain information on American clients of UBS who failed to file forms on their taxable income. UBS stated it will work with U.S. and Swiss investigations and will turn over records involving U.S. clients who may have broken tax laws.
- **July 7**, – Mario Staggl, a Liechtenstein investment adviser indicted in a tax-evasion probe of UBS AG, has for years helped scandal-tainted clients manage money stashed around the world (Bloomberg).
- **July 17** - Senate Permanent Subcommittee for Investigations holds hearing “Tax Haven Banks and U.S. Compliance.”