

## Switzerland accused of spying on German tax authorities

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**Salman Shaheen**

**According to German media, members of the Swiss intelligence agency are being investigated for spying on the German tax authorities. One whistle-blower is not in the least bit surprised, International Tax Review has learned.**

Süddeutsche Zeitung and German public broadcasters reported have reported prosecutors in the country have launched an investigation into three individuals from the Swiss intelligence agency they believe are spying on the Federal Central Tax Office.

Spying on allies is extraordinary, but not unheard of, in recent German experience, and friction between the neighbouring countries over Switzerland's role as a tax haven brings the issue into sharp relief.

"The case bears similarities to that of Daniel M, a Swiss private investigator who was arrested in Frankfurt while apparently working on orders from high up in the NDB (Swiss Federal Intelligence Service) when he procured personal information about German tax authorities," Deutsche Welle reported. "Daniel M – whose full name has not been released in accordance with German laws to protect the identities of suspects before their trials have concluded – has been in custody since spring while the investigation continues."

Switzerland attests it ceased monitoring the German tax authorities in 2014. One man who is not in the least bit surprised by the reports, however, is Rudolf Elmer, the Swiss whistle-blower who has been hounded by his government since being accused of breaching his country's bank secrecy laws.

"I am not very impressed by the Swiss secret service at all because I have dealt with some of their people," Elmer told *International*

*Tax Review.* "Particularly in respect of tax matters, and trying to infiltrate German tax authorities, it seems to me that on the one hand it is not professionally done and on the other hand it is a move based on panic by the Swiss authorities."

Elmer believes the alleged actions are motivated by fear from the Swiss authorities that German investigators, as well as those of other countries, will attempt to obtain sensitive tax information from Swiss insiders, including whistle-blowers like himself, bankers, lawyers and Big 4 accountants. He points out that more than 100 CDs of information have already been offered to foreign tax authorities by Swiss insiders.

"Selling information has turned into a money making business and therefore Switzerland needs to make a political move and use all means to stop this trend of making money with bank information," he said. "Anyhow, Switzerland will not even have a chance to stop this trend because there are too many foreigners already working in the Swiss financial industry who sooner or later will leave the country and return to their home country. It is likely that a few of them might want to earn an extra dollar."

In Elmer's view, a "tax war" is coming in which Switzerland will be pitted against the world and will lose.

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