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IRS Indicts Four Credit Suisse Bankers

Four Credit Suisse bankers were indicted on charges of conspiring to help Americans evade taxes amounting to as much as \$3 billion. All four, Marco Parenti Adami, Emanuel Agostoni, Michele Bergantino and Roger Schaerer, are believed to be in Switzerland. A warrant of arrest has been issued on all of them, all of whom except Adami are Swiss. Adami is Italian.

Whether the Swiss government would cooperate and allow extradition of the bankers is not known at this point.

The bank itself was not indicted nor was its name mentioned officially but public documents unconnected to the case identified some of those indicted as Credit Suisse employees. According to the indictment, bank officials “knew and should have known that they were aiding and abetting US customers in evading their U.S. income taxes.” In fact, in the indictment, prosecutors allege that the conspiracy has been going on for a number of years, as far back as 1953. Even up to late 2008, Credit Suisse was maintaining thousands of accounts belonging to American taxpayers with as much as \$3 billion in assets.

In the indictment, the four bankers are alleged to have discouraged their

American Credit Suisse account holders from participating in the IRS voluntary disclosure program in exchange for amnesty from criminal prosecution in 2009. Those who participated in the amnesty program had to pay a penalty and divulge all details of their assets in offshore accounts but would not be charged for criminal offences.

In the fall of 2008, Credit Suisse began to pull out of the American offshore banking market and advised its clients to transfer their accounts to other Swiss banks that did not operate internationally and were not subject to laws of their host countries but only that of Switzerland.

Lately, the American government has been cracking down on tax dodgers who hide their assets in offshore accounts by going after the foreign banks it believes have been helping such evaders. The indictment of the four Credit Suisse bankers is the first major charge made on a Swiss bank other than UBS Bank. UBS paid a \$780 million fine in 2009 for its role in helping American taxpayers hide their money from the IRS. It also had to disclose details of thousands of its American account holders to the IRS suspected of tax evasion. That was a landmark case that breached the much vaunted Swiss laws on banking secrecy.