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## U.S. to Seek More than 1,000 Names in Credit Suisse Tax Case: Source

By Brian Monroe at CompleteAdvantage.com

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The U.S. government will ask Credit Suisse to turn over information on more than 1,000 account holders as part of an ongoing criminal tax probe, according to an individual familiar with the matter.

The Swiss bank said earlier this month that it had received a letter from the U.S. Justice Department informing it of an investigation related to its American clients. Since February, the department has indicted seven of the financial institution's officials on charges of facilitating tax evasion by more than 50 U.S. taxpayers.

The suspected infractions by Credit Suisse are "exactly like" those committed by UBS AG, said the person, who asked not to be named. In 2009, U.S. officials accused UBS of helping at least 17,000 U.S. accountholders hide \$20 billion in taxable assets from the Internal Revenue Service, allegations that led to the bank paying \$780 million in fines and turning over data on 4,450 of its clients.

In its case against Credit Suisse, the Justice Department is similarly expecting to obtain information on "thousands" of the bank's wealthy U.S. customers, said the person, who has direct knowledge of the case.

The Justice Department's decision to notify Credit Suisse of the probe followed a decision by the United States to back out of talks with Switzerland over how to address allegations that multiple Swiss banks knowingly helped their clients avoid reporting assets, according to a report by *Reuters*, citing Swiss news agency *Sonntags Zeitung*.

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In February, federal prosecutors accused three private bankers and a director at Credit Suisse of opening undeclared accounts for U.S. residents over as many three decades. Last week, the Justice Department charged three higher ranking Credit Suisse executives of lying to American regulators about the infractions and advising U.S. residents to not take part in an IRS amnesty program aimed at tax violators.

The latest indictment raised the estimate of the unreported assets at the bank from \$3 billion to \$4 billion, and increased the number of suspected American tax evaders with Credit Suisse accounts from 17 to 52.

That the Credit Suisse case looks to be of the same ilk as the UBS deferred prosecution agreement is “not surprising” because the two Swiss banks were under the same market pressures to compete, said Sanford Millar, a Los Angeles-based independent tax attorney. The United States will likely attempt to exact a similar fine from Credit Suisse, he said.

The bank settled with the United States in 2009 over unrelated allegations that it processed \$700 million in transactions for blacklisted Iranian entities from the mid-1990s through 2006. The violations cost Credit Suisse \$536 million in addition to unreported legal and compliance fees, making the case the “most significant” action by American sanctions officials to date, the U.S. Treasury Department said at the time.

Calls to the press offices of the Justice Department and Credit Suisse were not returned.

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