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Better make some room under your mattress

Planning on opening a Swiss bank account? The days of Switzerland being a safe haven for stashing your cash could be over, with the Swiss Government taking action to stamp out its reputation as a place synonymous with secrecy and sinister money laundering.

According to Beatrice Stuber, Swiss law consultant at Sydney-based firm Schweizer Kobas, three pieces of legislation recently introduced by the Swiss Government – which aim to prevent criminal acts such as money laundering, insider trading and tax fraud – make it no longer possible for people to just walk into a Swiss bank with a suitcase full of cash and open an account... with no questions asked. The new laws dictate that bankers be, among other things, completely satisfied that the source of the money is legit.

If the Rene Rivkin case is anything to go by, the new legislation is a success, says Stuber. The case “was very good for Switzerland and its reputation because it seems the Swiss authorities fully complied with the

requests made by the Australian authorities,” says Stuber.

But there remains a gray area, with the new laws making a notable distinction between tax fraud and tax avoidance. While tax fraud is a criminal act, tax avoidance in Switzerland is merely unlawful – meaning that Swiss authorities will not assist overseas authorities with simple tax avoidance cases. Banks are only required to disclose information if it seems that an individual has committed tax fraud, or other criminal acts, such as insider trading.

Still, Stuber maintains that clients who ring up to inquire about opening a Swiss account have got the wrong idea.

“There are many misconceptions about opening a Swiss bank account,” says Stuber. For example, it is not easier or more secret than opening an account in Germany or Austria. “And the Swiss withholding tax on the income of monies in such bank accounts amounts to 35 per cent, which is much higher than the withholding tax on the income of monies kept by foreigners in Australian accounts,” she says.

– **Freda Robin**

Fake bargains

Visitors to New York will discover that gone are the days when fake watches abounded on the streets. Now, if you want to buy a Rolex knock-off you will pay for it: \$US50 dollars, up from a mere \$US10 five years ago, if you can find a willing vendor, thanks to a worldwide crack-down on counterfeiting, an activity which customs and police believe helps fund terrorism.

Anyone wandering through their local dollar store, however, can see that the battle against counterfeits – which include everything from software, music, clothing and jewellery to pharmaceuticals – has hardly been won.

During 2003-2004 in Australia, Customs made 5,000 separate seizures of counterfeit or pirate

goods, involving more than two million goods, but penalties are light enough that they are not a deterrent here. And as a spokesperson for the Australian Customs Service points out, Customs can only seize goods that are intended for trade. So you are probably safe if you bring back a fake from overseas and wear it through Customs.

Though there is no need for buyers to risk anything – you can just buy them off the Internet from vendors who boldly proclaim their wares are “genuine replicas”. The cost is genuine, too: a quick google of the top “replica” sites show them to be selling fakes for an average of US\$175 each. It makes the watches in New York seem like a bargain.

– **Felicity Carter**



Early birds catch the worm

As cruising becomes an ever more popular holiday choice for Australians, so the quality of the ships coming to these shores continues to rise. The *Seven Seas Voyager*, for example, which visited Sydney in February, boasts rooms the size of good hotel suites, glorious food, Internet access and lessons (“How to master digital photography” is the most popular), and exciting itineraries. Diane Patrick, from Wiltrans, says because Australians still decide on holidays at short notice, many prospective travellers cannot get on the segment and ship they want. “Plan well ahead,” she advises.