

**Tax evasion**  
**Singapore**  
**agrees deal**  
**with US**  
**authorities**

Banks, wealth managers and other financial institutions in Singapore will be required to report to US tax authorities information on accounts held by US citizens as the Asian state agreed a deal to clamp down on tax evasion, **writes Jeremy Grant in Singapore.**

The move marks further efforts by Singapore in the past year to tighten up on loopholes that might allow the channelling of illicit funds, amid concerted pressure by US and European countries to crack down on offshore financial centres.

The fight against tax evasion is playing out against a backdrop of rising wealth among the world's richest people, creating a scramble by banks to offer services in tax-efficient jurisdictions such as Singapore, Asia's fastest-growing wealth hub.

Singapore has since 2011 been tightening up tax-evasion measures and money-laundering rules, highlighting a balance the city-state is having to strike between becoming more compliant with global standards while competing with Hong Kong and other jurisdictions for a slice of

the global wealth management business.

Asia is expected by 2015 to become the largest market by value for people with investable assets of \$1m or above, according to Capgemini, and RBC, a Canadian bank. They predict the wealth of such people will grow 9.8 per cent a year, outpacing that of the rest of the world's projected average of 5.3 per cent.

Singapore and the US have agreed a so-called "intergovernmental agreement", allowing compliance with the US Foreign Account Tax Compliance Act.

The law requires all financial institutions outside the US regularly to submit information on financial accounts held by US citizens to the US Internal Revenue Service, as a way of deterring tax evasion through the use of foreign bank accounts.

Desmond Teo, partner for financial services tax at EY, said: "The significance of this is Singapore playing its part as a good corporate tax citizen."

Bankers predict Singapore could eventually overtake Switzerland as the world's largest wealth management hub.

Accordo tra Singapore e le autorità degli Stati Uniti

