

OECD tax chiefs meet to discuss Panama Papers scandal

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The heads of tax authorities from 46 countries are to meet in Paris to discuss a joint response to the Panama Papers today; one day after authorities raided the headquarters of the law firm at the centre of the major data leak.

Thousands of offshore tax havens facilitated by Panama-based law firm Mossack Fonseca were revealed in millions of documents leaked to media earlier this month. The accounts are linked to politicians, sports stars and celebrities from more than 80 countries.

"The meeting will consider how member jurisdictions can share information on leaked documents, and collaborate on analysing the data and opportunities for joint action," an Australian Tax Office (ATO) spokesperson told *dpa* today.

Australian Tax Commissioner Chris Jordan is pushing for a major investigation by the Joint International Tax Shelter Information and Collaboration (JITSIC) network that he oversees. It comprises 46 member nations of the Organisation for Economic Co-operation and Development (OECD).

Jordan proposes that a multinational group of tax officials set up specialist teams to analyse the data and launch prosecutions.

"The meeting of JITSIC leaders to discuss the Panama Papers is unprecedented and a great opportunity to demonstrate global will and capability to take on this multilateral challenge when it matters most," the ATO spokesperson said.

The ATO called the amount of data released - 11.5 million documents related to more than 210,000 companies and thousands of individuals - "extraordinary."

About 800 Australians have been listed in the files of the Panama law firm Mossack Fonseca and stand accused of concealing their wealth from the tax office.

Mossack Fonseca has stressed that it has never been accused of or charged with wrongdoing. Panama has insisted it is a law-abiding nation, promised a review of its legal and financial institutions, and objected to the moniker of "Panama Papers" used for the scandal.

Authorities in Panama City raided the premises of Mossack Fonseca as part of an investigation into whether the company facilitated tax avoidance and illegal dealings among its clients, organised crime prosecutors said on Tuesday.

Mossack Fonseca tweeted early today: "We are cooperating with the authorities, who are conducting investigations at our headquarters."

Several of the company's outposts in other countries have already been searched for evidence of illegal activity.

Shell companies set up by Mossack Fonseca or other firms are not in themselves illegal. They can serve as havens for both legal tax avoidance as well as the illegal evasion of tax obligations.

- *dpa*