

No info beyond tax pact: Swiss govt

Swiss govt's latest response comes against the backdrop of P Chidambaram shooting off another letter to his Swiss counterpart

With India stepping up pressure for data on alleged illicit funds parked in banks in that country, Switzerland has said it cannot respond to requests beyond the ambit of bilateral tax treaty.

Reiterating that it is committed to fighting tax evasion, Switzerland also said both nations should respect their national and international legal obligations. The latest response comes against the backdrop of Finance Minister P Chidambaram shooting off another letter to his Swiss counterpart, raising concerns about the Alpine nation denying information on alleged unaccounted money held by Indians in banks in Switzerland.

In the letter, Chidambaram had strongly objected to Switzerland's denial of information about account details of certain Indians at HSBC's Swiss bank branches, in whose cases "incriminating evidence of tax evasion" have been found.

"Like India, Switzerland is committed to fighting tax evasion and in this regard wishes to cooperate with India in the matter of administrative assistance within applicable law," a Swiss Federal Department of Finance spokesperson said in Bern.

Co-operation on tax matters between the two countries are based on the Double Taxation Agreement (DTA), which was amended by a protocol in August 2010.

"This agreement, which is in line with the international standard, allows for the exchange of foreseeably relevant tax information related to fiscal years from 2011 on.

"On this basis, several requests have already received a positive response by Switzerland, including requests related to banking information. Requests that do not meet the provisions set out in the DTA cannot be answered positively," the spokesperson said.

Chidambaram has written at least three letters to his Swiss counterpart Eveline Widmer Schlumpf within four months on the matter of sharing information about alleged illicit funds parked in banks there by Indians.

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