

Treasury Increases Focus on Offshore Tax Evasion as New Leaks Emerge from the Panama Papers

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Just before a major development in the Panama Papers document leak, the United States Treasury Department announced a series of initiatives signaling an increased regulatory focus on offshore tax evasion. On May 5, the Treasury Department issued proposed regulations designed in part to target foreign persons using U.S. non-operating entities to hold financial assets. The proposed regulations would increase disclosure and reporting requirements for certain foreign-owned limited liability companies (“LLCs”), which have allegedly been used as offshore vehicles by non-U.S. individuals seeking to evade tax obligations in their home jurisdictions.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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