

# NATER DALLAFIOR REPRESENTED A FINANCIAL SERVICE PROVIDER

*Posted on 2 October 2020*



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**Nater Dallafior [represented a financial service provider](#) with domicile in Liechtenstein and its directors and employees in three cases in international administrative assistance proceedings against the Swiss Federal Tax Administration ("FTA"). The team consisted of Roberto Dallafior (pictured) and Patrik Salzmann.**

Upon request of the US Internal Revenue Service (IRS), the FTA decided to transmit banking information with respect to three American taxpayers that included personal data of the clients. By the three decisions rendered on 13 July 2020, the Swiss Federal Supreme Court put an end to recently adopted practice of the FTA in international administrative assistance. In 2017, the FTA changed its practice and no longer reminded the requesting authority that the information transmitted can only be used against the individual and the offence that are subject of the request for legal assistance. The FTA, supported by the OECD, took the position that the requesting authority was free to use the transmitted information on third parties against them outside of the underlying tax proceedings.

Both the Federal Administrative Tribunal and, upon appeal of the FTA, the Federal Supreme Court upheld the "purpose limitation principle" recognised under international law and demanded the FTA to transmit the information requested subject to its limited use in the underlying tax proceedings. In addition, the Federal Supreme Court clarified that names of employees of financial service providers with subordinate roles need to be redacted.