

In a nutshell

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Sen Carl Levin seems to have summarised offshore staggeringly well in his [opening comments](#) to the Senate sub-committee on Tuesday:

The key features of offshore tax havens are low or no taxes and a legal system that favors secrecy over transparency. Tax havens sell secrecy to attract business. And they are very successful. About 50 tax havens operate in the world today. Those tax havens have, in effect, declared war on honest U.S. taxpayers, by giving tax dodgers the means to avoid their tax bills and leave them for others to pay.

These schemes are shrouded in the secrecy of tax havens because they can't stand the light of day. Trusts and shell corporations established in offshore secrecy jurisdictions operate in a legal black box that allows them to hide assets, mask who controls them, and obscure how their assets are used.

An armada of "offshore service providers," lawyers, bankers, brokers, and others then joins forces to exploit the black box secrecy and help clients skirt U.S. tax, securities, and anti-money laundering laws. Many of the firms concocting or facilitating these schemes are respected names here in the United States.

Note that last line.

It's true.

And I'm glad he's used phrases like "declared war" and "tax dodgers". And that's he's implied reputable firms help people "skirt" the law. Because that's true as well.