

Hartnett doesn't just not apply the law, he breaks it t...

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Published: January 12, 2026, 8:05 pm

[Europolitics has noted:](#)

Manoeuvring over Rubik is in full swing. The European Commission is pressuring Germany and the United Kingdom to change the bilateral fiscal agreements they have worked out with Switzerland. If they refuse to do so, it will open infringement proceedings against Berlin and London by the end of the year. The texts have already been drafted.

The UK - Swiss deal to which this refers was, of course, Dave Hartnett's work, and gives up UK tax sovereignty to the Swiss in significant areas for good. As the report continues:

The Rubik agreements make provision for the introduction in Switzerland of a withholding tax in full discharge of all tax obligations on the assets placed by German and British residents in this country and on the income they continue to collect on these assets in the future in a variety of forms (interest, dividends, capital gains, etc).

The Commission's Legal Service considers that Berlin and London have overstepped their competences by signing these agreements, which protect the anonymity of fraudsters and whose scope partly interferes with EU rules on the taxation of savings income — and the agreement between Berne and the EU in this area. There are also certain "technical problems" inherent to the Rubik system. The rate of withholding on income from these assets paid to Germans, for example, is set at 26.375%, compared with 35% under the savings taxation agreement. The tax will also constitute full discharge of tax liability. Germany and Britain have also agreed to give Swiss financial service providers easier access to their market.

The Commission's legal experts therefore recommend the opening of proceedings against Berlin and London before the EU Court of Justice for failure to fulfil obligations.

Negotiations are, of course, going on, but that this outcome was likely was predictable from the moment these hideous and rather sordid deals that trade a little cash for

exonerating criminal activity in the past without penalty whilst permitting it in the future were put on the table.

So why did Hartnett do the deal? Is he really on the side of tax evaders? It looks like it. And now we know he's even willing to break EU law to help them. Amazing.