

## What are tax havens used for?

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In this, the [second in a series of five videos on tax havens](#), I look at what tax havens are now used for.

Because of the work of international regulators, under pressure from tax justice campaigners, the days when tax havens were used for hiding away suitcases full of ill-gotten cash are now pretty much gone. But they are still in business. So, what are tax havens used for now, and why?

In this video I have two themes. The first is that tax abuse is not the only use for a tax haven now. In fact, it is just as likely that a tax haven, or secrecy jurisdiction, is being used to hide an activity from any number of regulations, none of which need involve tax. That regulation could relate to competition law, employment regulation or environmental demands. Alternatively, the use of a secrecy jurisdiction could simply be motivated by the desire to hide wealth from creditors, business partners or a spouse.

Second, when it comes to tax, I explore what taxes are most likely to be abused from these places now. It's still commonly thought that income taxes - whether personal or corporate - are the taxes that are being abused in tax havens. Although that is undoubtedly true in some cases and in some havens, I strongly suspect that much of the business in tax havens is now focussed on avoiding capital gains taxes, and taxes on wealth and inheritance. I discuss why in this video.

<https://youtu.be/zIAJ0myfPbk>