

April 11, 2016

For leading tax haven lawyer, there's nothing wrong with protecting assets offshore

By Peter Kuitenbrouwer



The world is more internationalized these days, and it's normal that Canadians should have assets offshore, says Andrew Rogerson

One of Canada's leading lawyers who specializes in tax havens isn't impressed by the revelations from the Panama Papers thus far.

Andrew Rogerson – who has had dealings with Mossack Fonseca, the Panamanian law firm at the centre of the massive document leak – runs its Canadian equivalent: Rogerson Law Group, which employs 10 lawyers and advertises that it establishes offshore trusts "in exotic locations from the Cayman Islands to Switzerland and beyond."

"Currently, it's an easy thing to kick an offshore law firm," says Rogerson, sitting in his office on the 27th floor of the TD Canada Trust tower, on Bay Street in Toronto.

"If that's all they can come up with... 350 journalists, 11 million emails, and what have we got? Nobody has actually said what anybody did was wrong. In the case of the British prime minister, the amount of money in this offshore account was relatively small. His issue is the poor way the press

has been managed, by not coming out up front and saying, 'Yes, we had this structure, it's a legal structure, we paid tax on it.'"

Rogerson, 58, who became a lawyer in England in 1981, worked in South Africa and Australia before he found his true calling in 1996, when he traveled to Turks and Caicos to handle an appeal on a conch farm. The tiny Caribbean nation's financial and legal system caters largely to Canadians who place assets offshore.

Rogerson worked at McLean McNally, a firm located on the beach that flew a Canadian flag.

"Turquoise seas, pristine coral, endless and near-deserted white sandy beaches with iconic palm trees; a holiday is but a dream for most bankruptcy lawyers and their clients," writes Rogerson in a chapter of Trusted Advisor's Survival Kit entitled: Choosing Your Offshore Tax Haven.

"This became reality for me many years ago, when I was briefed to appear in the Court of Appeal in a, then, little-known but quite exotic tax haven. I stayed. I went on to help clients establish and defend structures that put their hard-earned wealth out of harm's way."

Rogerson immigrated to Canada in 2003, settling first in Alberta and later in Ontario. His business is largely aimed at Canadians who live and work overseas, who may not have structured their finances properly before leaving and find themselves liable for taxes back home.

He says his clients would have nothing to fear if someone leaked the email from his firm. "I'll be eating my lunch with no concerns whatsoever," he says.

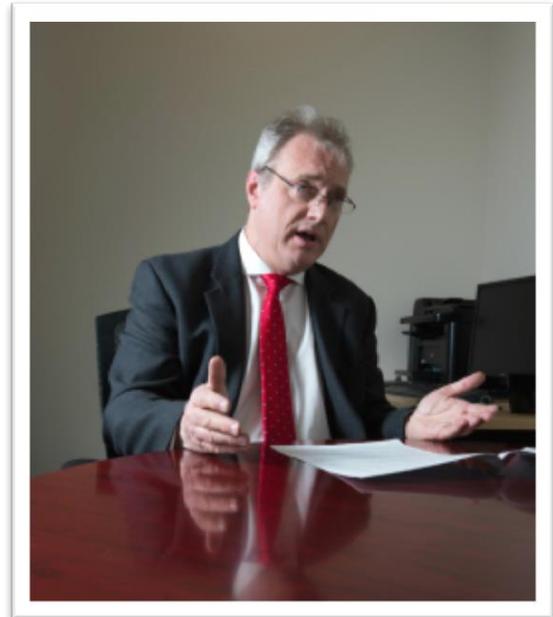
"I do offshore structuring using offshore vehicles, all entirely legitimately set up, and in most cases there is no tax issue involved. The days of securing a tax benefit from going offshore in Canada are largely gone. Canadian residents using offshore tax havens would be required to report their offshore income."

He cautions against the hysteria of current headlines. "We mustn't regard anyone who happens to have an offshore structure as doing something illegal," he says.

"Our former prime minister, Paul Martin, ran his business from Barbados. The world is more internationalized these days, and it's normal that Canadians should have assets offshore. We mustn't throw the baby out with the bathwater."

He says that 75 per cent of the world's hedge funds, nearly half the industry's \$1.8 trillion in net assets, have their home in the Cayman Islands, whereas the British Virgin Islands is home to 700,000 offshore companies, for legitimate reasons of ease of international finance.

Rogerson says he does not have any offshore accounts himself.



"I like what we have here," he says. "I don't mind paying more taxes myself, if somebody would provide better train services.

"Only 350 people in Canada have been revealed in the Mossack Fonseca thing. There are now tax information exchange agreements between the offshore jurisdictions and Canada. Tax information exchange agreements. Canada has the means in place to ask many offshore jurisdictions to send them information on Canadians."

And while Canada is cracking down on people who evade taxes, announcing Monday that the Canada Revenue Agency intends to hire 100 more auditors, Rogerson is skeptical. "Where are you going to suddenly find all these accountants that are skilled in the offshore world?" he asked.

"I don't think it's going to happen."

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References

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