

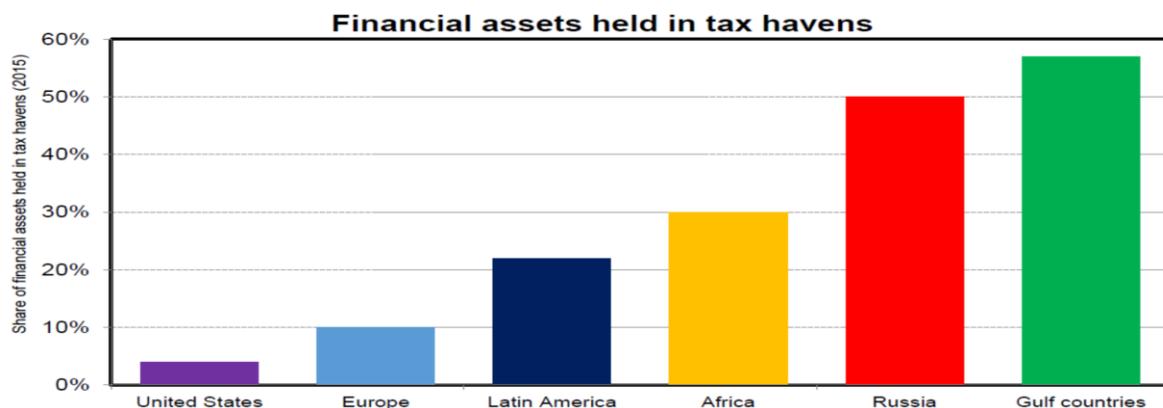
# ICRICT

**Independent Commission for the Reform  
of International Corporate Taxation**

## **TOWARDS A GLOBAL ASSET REGISTER**

Wealth inequality poses serious risks to economies, to societies more broadly, and to the functioning of democracies. And yet the actual magnitude of wealth inequality is unknown because of the deep financial secrecy that surrounds it. The use of ‘offshore’ structures allows not only the real ownership of wealth to remain hidden, but also its location and perhaps its very existence. This same secrecy also creates fertile ground for tax evasion, avoidance, and for financial crimes.

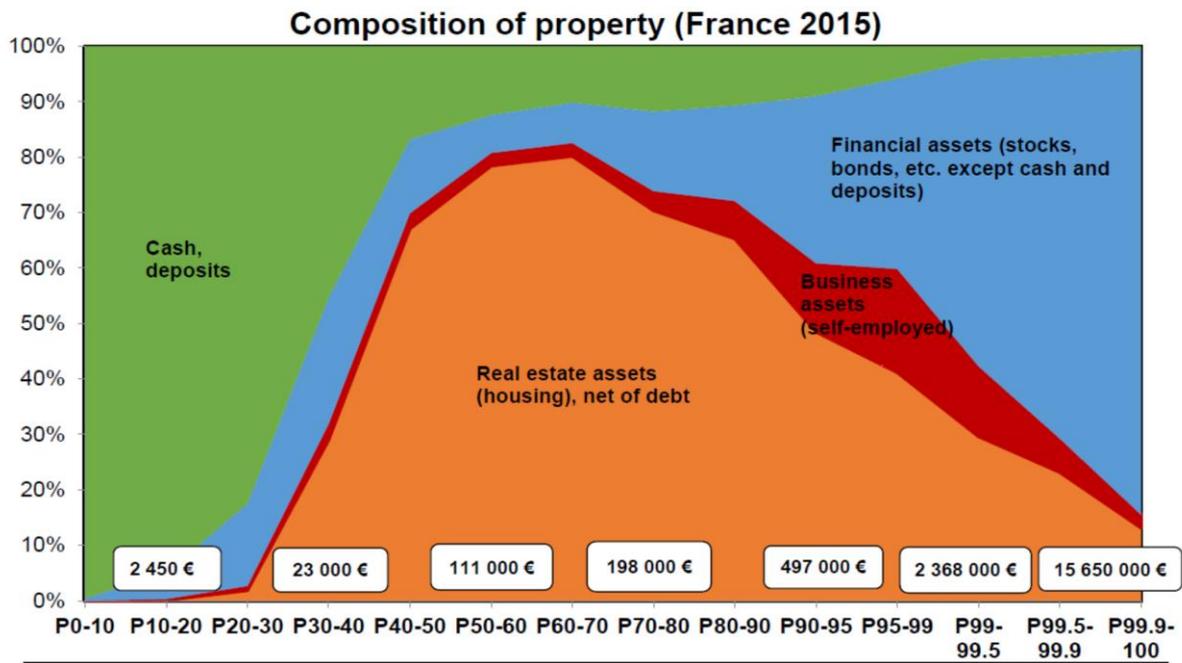
The fraction of wealth held in tax havens varies considerably by country. Despite the scale of hidden wealth, however, the existing data-collection infrastructure includes potentially powerful tools for transparency, including the recent adoption of tax transparency measures, such as the automatic, multilateral exchange of bank accounts data at a global level between tax authorities, public registries of beneficial ownerships and exchange between tax authorities of country-by-country reporting from multinational companies.



**A global asset registry (GAR) has therefore been proposed to link the existing data and provide missing wealth data. A GAR would allow wealth inequality to be measured and understood, facilitate well-informed public and policymaker discussions on the desired degree of inequality and support appropriate taxation to reduce the negative consequences of inequality. In addition, a registry would also prove a vital tool against illicit financial flows, by ending impunity for hiding and using the proceeds of crime, and for removing legitimate income and profits from the economy in which they arise for tax purposes.**

The GAR should include all assets that are “relevant” and could include tangible assets, cover intangibles (e.g. intellectual property, trademarks, patents, etc.) and financial assets

and property of firms and other ownership vehicles (e.g. trusts). Financial assets are particularly important, as they represent the lion share of top deciles' wealth in most countries where data is available (see example of France below).



### NATIONAL ASSET REGISTER - UK PILOT

In 2019 ICRICT has started a pilot project to assess current collection and publication of information in the UK for several types of tangible and intangible assets. The pilot identified that whilst most assets that could be subject to a national (or global) asset registry are already required to register some ownership information with a government authority government registries are not always centralised or they may have incomplete information or even worse they may contain no public access to ownership information. In addition, for some types of assets there is no registry at all, or even a private actor centralising ownership information.

These problems are not insurmountable and can be addressed by expanding the scope of assets, details and access to information in order to create a comprehensive national asset register. The ability to do so does not depend on legal, technical or technological constraints, but rather on political will.

### GOING FORWARD

ICRICT UK pilot study (results to be published in Autumn 2020) could be replicated across different countries or at regional level (e.g. EU) based on feasibility or relevance: financial centres holding cross-border wealth, countries that are more capable of establishing some type of an asset register because they have the financial and technological capacity, or countries that are considering the introduction of a wealth tax (e.g. Argentina, Peru, Colombia, South Africa).