

Swiss Prosecutors to Close Magnitsky Probe – Reports

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Alexander Zemlianichenko / AP / TASS

Swiss prosecutors plan to close a nearly decade-old money laundering investigation into allegations made by the late lawyer Sergei Magnitsky, Bloomberg [reported](#) Thursday.

Swiss prosecutors [opened](#) the money-laundering probe in 2011 after Hermitage Capital, once the largest foreign investor in Russia, claimed that a former Russian tax official moved fraudulent tax refunds through Swiss bank accounts. Magnitsky, who died of untreated illness in Russian jail in 2009, alleged that Russian Interior Ministry officials fraudulently collected a \$230 million tax refund on behalf of Hermitage.

In a Nov. 6 letter to Hermitage, Swiss federal prosecutors outlined their intention to close the case soon and confiscate as much as \$4 million from Swiss bank accounts controlled by entities in the case, according to Bloomberg.

Hermitage reportedly responded by saying that Swiss law enforcement “capitulated to the Russians.” The London-based firm vowed to challenge the decision and request further

investigation before a Dec. 8 deadline, Bloomberg reported.

The Daily Beast [reported](#) that the Swiss prosecutors used “sophisticated financial analysis to dilute the value of the laundered money so that most of it can be returned.”

The outlet estimated that the Swiss prosecutors will return 99% of the frozen assets to one Russian national implicated in the tax fraud case and 100% to another. A third figure is expected to receive between 55-87% of the frozen funds.

“This reinforces the worst stereotypes of Swiss justice,” Hermitage founder Bill Browder told The Daily Beast.

“To give so much money back to Russians who were involved in the Magnitsky affair while most other countries have sanctioned these individuals is a stain on Switzerland.”

Magnitsky’s death led to the United States passing the Magnitsky Act in 2012, initially sanctioning officials linked to his death and later expanding it to target human rights offenders worldwide. A number of Western countries have moved to adopt similar legislation.

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