Twitter Thread by Casey Michel ■■



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THE U.S. JUST BANNED ANONYMOUS SHELL COMPANIES

Pardon the all-caps, but the Senate's veto override today means that the U.S. A) just eliminated the primary building block in America's transformation into an offshore haven, and B) passed the most sweeping counter-kleptocracy reforms in decades—potentially ever.

Incredible news, and an incredible way to start 2021. What a moment. https://t.co/AN9jjowOnu

> THE U.S. JUST BANNED ANONYMOUS SHELL COMPANIES https://t.co/mYakQOu3N7
>
> — Casey Michel \U0001f1f0\U0001f1ff (@cjcmichel) January 1, 2021

Huge boost to American credibility in the fight against modern kleptocracy. Huge blow to those who'd turned to the U.S. time and again for their laundering needs, and those U.S. states that had transformed into money laundering havens of their own.

Just phenomenal news.

Again, this is a massive testament to all those who exposed the rot these anonymous shell companies led to, especially the journalists who exposed the laundering networks and civil society activists pressuring legislators to make this change (when it seemed next to impossible).

The fight against anonymity, and these American kleptocratic building blocks, is hardly over. Trusts, real estate, private equity, hedge funds, art houses, auction houses... much work remains.

But today is absolutely a day to celebrate. https://t.co/AN9jjowOnu

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One other thing: This was not only a clear rebuke to Trump (and the first veto override!), but it was absolutely a bipartisan endeavor. The legislation banning shell companies couldn't have been passed without a broad, broad base of support and stakeholders, across the aisle.

Shameless self-plug, but if you're interested in how the anonymous American shell company industry first developed, and how it helped transform the U.S. into money laundering nirvana—why today is such a huge deal—you can pre-order my book here: https://t.co/QwTpzzhMt4

> Great news: Pre-orders for AMERICAN KLEPTOCRACY are now available! https://t.co/SPkdsADYYW
>
> Come Oct. 2021, you can find out how the US created the world's greatest money laundering scheme\u2014and how the US's transformation into an offshore haven has affected everything around us. pic.twitter.com/T2PN0ivyNL
>
> — Casey Michel \U0001f1f0\U0001f1ff (@cjcmichel) December 30, 2020

Statement from Transparency International U.S. (@transparencyUSA) on today's landmark passage:

'This is the first significant update to our anti-money laundering laws in twenty years, and one of the most important anti-corruption measures ever passed by the U.S. Congress.'

Ending the abuse of anonymous shell companies is a tremendous victory for all who are concerned about the harmful impacts of corruption. It's a huge step forward in fighting illicit finance at home and around the globe. Simply put, corporate transparency means it will be harder for corrupt leaders and other criminals to hide and move stolen money through secretly-owned corporations.

The law includes several other important provisions to counter corruption. Taken together, these provisions show that Congress now recognizes the direct link between corruption and national security.

This is the first significant update to our anti-money laundering laws in twenty years, and one of the most important anti-corruption measures ever passed by the U.S. Congress. The decade-long effort to achieve these reforms had become a top priority—not just for us here in the U.S. but for the anti-corruption community globally. The U.S. is now catching up with our allies in the European Union and elsewhere, and can help champion transparency as a critical global standard.

The most important anti-money laundering provision is the collection of company ownership information. This simple change will make it harder for terrorists to launder money to fund insurrection and violence. Corrupt foreign leaders who impoverish their own countries by stealing and misdirecting public funds will find it more difficult to hide those funds. This new level of transparency will help ensure that the international aid we provide actually goes to improve stability and to bolster economic and social conditions in troubled spots around the world. And it will help protect our financial system from providing enormous economic benefits to those who would do us harm.

In these divided times, it is encouraging that a broad and politically diverse coalition came together to make these critical reforms a reality. We'd like to especially thank Chairman Crapo (R-ID), Ranking Member Brown (D-OH), Chairwoman Waters (D-CA), Ranking Member McHenry (R-NC), Congresswoman Maloney (D-NY), Congressman King (R-NY), Congressman Luetkemeyer (R-MO), and Congressman Cleaver (D-MO), as well as Senators Warner (D-VA), Cotton (R-AR), Jones (D-AL), Rounds (R-SD), Whitehouse (D-RI), Grassley (R-IA), Wyden (D-OR), and Rubio (R-FL) for their support.

This is exactly right from Josh. Today's legislation is the biggest US anti-money laundering move *at least* since the Patriot Act. Given the magnitude of crimes anonymous US shell companies are involved in, it could end up being the most important ever. https://t.co/QrHeOJGxdF

> The most deserved pardon of the season! This is the one of the strongest laws against financial secrecy in American history. In my view (and if Treasury writes bold regs), it\u2019s even more important than the Patriot Act, best law of its kind since Bank Secrecy Act passage in 1970. https://t.co/z20X8NQ0X5
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> — Josh Rudolph (@JoshRudes) January 1, 2021

Banning anonymous U.S. shell companies is obviously huge, huge news—but it's not the only anti-corruption/counter-kleptocracy win today. For example: https://t.co/ljgnoOGdxt

> An unsung, but very important part of the AML reforms in the NDAA: antiquities now subject to AML obligations. https://t.co/RLDeGZ9KnL
>
> — Paul Massaro (@apmassaro3) January 1, 2021