



Partner Andrew Turner Quoted in Financial News on Hedge Fund Taxes

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Andrew Turner, a partner in the firm's Financial Services Practice, was quoted in an article in *Financial News* on proposed taxes aimed at investment banks that would also apply to hedge funds. "There are lots of different proposals, including the IMF and an EU working group," Mr. Turner says. "Almost all of them say either their taxes should apply to alternative funds or should apply if a fund is capable of creating a systemic risk." Of particular concern to the financial sector is the fact that most governments intend to apply money to general revenues. Mr. Turner says that while governments officially discourage a bailout fund, citing moral hazard, what they really want is the extra revenue. "It's a tax on excess profits after what's deemed a normal return on equity. This will eat massively into the fund's rate of return. It could fundamentally change the economics of hedge funds," he says. ("New taxes add to investors' misery," 10 May 2010)

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