

Bitcoin used for money laundering; blocked by Swedish bank

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Sweden's government has warned that Bitcoin could lend itself to money laundering or even to financing terrorism.

Now, the largest Nordic foreign currency trader, SEB, is rejecting requests from clients seeking to set up accounts to manage Bitcoin, Bloomberg said.

"Given the rules we have established for ourselves and rules that authorities have set up to prevent money laundering, we have currently made the decision that we cannot offer transactions, accounts or currency exchange in Bitcoin," Johan Andersson, chief risk officer at SEB told the news bureau.

Scandinavian regulators, which set some of the world's strictest banking standards, have been united in airing their skepticism toward Bitcoin and its competitors. Sweden's tax authority is set to reject Bitcoin as a currency and instead treat it as art.

"Currencies are traditionally tied to a central bank or a geographic area," Olof Wallin, an official at the Swedish Tax Agency who's drafting rules for Bitcoin, told Bloomberg. The agency will probably "view Bitcoins as what we call another asset -- just like art or antiques."

Earlier this month, the country's biggest Bitcoin exchange, Kapiton, was reported to the police and the National Board for Consumer Disputes after a number of users alleged their money had disappeared.