

A note from the Editor Lee Byrne

Welcome to this second edition of Chatterbox in 2022. We are always striving to improve and enhance the form and content of the newsletter to ensure that it provides helpful and timely information on important risks management issues. In this edition we have taken the opportunity to include important aspects of legal and regulatory information so that Chatterbox provides helpful support for readers who want to revise their awareness of important technical compliance details, whilst retaining the latest news stories and updates relating to crime and enforcement action.

Tax crime, including tax evasion and the facilitation of tax evasion, will become an even more important risk that firms must manage as part of a wider financial crime compliance framework of policies, controls, and procedures, as governments seek to enforce tax laws, increase tax revenue, and repay borrowing that has been undertaken during the pandemic.

In this edition we look at some important international trends and developments and we hope that this may help to enhance your risk awareness, and tax risk compliance.

Enjoy!

GCAL's Resource Centre is a hub providing links to previous versions of the newsletter and useful sources of information which can assist you in your efforts to combat financial crime.

The Library can be accessed here - www.greatchatwellacademy.com/resource-centre/

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FEATURED ARTICLE

History of Tax

Did you know taxes are unpopular? Here are some interesting historical facts:

Rulers have been imposing taxes on their subjects for over five thousand years, with evidence of innovative tax schemes found in the ancient Egyptian empire. Civil protests against taxes that are seen as unjust, have probably been occurring since the first day they were introduced!

1st Century AD: protestors in Judaea resisted the poll tax imposed by the Roman Empire.

14th Century: the Peasant's Revolt occurred in England when Wat Tyler led an uprising over a new poll tax.

18th Century: England imposed upon Scotland a duty on malt to pay for a war against France. This increased the price of beer and prompted the malt tax riots of 1725.

18th Century: 'Boston Tea Party' is probably the most widely known and impactful tax riot that occurred in 1773. The British Parliament had imposed a series of taxes on American colonists to help pay debts, dubbed "taxation without representation"; taxes that were subsequently repealed except for a duty on tea. The British East India Company was exempt which allowed it to sell tea to the colonies duty-free. Led by Samuel Adams (a former city tax collector), a group of protestors boarded docked ships and threw 342 chests of tea into the water. This event fueled the tension already existing between Britain and America, which ultimately led to the Revolutionary War starting shortly after, in 1775. This war led to America gaining its independence from Great Britain, with Adams as a Founding Father of the new nation.

20th Century: the UK government began to reform the tax system used to fund local government. The Community Charge, commonly known as the 'poll tax', was introduced; replacing a 17th century traditional levy on property with a head tax that saw every adult pay a fixed rate amount. A series of riots occurred in British towns and cities; in central London a crowd of 200,000 protesters collected with many taking part in violent protests. Widespread national opposition to the poll tax was an important factor in its abolition.



'IN FOCUS' – TAX EVASION

Criminal Finances Act 2017

The primary law concerned with the facilitation of tax evasion relating to firms, employees and their associates in the UK is the Criminal Finances Act 2017. There are also other regulations that firms should consider when managing financial crime risks.

Background

The Criminal Finances Act gained Royal Assent on 27 April 2017 which gave law enforcement agencies further capabilities and powers to tackle tax

evasion. Parliament believed that organisations should be held criminally liable where they fail to prevent those who act for or on their behalf from criminally facilitating tax evasion. The Act created new criminal offences to be applied whether the tax evaded is owed in the UK or in a foreign country.

Guidance

To support the implementation of this new legislation, the government published formal guidance encouraging businesses to take reasonable steps to prevent their representatives helping clients to evade tax.

The guidance explains the rationale behind the new offences and outlines practical measures that can be taken by a firm to mitigate financial crime risk. Referred to as the 'Six guiding principles', they are comparable to earlier guidance published in support of the introduction of the UK Bribery Act 2010 guidance.

The principles are:

1. Risk assessment
2. Proportionality of risk-based prevention procedures
3. Top level commitment
4. Due diligence
5. Communication (including training)
6. Monitoring and review

Attributing criminal liability to a corporate body had been notoriously difficult under English law. It has been particularly challenging to hold large multinational organisations to account for failings of staff as decision making is often decentralised, taken at a level lower than that of the Board of Directors, with the result that the corporate body can be shielded from criminal liability. Smaller businesses with Directors more actively involved in the day-to-day decisions were held more easily accountable, creating a situation that many believed was unfair.

The new corporate offence within Part 3 of the Criminal Finances Act 2017 sought to overcome the difficulties in attributing criminal liability for the criminal acts of 'employees, agents or those that provide services for or on their behalf'.

It is important to note that the Act does not alter what is criminal in relation to the actual tax evasion itself, rather it focuses on the failure to prevent the crimes of tax evasion by those who act for or on behalf of a corporation.

Who does corporate criminal liability apply to?

The new corporate liability crimes apply to a 'relevant body', defined as a body corporate or partnership (wherever incorporated or formed). The legislation is not entirely clear whether this applies to local authorities, but many such bodies consider that HMRC are likely to regard a local authority as a body corporate, particularly as they have not been specifically excluded.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/672231/Tackling-tax-evasion-corporate-offences.pdf

<https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf>

<https://www.legislation.gov.uk/ukpga/2017/22/part/3/enacted>

Convictions

There have been no corporate convictions under the Criminal Finances Act 2017 to date. HMRC publish details of convictions, along with the number of live corporate criminal offences investigations. Figures available as of 26 May 2021 suggest that there were 14 live CCO investigations with no charging decisions yet having been made in those cases. A further 14 live opportunities were 'currently under review'. Investigations span many different business sectors, including financial services, oils, construction, labour provision and software development; with approximately a third covering some of the UK's largest organisations.

The lack of convictions has prompted criticism as to the effectiveness of the legislation, a situation that could possibly be compared with early days of the Bribery Act 2010. Several years elapsed before cases progressed to trial. This could be the natural process with the introduction of new legislation, and it may be a mistake to assume no court proceedings indicates a lack of enthusiasm in enforcement!



'IN FOCUS' – TAX EVASION Cheating the Revenue

Background

Cheating the Revenue is a very serious offence. We begin with this statement as the significant criminal penalties this offence can attract are not widely recognised. Cheating the revenue is a common law offence, triable on indictment only (can only be tried in the Crown Court) with a maximum sentence of life imprisonment. This compares with a maximum term of imprisonment of typically between 2-7 years for statutory tax crimes, for example under the 1994 Value Added Tax Act and the 1970

Income Tax Management Act.

Taxation in England and Wales is not regulated entirely by statute. Whilst there are specific provisions within Acts of Parliament that criminalise particular types of conduct; this common law offence relies for definition not by Parliament, but by the courts.

Even when involving the most serious of tax crimes, it is unlikely to attract a life term but nonetheless conviction can often result in significant punishment. The Sentencing Council for England and Wales, a statutory body with duty to prepare sentencing guidelines, provides a range of 3 – 17 years' custody upon conviction.

Cheating the Revenue can be committed by any fraudulent diversion of money away from HMRC, the conduct must be deliberate and dishonest for example failing to declare correct income on tax returns or failing to submit accurate VAT returns.

<https://www.gov.uk/government/publications/number-of-live-corporate-criminal-offences-investigations/number-of-live-corporate-criminal-offences-investigations>



Enforcement

The UK Government agency responsible for the collection of taxes is Her Majesty's Revenue and Customs (HMRC). In addition to the administration and collection of taxes, HMRC is a law enforcement agency with wide-ranging powers. A team dedicated to investigating tax fraud, or offences that amount to cheating the revenue, carry out investigations and then pass on the cases to a Crown Prosecution Service specialist unit to take forward with court proceedings.

If someone is suspected of wilfully cheating the revenue, they may be interviewed by HMRC officers and prosecuting authorities can apply for a court order freezing bank accounts and assets until the conclusion of proceedings. This can have a practical impact across regulated firms that hold assets.

The following case study demonstrates when this offence is appropriately used.

Fraudster gets another 10 years in prison for not paying back £11m stolen funds

In November 2017, Michael Richards was convicted of conspiracy to cheat the public revenue in relation to a fraudulent 'green' investment scheme. He was sentenced to a total of 11 years' imprisonment and disqualified from being a company director.

Richards was one of a group who told investors their money would be spent on research and development into carbon credits. They attracted more than £65 million investment into the scheme. The group stole £20 million of the investors' money and laundered it via bank accounts and secret trusts, spending it on luxury lifestyle such as properties and jewellery.

They failed to pay £6.5million in tax and were convicted of cheating the revenue. The five offenders were ordered to repay a total of £20.6 million in the proceeds of crime. Richards was ordered to pay an amount of £11.1 million, however after only paying back £30,000 further proceedings were instigated to activate a default sentence.

In August 2021, Richards had 10 years imprisonment added on to the original 11-year prison sentence. The unpaid amount ordered by the court remains outstanding and is not deleted in any way by the additional sentence.

<https://www.cps.gov.uk/cps/news/oxbridge-graduate-fraudster-gets-another-10-years-prison-not-paying-back-ps11m-stolen>



GLOBAL EFFORTS TO ADDRESS TAX EVASION

The Foreign Account Tax Compliance Act (FATCA)

Background

The Foreign Account Tax Compliance Act (FATCA) requires that foreign financial institutions and certain other non-financial foreign entities report on the foreign assets held by their U.S. account holders. It was enacted in 2010 by Congress to target non-compliance by U.S. taxpayers using foreign accounts.

Foreign financial institutions are encouraged to either directly register with the U.S. Internal Revenue Service or comply with the relevant intergovernmental agreement (IGA) for that particular jurisdiction, which enables exchange of tax information. Under a bilateral IGA with the U.S., FATCA reporting becomes mandatory for all local financial institutions under local law.

Reporting

FATCA requires institutions to furnish information on certain customers, known as 'reportable customers'.

The information required to be reported is the identity of any U.S. account holders and the value of their accounts, fall within FATCA reporting requirements. These must be reported, either direct to the U.S. Internal Revenue Service (IRS) or to the financial institution's local revenue authority.

In the UK, reporting of FATCA-related information is required to be reported to HMRC by 31st May of the following calendar year, along with wider customer tax-related information in the form of a consolidated report.

Penalties for non-reporting

Failure to comply with these reporting rules by financial institutions can result in the imposition of a 30% penalty withholding tax on their U.S.-sourced income or gains. This penalty does not offset any income tax dues.

For individual customers involved, IRS penalties for failing to file are \$10,000 per violation, plus an additional penalty of up to \$50,000 for continued failure to file after IRS notification, and a 40% penalty on an understatement of tax attributable to non-disclosed assets.

Enforcement

In September 2018, the first conviction was achieved since FATCA came into effect in 2014. The former CEO of the Saint Vincent-based Loyal Bank pleaded guilty of conspiring to defraud the United States by failing to comply with the FATCA. The case involved an undercover officer operation and demonstrated the investigative methods law enforcement will use to enforce criminal breaches of legislation. The IRS worked with the FBI and international partners, including the City of London Police and UK Financial Conduct Authority, to achieve a successful outcome. An undercover agent met with the CEO, Adrian Baron, and described operating a stock manipulation scheme with a need to circumvent FATCA reporting requirements. During the meeting, Baron agreed that Loyal Bank would not submit a FATCA declaration to regulators. The bank subsequently opened multiple bank accounts for the undercover agent and at no time was the agent requested to provide FATCA information.

Baron was sentenced to 'time served', a reflection of his period served in an overseas prison awaiting extradition. He was also given a 'judicial removal order', enforced by deporting him to the UK as a British citizen.

<https://www.gov.uk/guidance/how-to-report-automatic-exchange-of-information>

<https://www.irs.gov/businesses/corporations/information-for-foreign-financial-institutions>

<https://www.irs.gov/businesses/corporations/fatca-information-for-individuals>

<https://www.justice.gov/usao-edny/pr/former-executive-loyal-bank-ltd-pleads-guilty-conspiring-defraud-united-states-failing>



GLOBAL EFFORTS TO ADDRESS TAX EVASION

The OECD and the Common Reporting Standards (CRS)

The Organisation for Economic Co-operation and Development (OECD) is an international organisation founded in 1961 to stimulate economic progress and world trade, with the goal to shape policies that foster prosperity, equality, opportunity, and well-being for all.

The OECD highlights that tax avoidance and tax evasion threaten government revenues. The result is fewer resources for infrastructure and services such as education and health, lowering standards of living in both developed and developing economies. It also promotes fair tax treatment and believes tax administrations need to work together to ensure that taxpayers pay the right amount of tax to the right jurisdiction.

The organisation is helping to develop exchange of information networks through the Global Forum on Transparency and Exchange of Information for Tax Purposes. The Forum publishes peer review reports on transparency and exchange of information, these have been its main activity since 2009. Reports analyse progress in implementing international tax transparency standards.

In a manner broadly similar to AML/CFT evaluations by the Financial Action Task Force, OECD reviews examine both the legal/regulatory framework, and implementation of the framework in practice.

In 2014, OECD developed the Standard for Automatic Exchange of Financial Account Information in Tax Matters, widely known as the Common Reporting Standard (CRS) for the effective automatic exchange of tax-relevant information. The CRS requires jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. It formally sets out the

- financial account information to be exchanged
- financial institutions required to report
- different types of accounts and taxpayers covered
- common due diligence procedures to be followed by financial institutions.

The organisation publishes an Implementation Handbook, providing a practical guide to implementing the CRS for use by both government officials and financial institutions. This includes a useful comparison between the CRS and FATCA. Many jurisdictions implementing the CRS will also be implementing FATCA in parallel. Although recognising that differences do exist, the OECD believe governments and financial institutions can largely align the requirements of their FATCA compliance with the requirements of the Standard.

A major reform of the international tax system took place in October 2021 when the OECD finalised an agreement with 136 jurisdictions (representing over 90% of global GDP) that Multinational Enterprises will be subject to a minimum 15% tax rate from 2023. This deal reallocated over \$125 billion of profits from around 100 of the world's largest and most profitable multinational companies, ensuring that these firms pay a fair share of tax wherever they operate and generate profits.

Considered a landmark deal, it provides an international tax system more fit for purpose in a digitalised and globalised world economy.

<https://www.oecd.org/ctp/fightingtaxevasion.htm>

<https://www.oecd.org/tax/automatic-exchange/common-reporting-standard/>

<https://www.oecd.org/tax/exchange-of-tax-information/implementation-handbook-standard-for-automatic-exchange-of-financial-information-in-tax-matters.pdf>

<https://www.oecd.org/tax/international-community-strikes-a-ground-breaking-tax-deal-for-the-digital-age.htm>



GLOBAL EFFORTS TO ADDRESS TAX EVASION

The OECD and the BEPS Programme

Base erosion and profit shifting or 'BEPS' refers to tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity or to erode tax bases through deductible payments such as interest or royalties. It refers to activity that is widely referred to as transfer pricing. Although some of the schemes used are illegal, most are not.

The OECD/G20 Inclusive Framework on BEPS brings together 141 countries and jurisdictions to collaborate on the implementation of the BEPS Package.

The BEPS package provides 15 Actions that equip governments with the domestic and international instruments needed to tackle tax avoidance. Countries now have the tools to ensure that profits are taxed where economic activities generating the profits are performed and where value is created.

As of 4 November 2021, 137 countries and jurisdictions joined a new two-pillar plan to reform international taxation rules and ensure that multinational enterprises pay a fair share of tax wherever they operate.

The Financial Action Task Force (FATF)

The FATF does not seek to set the global standards for tax crimes or other crimes. Having said that, tax evasion is a predicate offence for money laundering under the FATF standards, which means that implementing the standards support efforts to stop tax evasion.

In 2012, the FATF completed a full revision of the FATF Recommendations; this review incorporated many new provisions, one being the expansion of the scope of predicate offences for money laundering to include tax crimes.

The FATF secretariat is based in the OECD in Paris, working in close collaboration with the Global Forum on Transparency and Exchange of Information for Tax Purposes.



GLOBAL EFFORTS TO ADDRESS TAX EVASION

Tax Havens

Recognition of jurisdictions that offer tax advantages to private individuals and or legal entities is important in guiding potential high-risk indicators of tax evasion. Being a jurisdiction that offers tax advantages should not however mean that those who hold assets in these jurisdictions are considered criminals.

The OECD is one body that is working to reduce harmful tax practices and, in the process, has provided a list of 'Uncooperative Tax Havens'. Originally with seven countries listed in 2000, the remaining three jurisdictions – Andorra, Liechtenstein and Monaco – finally made satisfactory commitments to the principles of transparency and exchange of information and were removed from the list.

Regular evaluation within the OECD process, may identify reduced compliance in the future and lead to countries being re-listed.

In addition to OECD, the Council of the European Union also provide a list of non-cooperative jurisdictions for tax purposes. Regularly updated, the latest list adopted by the Council on 24 February 2022 is composed of:

- American Samoa
- Fiji
- Guam
- Palau
- Panama
- Samoa
- Trinidad and Tobago
- US Virgin Islands
- Vanuatu

Those listed include jurisdictions are suggested as 'not cooperating with the EU or has not fully implemented its commitments'. This status is subject to regular review and change, and notably does not include listing of actual EU members, such as Ireland and the Netherlands, who are recognised as being low-tax states. One to be aware of!



Tax Justice Network

A lesser known but increasingly relevant and helpful source of guidance and insights that can enable a more objective assessment of risks relating to taxation and secrecy is provided by the Tax Justice Network. The Secrecy Index that is published ranks jurisdictions according to their size and impact on international financial flows, and the level of secrecy provided to firms and individuals who choose to use the jurisdiction to support their banking and hold assets.

<https://fsi.taxjustice.net/en/>

REGULATORY RESPONSE

UK Regulatory Landscape



A firm that does not meet the applicable anti-money laundering regulations may be subject to penalties imposed by their regulator or supervisor.

In the UK there are three main regulators and 22 supervisors of member specific groups and professional bodies, such as the Law Society and the Institute of Chartered Accountants in England and Wales.

Accountancy and financial auditor services are supervised for compliance with anti-money laundering regulations and are also required to comply with other crime related UK laws and regulations, including the Proceeds of Crime Act 2002 and the Criminal Finances Act 2017 and the corporate 'failure to prevent' tax offences.



Financial Conduct Authority (FCA)

In May 2021, the FCA issued a 'Dear CEO letter' to all UK Retail Banks that included mention of tax evasion. This type of communication acts as notification to supervised firms, outlining the regulatory expectations. The May 2021 letter was headed Action needed in response to common control failings identified in anti-money laundering frameworks.

The regulator wished to highlight common themes arising from its recent assessments of retail banks' financial crime systems and controls. Common weaknesses in key areas of firms' financial crime systems and control frameworks included Risk Assessment.

It was found that while firms tend to focus on the AML and sanctions risks posed by their customers, the assessment of other risks, including tax evasion were often overlooked.

Failures in financial crime systems and controls may expose a firm to regulatory action; the FCA recently used criminal prosecution powers for the first time, rather than traditional regulatory action, in relation to money laundering offences. NatWest bank was fined £264.8 million for anti-money laundering failures.

<https://www.fca.org.uk/publication/correspondence/dear-ceo-letter-common-control-failings-identified-in-anti-money-laundering-frameworks.pdf>

<https://www.fca.org.uk/news/press-releases/natwest-fined-264.8million-anti-money-laundering-failures>



ENFORCEMENT ACTION

Some examples of the way tax legislation is enforced in criminal proceedings.

Insider Trading and Tax Evasion

We often see money laundering as an addition in convictions for predicate criminality. This case shows how the United States continues to act on the successful Al Capone approach and tackle criminal behaviour with tax evasion.

Convicted of Securities Fraud in relation to an insider trading scheme, the offender Jason Peltz was also prosecuted for tax evasion with the IRS Special Agent-in-Charge saying, "... he made significant financial gains [from insider trading] and then claimed that he had no income in an effort to blatantly evade taxes." His method of hiding income included

payments made to corporate and nominee bank and credit card accounts. Evidence of dishonesty appears to be abundant, as in 2017 Peltz falsely swore (under penalty of perjury) to the IRS that he had been unemployed since December 2015 and had no income.

The case highlights the challenges of managing material non-public information, in particular knowledge about a potential takeover offer bid. Peltz engaged in profitable trades himself, tipped off others to trade and also informed a reporter thereby manipulating the market reaction when the information became public.



ENFORCEMENT ACTION

Missing Trader Intra Community (MTIC) fraud

MTIC is a specific form of VAT fraud where funds are stolen from the government and often involves organised crime groups with the significant rewards for criminals and staggering losses to the exchequer.

The schemes created can be highly complex and often rely on the accounting and trading skills of corrupt 'professional enablers' who support the criminals in their activity. This type of fraud relies on the abuse of the VAT rules in EU member states for cross-border

transactions. A structure is created of linked companies and individuals across states; more complex cases are known as 'carousel frauds' when goods are imported and sold through a series of companies before being exported again with the process repeating itself continually unless disrupted by tax authorities.

The most popular products used in trade transactions are mobile phones and accessories, highly portable goods and valuable in terms of the volume capable of being physically moved. Although the European police organisation EUROPOL has warned these fraudsters are diversifying into other products such as the environmental and energy sectors.

In the following case the total loss was £64 million.

Adam Umerji was convicted in his absence of offences of conspiracy to cheat the revenue and money laundering, this was in relation to an MTIC scheme. He fled to Dubai in an attempt to escape justice and has so far successfully challenged any attempt at extradition. In addition to his conviction, Umerji has been issued with a confiscation order of £37 million for his part with an additional sentence of ten years' imprisonment in default of payment. It is important to note that the prison sentence is not an alternative to payment as the full debt continues to remain in force until it is paid, with interest charged against it at 8%.

<https://www.justice.gov/usao-edny/pr/brooklyn-man-pleads-guilty-insider-trading-and-tax-evasion>

EUROPOL (2020) <https://www.europol.europa.eu/crime-areas-and-statistics/crime-areas/economic-crime/mtic-missing-trader-intra-community-fraud>

CPS (2021) <https://www.cps.gov.uk/cps/news/fraudster-ordered-pay-ps37-million>



ENFORCEMENT ACTION

HMRC cheated out of £120,000 by former employee'

A former revenue employee and author of a book called *The Taxpayer Strikes Back* about how to 'stand up to' tax authorities was convicted of Cheating the Revenue after submitting inaccurate tax returns. He was accused of deliberately keeping incomplete records, using multiple accounts and cross-firing money between them.

When he was placed under investigation, Martyn Arthur sent continuous threatening and bullying emails to HMRC staff and prosecutors; the judge believed this was a deliberate attempt to dissuade authorities from pursuing the case against him.

Arthur had been an accountant throughout his career, initially starting employment with the Inland Revenue, which has now become part of HMRC.

In his sentencing remarks after Arthur was found guilty following a four-week trial, the judge made a damning comment "You are a man who has destroyed your own reputation. You are now professionally worthless."

The loss to HMRC in this case was nearly £120,000. Arthur was given an 18-month prison sentence, suspended for 18 months, and ordered to complete 20 days of a rehabilitation activity.

UK accountant handed jail term in £160k tax fraud case

In April 2022, a London-based accountant was sentenced to two and a half years imprisonment after being convicted of making fraudulent VAT repayment claims totalling £160,000.

He created false paperwork for companies owned by his relatives, to carry out the tax fraud and steal VAT. He dishonestly reclaimed £96,000 and attempted to steal a further £64,000 but this further amount was successfully withheld by HMRC.

Investigators believe he abused professional accountancy knowledge and expertise to carry out the crime.

<https://www.walesonline.co.uk/news/wales-news/accountant-martyn-arthur-sentenced-court-18284614>

<https://www.cps.gov.uk/mersey-cheshire/news/company-director-jailed-tax-fraud>



ENFORCEMENT ACTION

Security firm in VAT Fraud

The director of two UK security firms deliberately declared false turnover figures in order to pay less tax than was lawfully due. Sumair Iqbal was the director of two Liverpool-based companies that provided security guards and other security services and he falsely declared a turnover of approximately £250,000 however the true figure was four times higher. The legitimate amount of tax due was £124,000 but as a result of his dishonest behaviour the company paid just £30,000.

Iqbal pleaded guilty to two counts of Fraudulently Evading VAT and was sentenced to 28 months' imprisonment and disqualified from being a company director for five years. This example shows abuse of the HMRC 'Flat Rate Scheme' that was introduced to make tax payments simpler for smaller businesses.

Vat fraudster spent money on Spanish homes

Graham Drury, the sole director of Drury Machine Sales Limited, made false purchase claims of £11 million, which generated VAT repayments of £1.89 million. He used the fraudulently obtained money to buy three Spanish properties, a UK property and other luxury items.

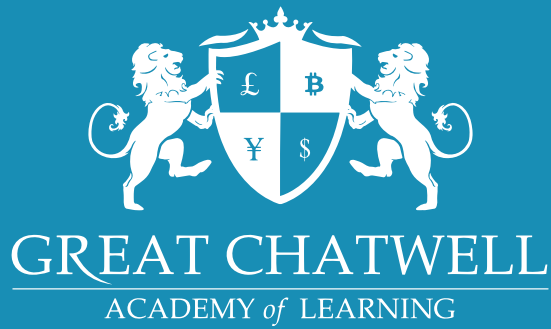
Drury pleaded guilty to one count of VAT evasion. He was jailed for five-and-a-half years, disqualified from acting as a company director for 10 years. A Confiscation Order is being pursued to recover the proceeds of crime. Drury is a serial fraudster who has previous convictions for fraud and theft.

Tax Evasion Reporting

HMRC has an online portal <https://www.gov.uk/report-tax-fraud> that allows reporting of suspected tax fraud. This allows any person to report suspicion of fraud across the range of tax types: personal or business, income or VAT. A straightforward process of filling in the online form to tell HMRC details known about the person or business. The reporting person does not have to give their name or contact details unless they want to. Any information given will be kept private and confidential.

<https://www.cps.gov.uk/mersey-cheshire/news/company-director-jailed-tax-fraud>

<https://www.cps.gov.uk/cps/news/vat-fraudster-who-spent-money-spanish-homes-jailed>



Keep in touch with the Academy and receive our newsletters, crime and regulatory briefings and the very latest news updates to support your continuous professional development.

Sign up to receive regular updates and the latest newsletters.

<https://www.greatchatwellacademy.com/#newsletter>

Great Chatwell Academy of Learning (GCAL) are the trusted provider of personal and corporate training and development for financial crime compliance and risk management professionals.

GCAL courses are tailored to match the work-based learning outcomes of individuals and businesses, and each course is unique, offering a blend of current regulatory technical guidance and practical-based experiential learning including the use of case study analysis and interactive exercises.

And, we are delighted to be back in the classroom! We are of course continuing to provide online learning, but we are equally excited to be delivering in-person sessions.

Contact Lee for more details and to schedule your training at: lee.byrne@greatchatwellacademy.com

If you or your team are required to identify and investigate facts, figures, adverse media, suspected fraud, or suspicious activity, then we'd like to introduce you to our online OSINT (Open-Source Intelligence Investigation Training) programme.

Learn how to identify undisclosed earnings, assets, and movement, and to validate information using the Internet more effectively, confidently, and efficiently.

You can find out more here - <https://www.greatchatwellacademy.com/open-source-intelligence-investigation/>

GCAL now offers a full consultancy risk management service, and we are currently engaged by a wide variety of regulated and non-regulated businesses to provide help and guidance on a range of operational risk and compliance challenges.

If we can help, please do not hesitate to contact me or any other member of our team at: info@greatchatwellacademy.com

