

ASSET RECOVERY

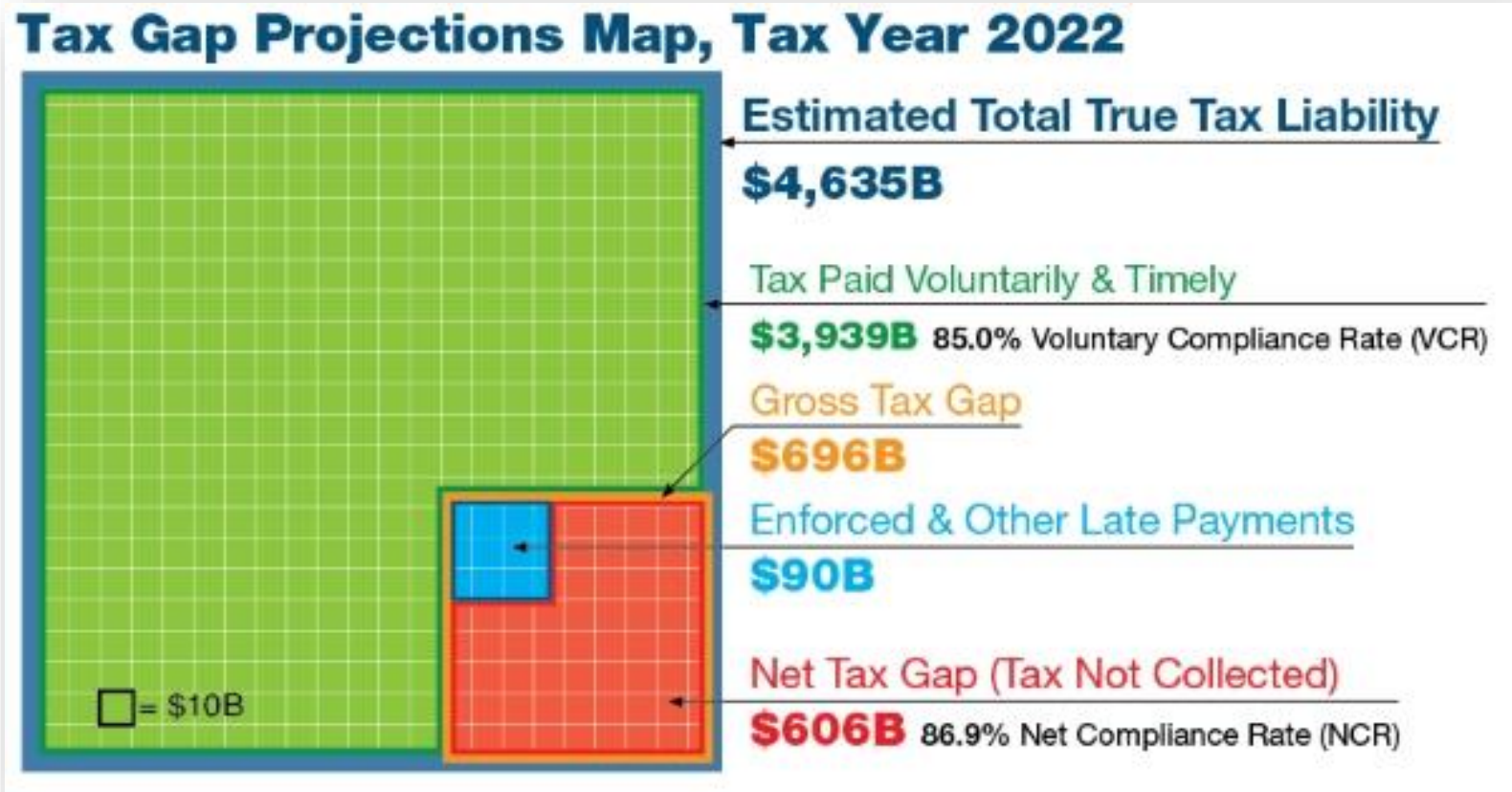


ASSET RECOVERY

Why?

ASSET RECOVERY

Why?



PERSPECTIVE



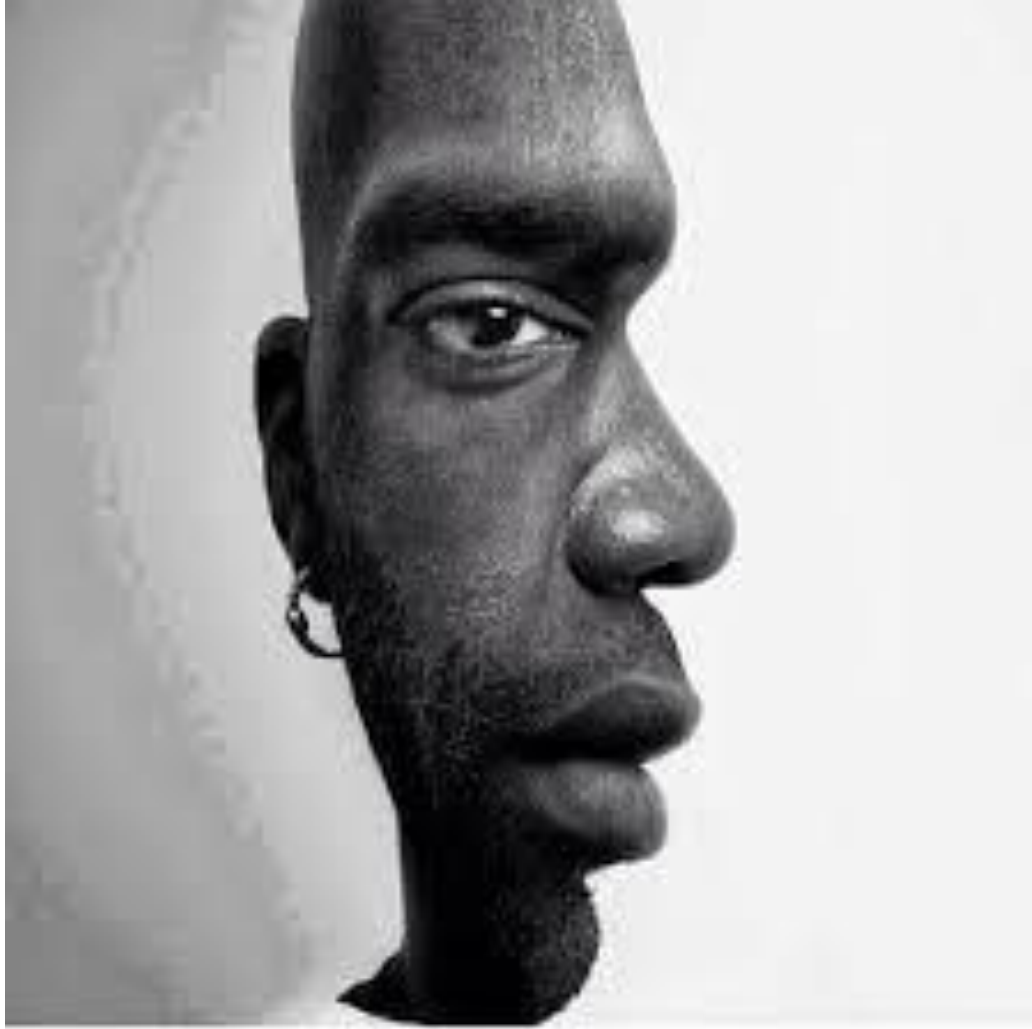
PERSPECTIVE



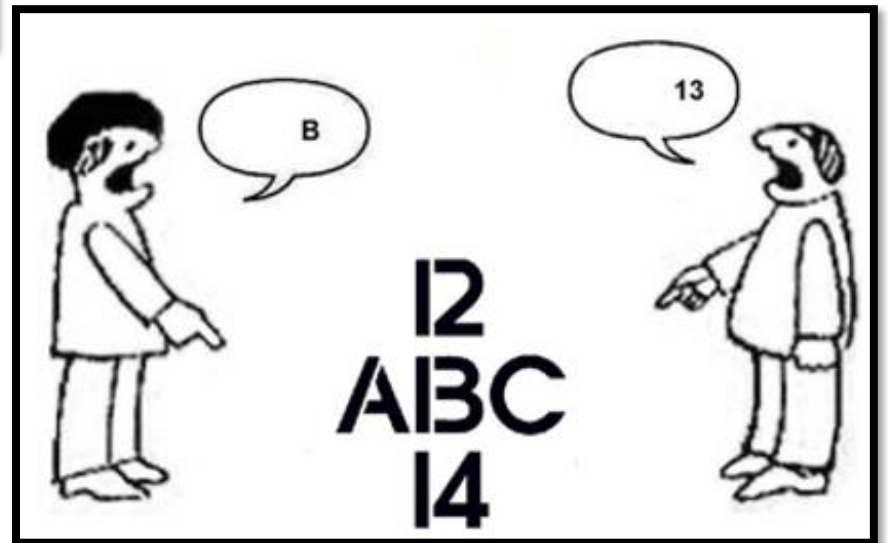
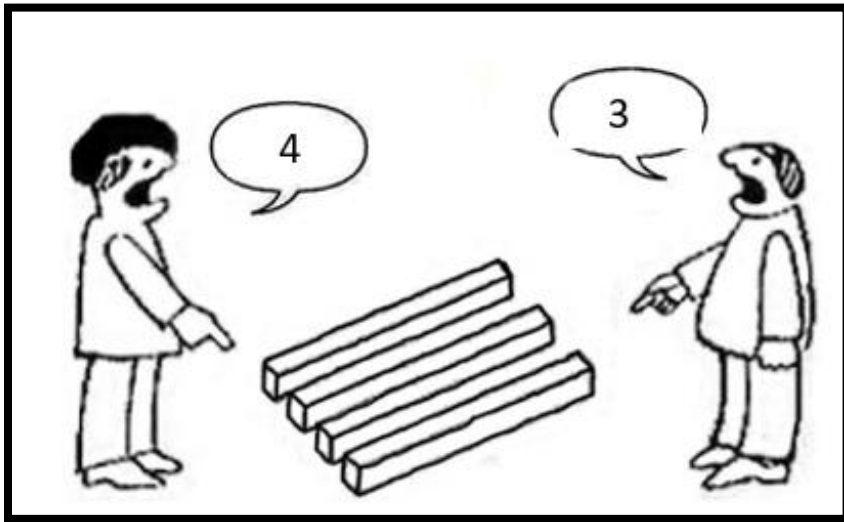
PERSPECTIVE



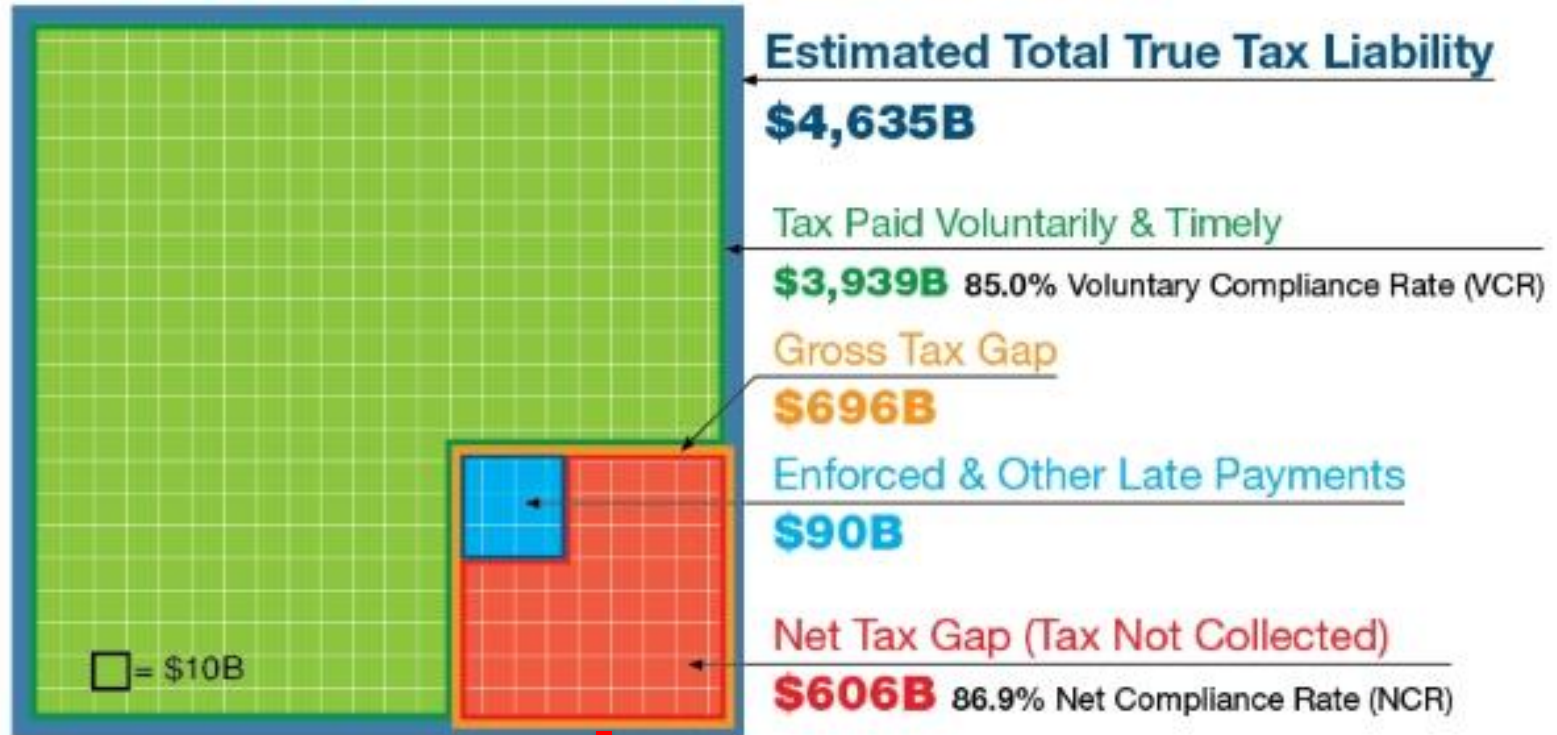
PERSPECTIVE



PERSPECTIVE



Tax Gap Projections Map, Tax Year 2022



We must examine it from
multiple perspectives

Multiple perspectives



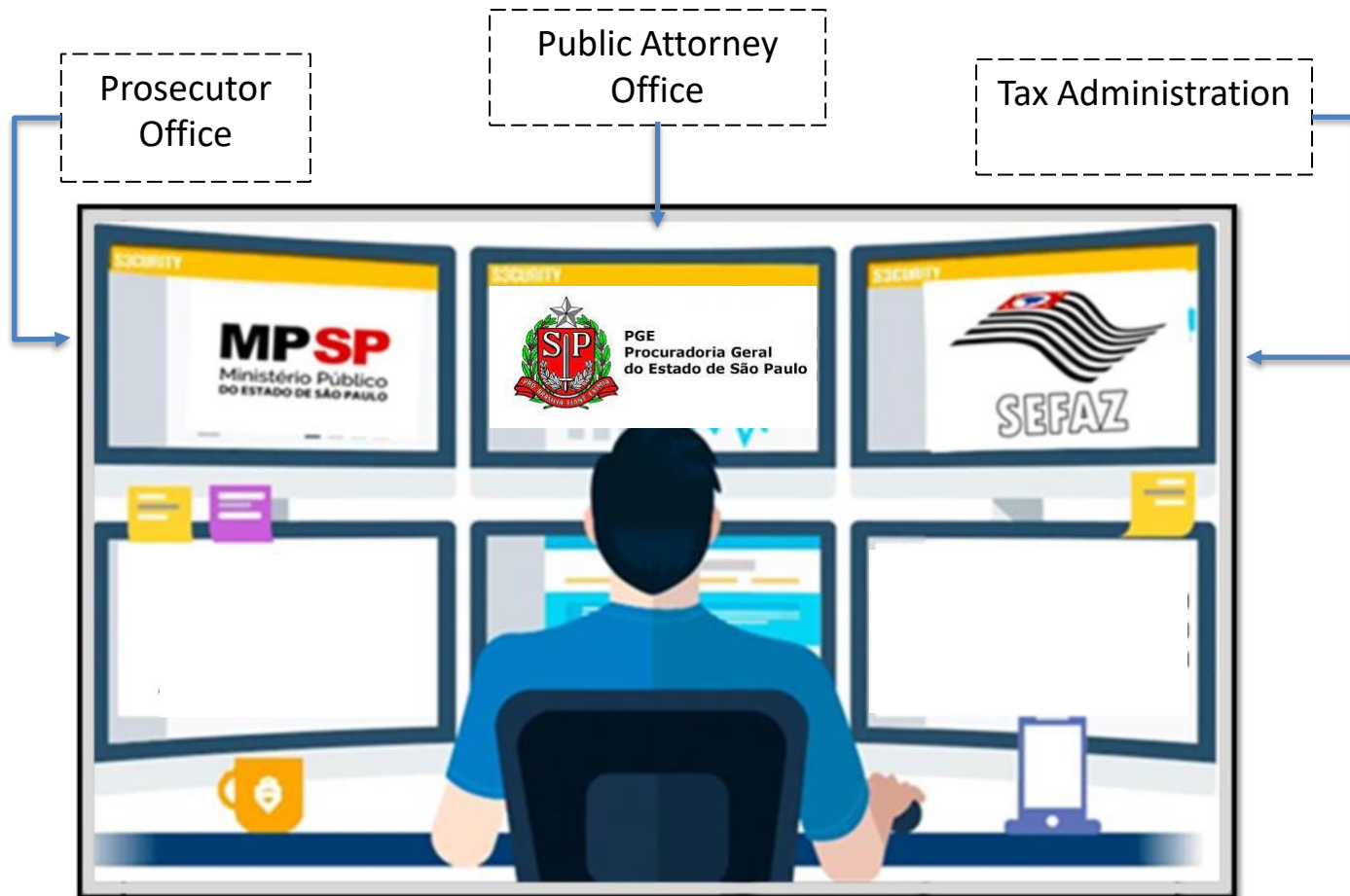
CIRA – SP

Interinstitutional Committee for
Asset Recovery

CIRA – SP

Interinstitutional Committee for Asset Recovery





**Federal
Revenue**

**Municipal
Revenue**

**Prosecutor
Office**

**Public Attorney
Office**

Tax Administration



**Federal Public
Attorney Office**

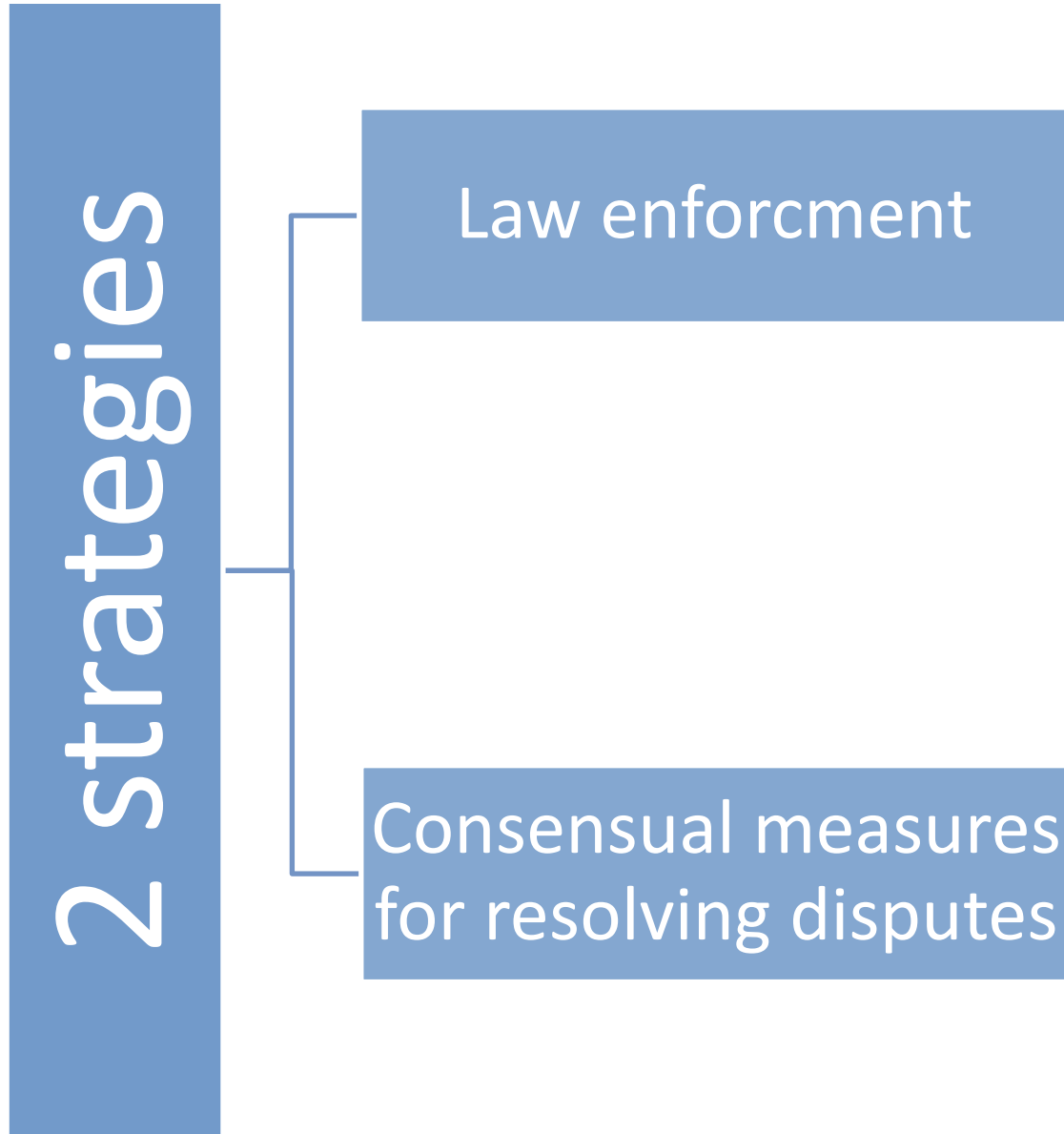
Police force

Etc.

CIRA - SP

- **The Interinstitutional Committee for Asset Recovery of the State of São Paulo (CIRA/SP) was created in August 2020, through Joint Resolution:**
 - **Tax Administration**
 - **State Attorney Office**
 - **Public Prosecutor's Office**
- *who work in an integrated manner, respecting the legal attributions of each of the institutions.*

CIRA - SP

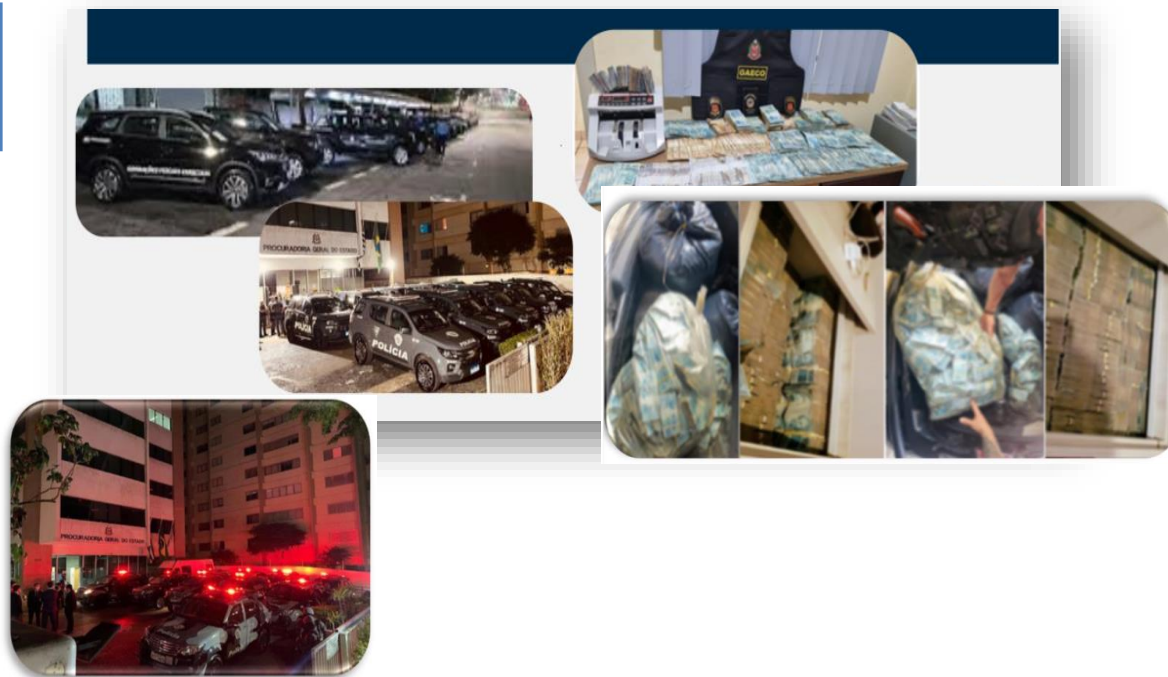


CIRA - SP

— Law enforcment

CIRA - SP

Law enforcement



“Monte Cristo”

<https://portal.fazenda.sp.gov.br/Noticias/Paginas/Fazenda-deflagra-opera%C3%A7%C3%A3o-contra-fraude-fiscal-e-sonega%C3%A7%C3%A3o-no-setor-farmac%C3%AAutico-em-32-cidades-do-Estado-.aspx>

“Noteiras”

[https://portal.fazenda.sp.gov.br/Noticias/Paginas/Fazenda-participa-de-for%C3%A7a-tarefa-para-desarticular-fraude-de-R\\$-200-milh%C3%B5es-aos-cofres-paulistas-pelo-setor-de-pl%C3%A1sticos.aspx](https://portal.fazenda.sp.gov.br/Noticias/Paginas/Fazenda-participa-de-for%C3%A7a-tarefa-para-desarticular-fraude-de-R$-200-milh%C3%B5es-aos-cofres-paulistas-pelo-setor-de-pl%C3%A1sticos.aspx)

“Cavalo-marinho”

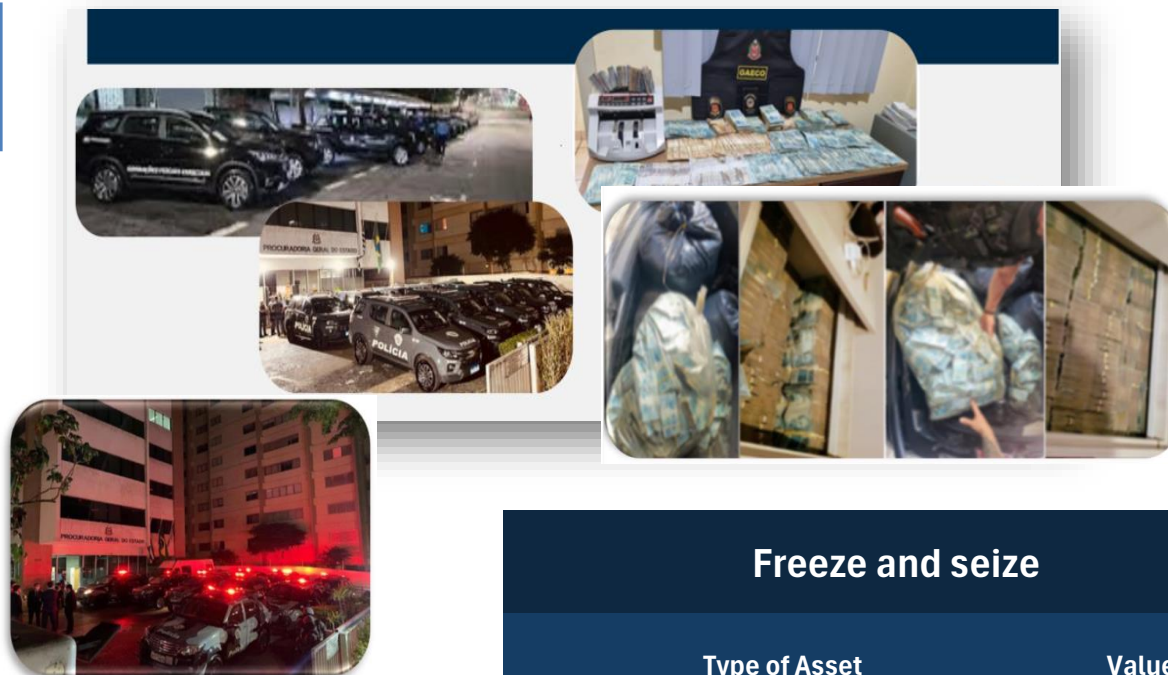
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“Nuvem de Fumaça”

<https://portal.fazenda.sp.gov.br/Noticias/Paginas/CIRA-SP-deflagra-opera%C3%A7%C3%A3o-de-combate-%C3%A0-sonega%C3%A7%C3%A3o-e-fraude-fiscal-estruturada-contra-grupo-econ%C3%B4mico-do-setor-tabagista.aspx>

CIRA - SP

Law enforcement



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Freeze and seize

Type of Asset		Value (BRL)
Financial Assets		R\$ 192,234,526.51
622	Real Estate	R\$ 723,351,705.01
508	Vehicles	R\$ 50,300,876.00
14	Boats	R\$ 7,000,000.00
466	Other Assets and Rights (quotas, corporate shares, trademarks, etc.)	R\$ 368,011,047.88

CIRA - SP

— Consensual measures
for resolving disputes

CIRA - SP

Consensual measures for resolving disputes

- Reestablishment of payment of current tax
- Non-prosecution agreements (ANPP)

Which enable tax compliance



CIRA - SP

Consensual measures
for resolving disputes

- Reestablishment of payment of current tax
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Which enable tax compliance



R\$ 2.545.570.086,40



One of the key element



One of the key element



One of the key element

Judicial Action Delay
(Only Fiscal Execution)

Traditional Asset Search



Assets only as an end



Fiscal Collection: "Traditional"

TAX OFFENSE



One of the key element

Judicial Action Delay
(Only Fiscal Execution)

Traditional Asset Search



Assets only as an end



Patrimonial and Corporate
Intelligence/Investigation



TAX OFFENSE

Fiscal Collection: "Traditional"



One of the key element

Judicial Action Delay
(Only Fiscal Execution)

Traditional Asset Search



Assets only as an end



Patrimonial and Corporate Intelligence/Investigation



Fiscal Collection: "Traditional"

TAX OFFENSE

- Companies complex arrangement
- Abuses of legal entities (deviation of purpose/confusion)
- Concealment, shielding, and depletion of assets
- Interposition of corporate structures (use of "front men")
- Offshore companies
- enablers that are associated with multiple shell companies or that market the use of offshore structures

**Principle 2 of Fighting Tax Crime – The Ten Global Principles, Second Edition Oecd 2021*

Social Impact

PRINCIPLE 1 ENSURE TAX OFFENCES ARE CRIMINALISED*:

- to send a message about the integrity, neutrality and fairness of the law (that is, that nobody is above the law)
- to act as a general deterrent for those people that could be tempted to evade their tax obligations if the opportunity arose [...]
- discourage taxpayers who have been convicted and sanctioned in the past

**(Fighting Tax Crime – The Ten Global Principles, Second Edition OECD 2021)*

Best Practices

- Integrated governance
- Use of technology to identify complex fraud.

Challenges

- Resistance of investigated companies
- Complexity in asset traceability

Insights and Lessons Learned

- CIRA-SP's experience reinforces the importance of collaborative work to overcome structural fiscal challenges.
- The results achieved demonstrate the positive impact of interinstitutional work in combating tax evasion

Wrap up	
What	Asset Recovery
Who	Interagency
When	High risk alert
Why	Reduce Tax Gap
Where	Domestic and International
How	Joint working
How much	Georgian 88% return * Mexico 1 600% return*
How long	Not finish ! Keep sending message!

** Principle 6 Provide adequate resources for tax crime investigation*



**CIDADE DE
SÃO PAULO
FAZENDA**

Thank you!

Augusto Lozano

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