

# Investigative Techniques for the Cash Economy- Case Summary

01

INTRODUCTION

02

INVESTIGATIVE  
TECHNIQUE

03

HOW THE  
CRIME  
WAS  
COMMITTED

04

INTER  
AGENCY  
COOPERATION

05

CASE  
RESULT

# 1. INTRODUCTION

The case which I was involved in the investigation and I would like to share with you is the one involves the investigation of 2 petrol stations suspected for tax evasion.

This information came into my attention from the head of investigation department of PCCB who appointed me to join the task force formed by 3 law enforcement institutions (Police, PCCB and TRA).



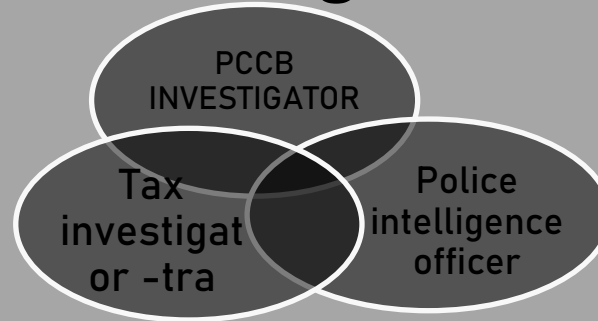
**A petrol station in Tz**

After joining the team, I learnt that the information came from an anonymous source who work in one of the petrol stations as an accountant.

And According to the letter which he wrote he said, “those petrol stations were selling diesel and petrol without providing the receipts hence those transactions were not recorded at Tanzania Revenue Authority (TRA) system resulting to misrepresentation of their income and hence tax evasion”.

## 2. INVESTIGATIVE TECHNIQUES

- ❑ After forming the investigation team which involved:-



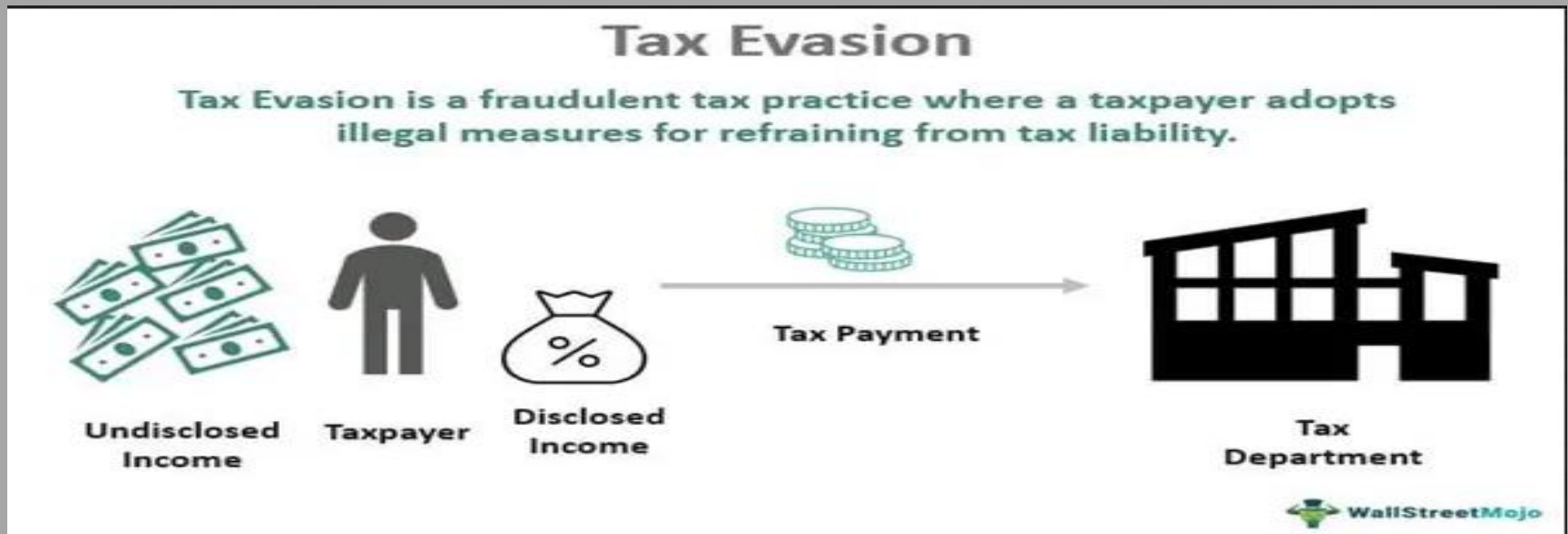
- ❑ The investigation team set up the plan and initiating the overall case strategy.
- ❑ At first, intelligence officer (a member of our team) collected all the important intelligence about our case including the how the suspects methods of doing business resulting to tax evasion.

### 3. How did the criminal parties commit the crime?



In our investigation we found that those petrol stations were not installed with Electronic Fiscal Device (EFD), and as we all know most of transactions in petrol stations are done by cash so it is difficult to trace cash transactions for determination of total profit the company has made so as to calculate government tax. So failure to comply with the issuance of EFD receipts resulted to tax evasion.

❑ The investigation team started to gather the evidence including financial statements of suspected petrol stations. Those financial statements helped us to get the true amounts of tax they were supposed to pay for the past 2 years which differ to the amount of tax they were paying.



# 4. Inter-agency co-operation

- ❑ This investigation is the vivid example of Inter agency co-operation where tax authority (TRA) team with law enforcement agencies (PCCB & POLICE) to conduct an investigation.
- ❑ This inter agency co-operation enabled us to have a direct access to records and information's concerned tax payer (our suspects) in TRA system.
- ❑ Furthermore we got co-operation from other authorities which were not members of investigation team such as EWURA, BRELA and financial institutions.

# 5. CASE RESULTS

- ❑ After the case file was completed, we submitted it to the office of DPP who granted the consent to prosecute the suspects to the court. And hence they were taken to court.
- ❑ Later on the suspects entered plea bargain agreement with DPP, resulted to DPP to drop all charges against them and the suspects paid for all the tax they were supposed to pay.



# THANK YOU

*Prepared by Julius Bernard Bazira*