

MISSING TRADER / CAROUSEL FRAUD

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OECD International Academy for Tax Crime Investigation

Conducting Financial Investigations



GRAND THEFT EUROPE

★ A CROSS-BORDER INVESTIGATION ★



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Information



DIREKT



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LIBER TATEA



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Newsweek



THE BUREAU



the



Shift



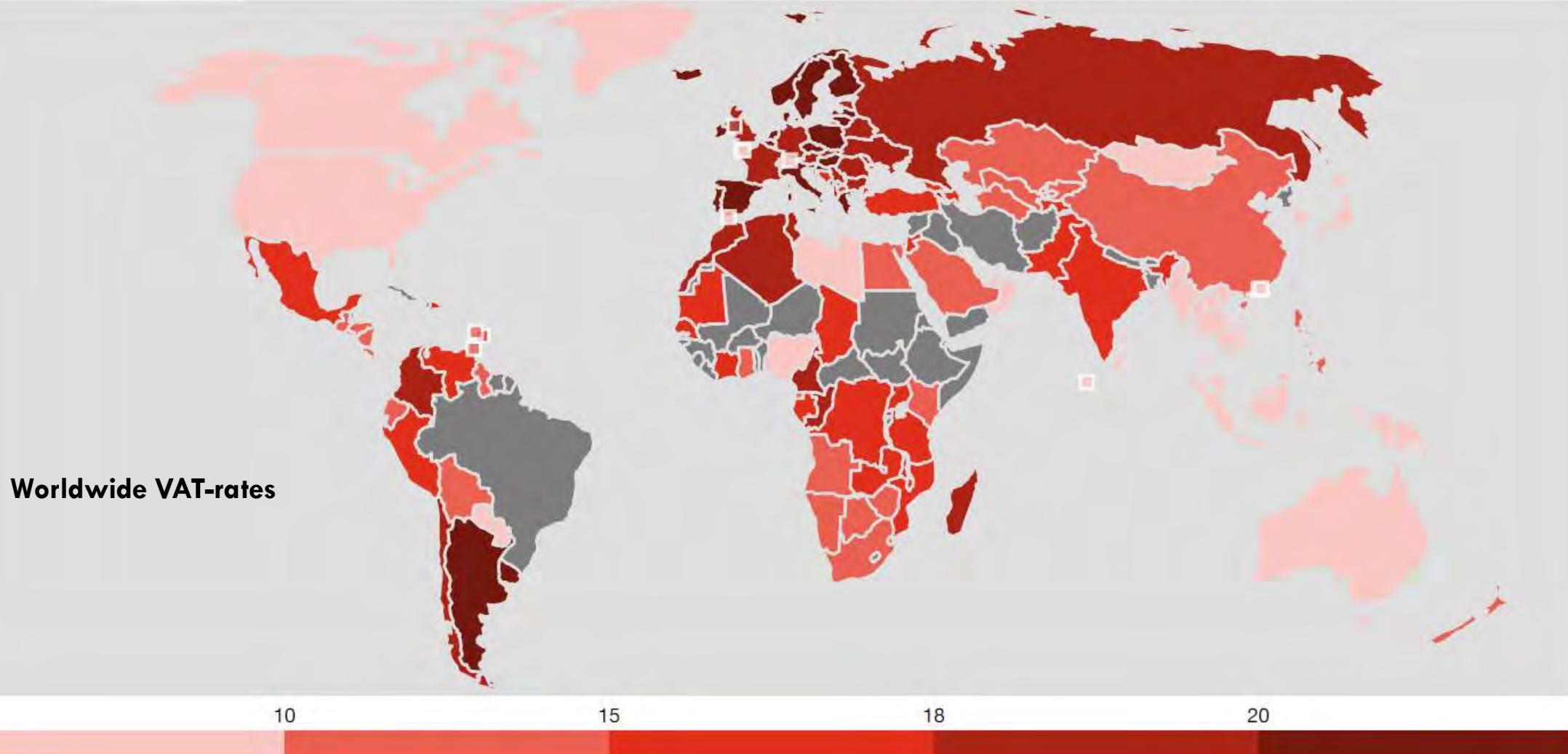
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WHAT IS VAT?

Sales Tax (USA) : Only in the final phase of trading, but duplication possible with 2nd hand sales

VAT (Value Added Tax) often also called GST (Goods & Services Tax).

How is this mutually coordinated? <http://www.oecd.org/ctp/consumption/international-vat-gst-guidelines.htm>

VAT (Value Added Tax) is a general consumption tax paid by fractional payments throughout the production and distribution cycle.

Irrespective of the length of the economic cycle, an equal tax burden weighs on equal final prices.

As long as a good or service remains in the production or distribution cycle, VAT may be deducted as input tax.

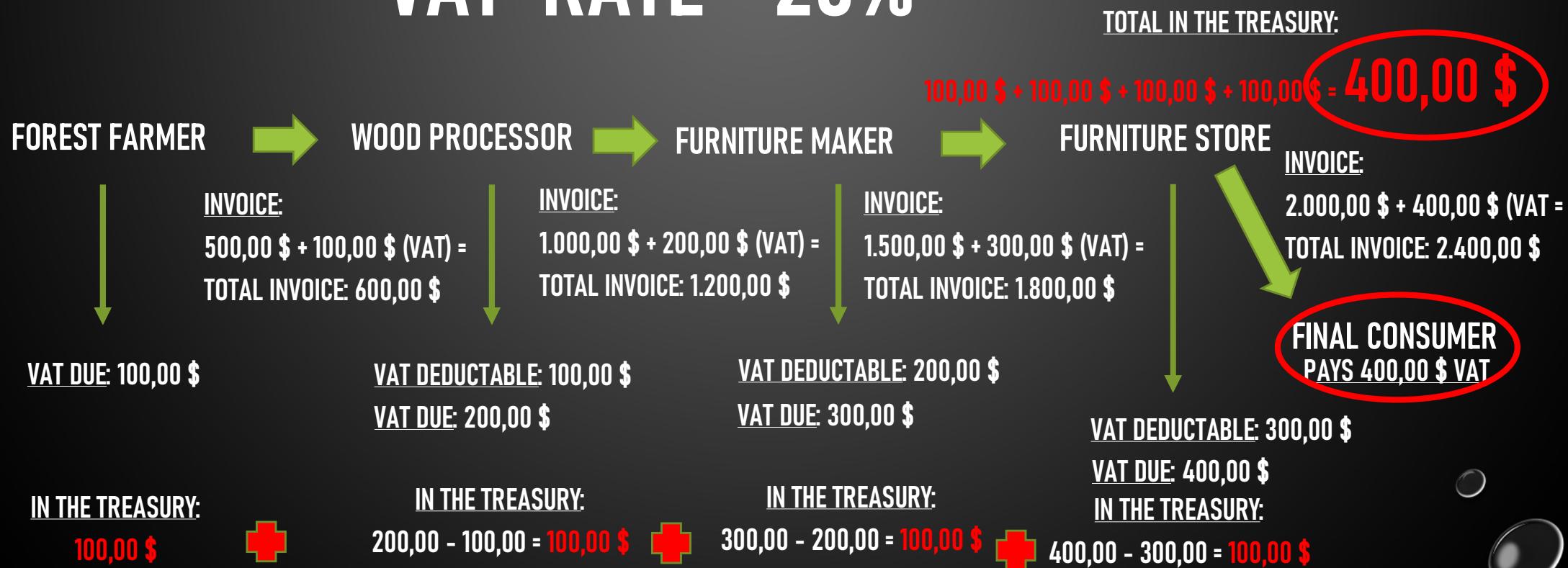
= the neutrality of VAT

VAT currently exists in more than 160 countries, but is still a fairly recent success story.

VAT accounts for 19.5% of global tax revenues

VAT BASICS

VAT-RATE = 20%



MOST IMPORTANT PRINCIPLE OF VAT?



MOST IMPORTANT PRINCIPLE OF VAT:

The VAT neutrality principle implies that the levying of VAT should be tax neutral for businesses, regardless of the objectives or results of the business activities. After all, it is the consumer who has to bear the value of VAT economically.



MOST IMPORTANT PRINCIPLE OF VAT:

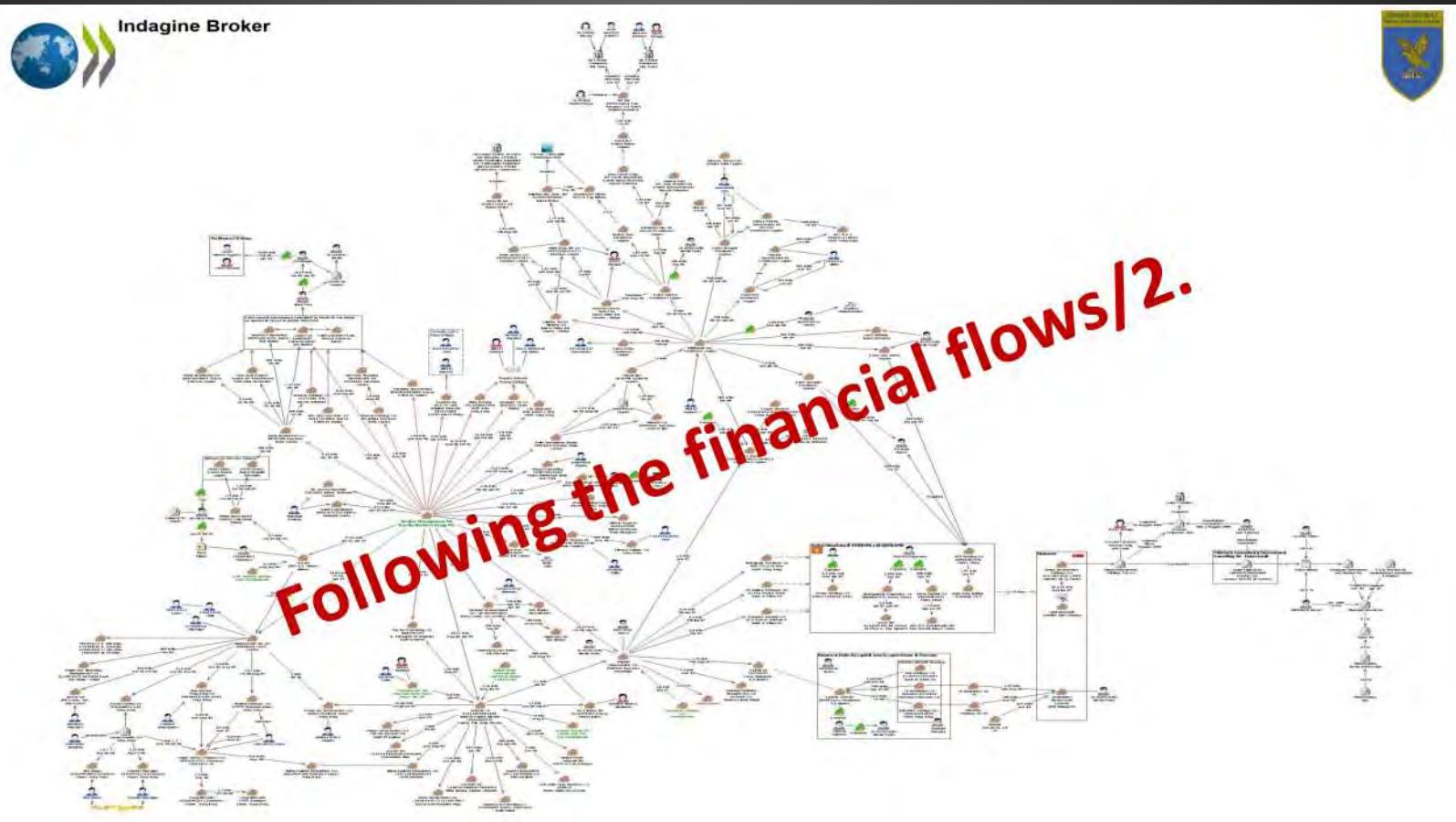


MISSING TRADER

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operatore inadempiente

MISSING TRADER

How
hard
can
it
be?



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MISSING TRADER



A CHAIN IS ONLY AS STRONG AS
ITS WEAKEST LINK



MISSING TRADER



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FIND THE WEAK LINK

AND STAMP ON IT UNTIL IT BREAKS

WHAT IS CAROUSEL FRAUD?

Fraud committed using systems or mechanisms with the aim of evading VAT (obtaining VAT refunds or not paying undisputed VAT).

By means of setting up constructions with companies in an international context.

MISSING TRADER CAROUSEL FRAUD

ACTORS?

ORGANIZER

Central in the VAT carousel fraud.

LIEUTENANTS

By means of companies as a cog in the network of mostly large-scale fraud with an international aspect.

GOAL?

Withdraw large sums of money (in the relatively short term) to support other activities.

Terrorism?

MISSING TRADER CAROUSEL FRAUD

WHO ARE THE VICTIMS? WHO'S DUPED?

- The Treasury Department

substantial lower income

- The honest trader/company

Unfair competition, market disruption. The honest trader can not compete with the fraudsters' pricing policy.

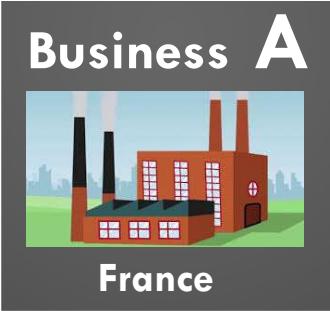
- Third parties

Professional groups such as banks, accountants... can suffer from a negative perception/image and false financial information from their clients.

Citizens, who are not inclined to support criminal organizations by paying or contributing VAT to them.

MODUS OPERANDI? HOW DO THEY DO IT?

D can sell the goods back to A. Because this is a cross-border sale between 2 EU member states, D does not charge A any VAT.



MISSING TRADER CAROUSEL FRAUD CROSS BORDER FRAUD

A delivers goods to B in the Netherlands. Because this is a cross-border sale within the EU, A does not charge B any VAT!



WHO'S THE MT?

Business B, he will fail to remit the VAT he received from C!



C has payed 21% worth of VAT to B, which he can deduct in his VAT return. C delivers the goods to D and charges 21% VAT.



B sells the goods to C and charges him 21% VAT. B has to remit this VAT to the taxing authority.

MODUS OPERANDI? HOW DO THEY DO IT?

1.000.000,00 EURO + 0% VAT

→ invoice totals: 1.000.000,00 euro



Business A

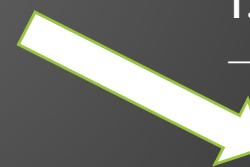


France

MISSING TRADER
CAROUSEL FRAUD
CROSS BORDER FRAUD

1.000.000,00 EURO + 0% VAT

→ invoice totals: 1.000.000,00 euro



Business B



The Netherlands

1.000.000,00 EURO + 21% VAT

→ invoice totals: 1.210.000,00 euro



Business C



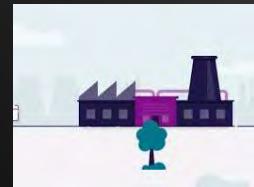
The Netherlands

1.000.000,00 EURO + 21% VAT

→ invoice totals: 1.210.000,00 euro



Business D



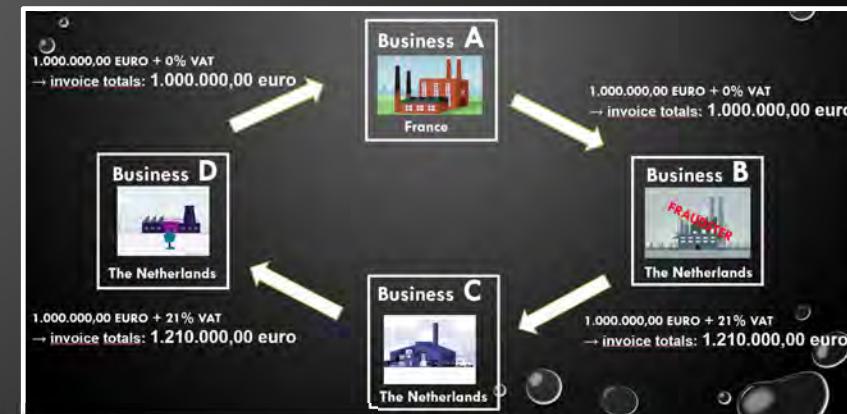
The Netherlands

MODUS OPERANDI? HOW DO THEY DO IT?

	IN	OUT	BALANCE
Business A:	1.000.000,00 € Received from B	1.000.000,00 € Payed to D	0,00 €
Business B: <i>FRAUDSTER</i>	1.210.000,00 € Received from C	1.000.000,00 € Payed to A 210.000,00 € Payed to taxing authority!	0,00 € + 210.000,00 €
Business C:	1.210.000,00 € Received from D	1.210.000,00 € Payed to B	0,00 €
Business D:	1.000.000,00 € Received from A	1.210.000,00 € Payed to C 210.000,00 € Received from taxing authority as deductible VAT!	0,00 €



MISSING TRADER CAROUSEL FRAUD



MODUS OPERANDI? CHARACTERISTICS

MISSING TRADER CAROUSEL FRAUD

In VAT carousel fraud, the “missing trader” is probably the most important protagonist.

Usually the “missing trader” is led by an appointed straw man. Short duration of existence is frequent.

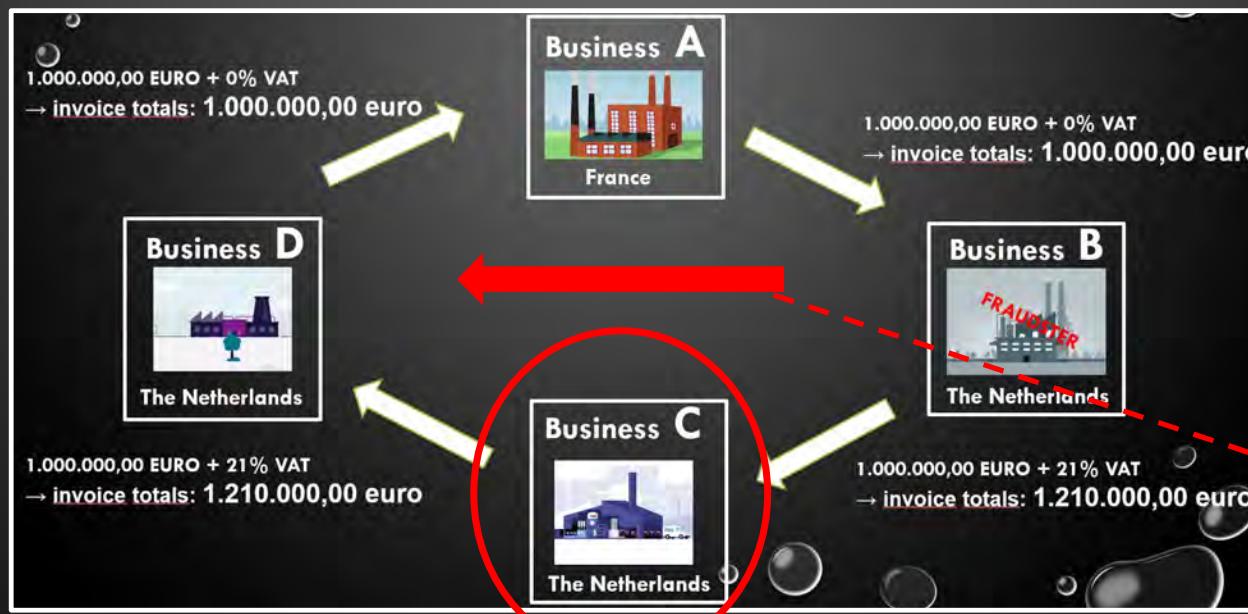
This typology of fraud is the result of abuse of the VAT regime on ICL / ICV (cross-border trade).

The missing trader does not pay VAT to his supplier and sells with VAT (invoices with VAT), knowing that he will never pay this VAT to the treasury.

MODUS OPERANDI? THE USE OF BUFFERS

MISSING TRADER CAROUSEL FRAUD

WHO'S THE BUFFER?



THE BUFFER

MODUS OPERANDI? THE USE OF BUFFERS

MISSING TRADER CAROUSEL FRAUD

Sells and purchases (often) for large amounts.

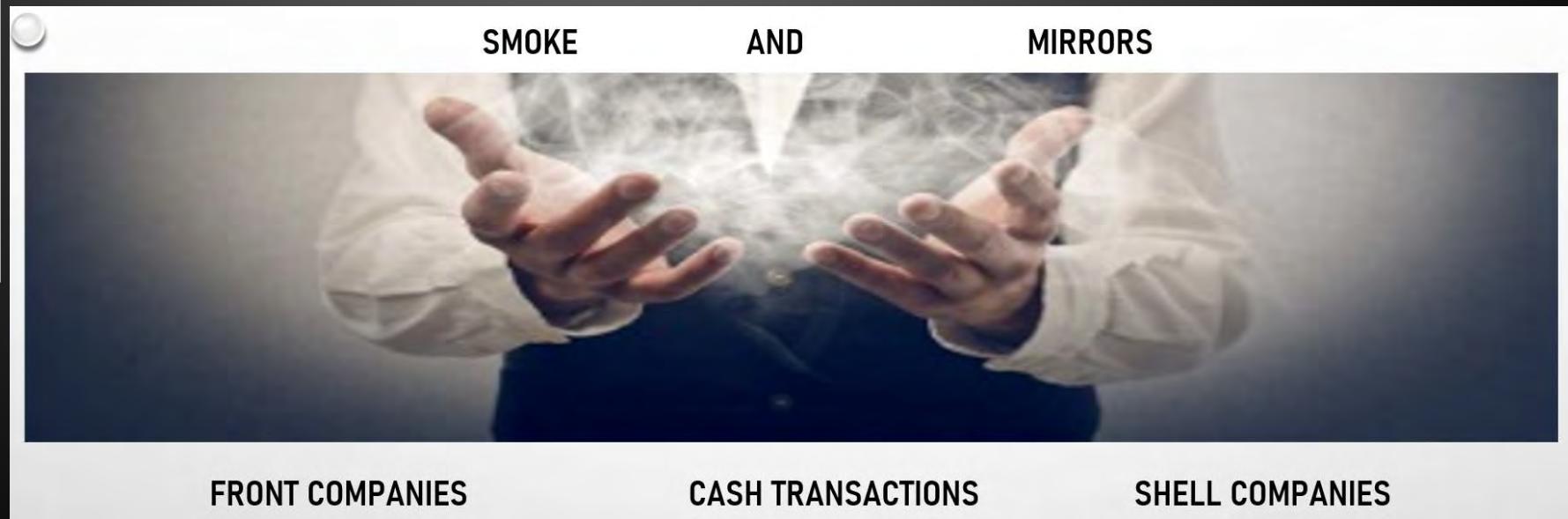


On 1st sight, he is not committing fraud and is acting in good faith.

Role: invoicing that appears credible, in order to make it more difficult to detect possible fraud.

MODUS OPERANDI? THE USE OF BUFFERS

MISSING TRADER CAROUSEL FRAUD



IS CROSS BORDER TRADE NECESSARY?

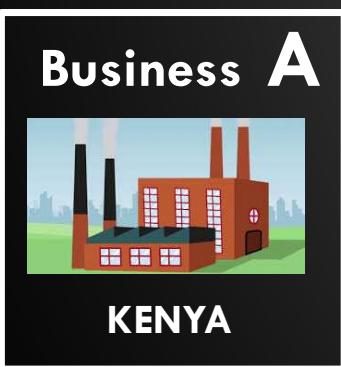
MISSING TRADER

The Protagonist owns Business B and owns/controls C & D.

The Protagonist is the UBO of the stolen VAT through Business D.

Through a process of money laundering the money will end up with the Protagonist.

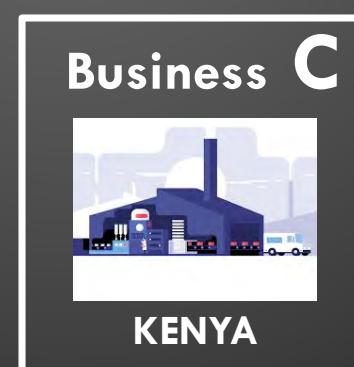
Legitimate business



invoice
+
VAT



invoice
+
VAT



invoice
+
VAT



FINAL
CUSTOMER

Protagonist in the
MT-scheme

The Buffer

The MISSING TRADER

Appears to be legit!

Appears to be legit!

VAT is lost!

MODUS OPERANDI?
THE USE OF BUFFERS
IT CAN GET COMPLICATED



MISSING TRADER

Legitimate companies



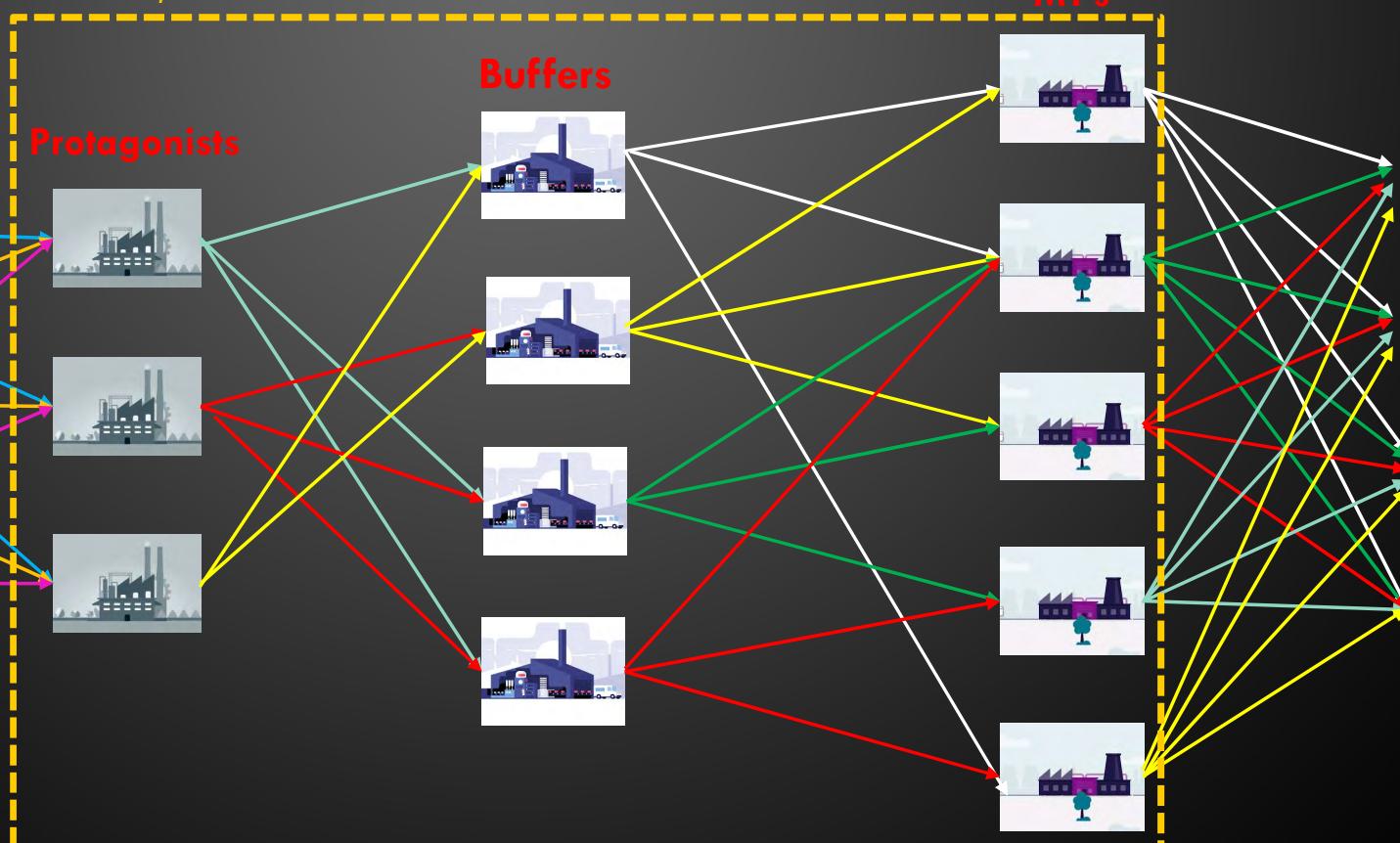
HE OWNS/CONTROLS POSSIBLY ALL OF THESE COMPANIES

Protagonists

Buffers

MT's

FINAL CUSTOMER
FINAL CUSTOMER
FINAL CUSTOMER
FINAL CUSTOMER
FINAL CUSTOMER



MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER

Subcontractor case:



Case circumstances:

Internet and mobile phone operators need to upgrade their network.

Internet operators/providers outsource the construction activity.



MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER



Use government money

SERVICE

Engineer company

SERVICE

Construction company

SERVICE

MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER

Legitimate company



Construction company



Suspicious company



Hires out staff to the
construction company.

SERVICE

Suspicious company



Hires out staff to the
subcontractor.

SERVICE

Subcontractor case:

MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER

Contract flow



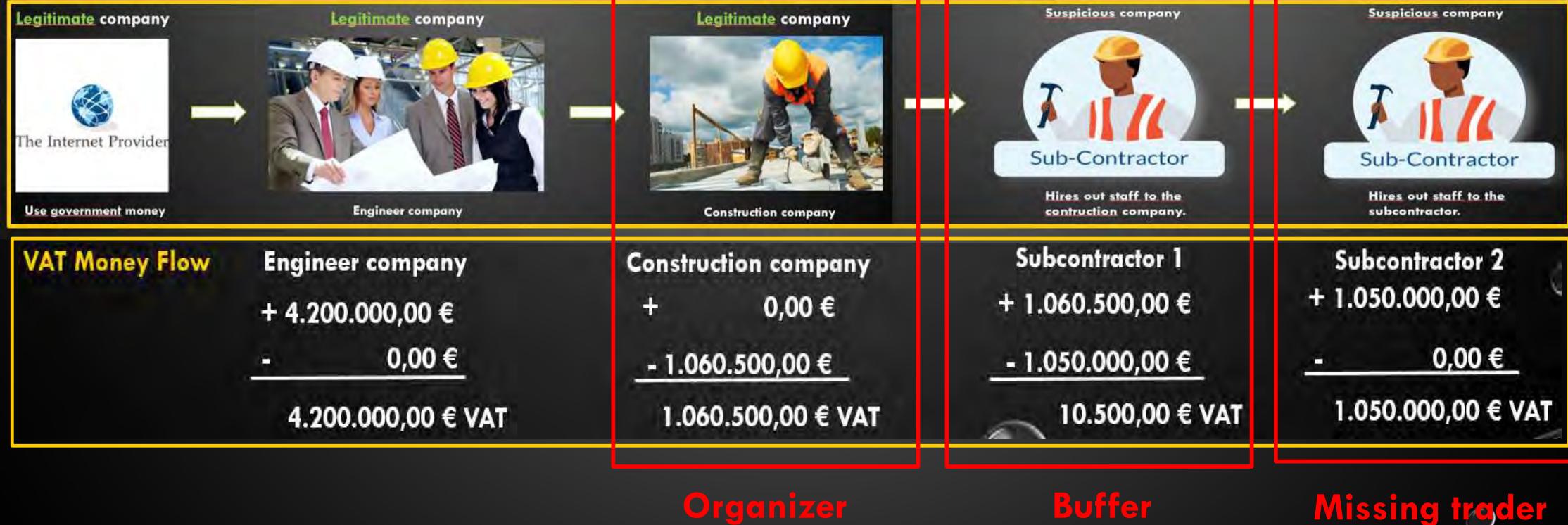
Invoice flow

Engineering & Construction	Construction	Posting of workers	Posting of workers
20.000.000,00 €	5.100.000,00 €	5.050.000,00 €	5.000.000,00 €
21 % VAT	VAT reverse charge	21 % VAT	21 % VAT
= 4.200.000,00 €	= 0,00 €	= 1.060.500,00 €	= 1.050.000,00 €
VAT Money Flow	Engineer company	Construction company	Subcontractor 1
+ 4.200.000,00 €	+ 0,00 €	- 1.060.500,00 €	+ 1.060.500,00 €
<u>- 0,00 €</u>	<u>- 1.060.500,00 €</u>	<u>- 1.050.000,00 €</u>	<u>- 0,00 €</u>
4.200.000,00 € VAT	1.060.500,00 € VAT	10.500,00 € VAT	1.050.000,00 € VAT
VAT due	VAT deductible	VAT due	VAT due

Subcontractor case:

MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER



MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER



VAT lost/stolen?

1.050.000,00 €

The missing trader will fail to pay his 1.050.000,00 € VAT due!

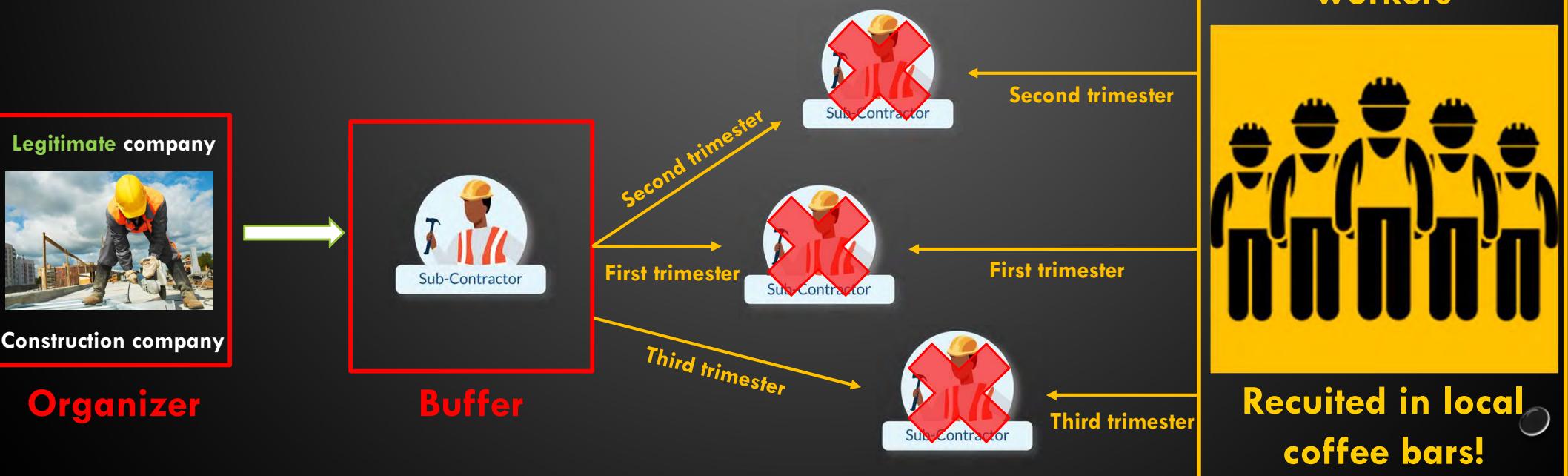
What with the workers (working for subcontractor 2)?

Subcontractor case:

MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER

What with the workers (working for subcontractor 2)?



Subcontractor case:

MODUS OPERANDI? ONLY MT-FRAUD WITH GOODS?

MISSING TRADER

Legitimate company

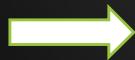


FARM

SLAUGHTERHOUSE

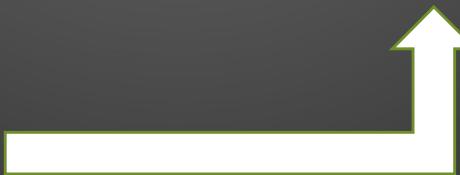
FARM

SLAUGHTERHOUSE



FARM

SLAUGHTERHOUSE



As cheap as possible!
This leads to fierce
competition between
slaughterhouses.



GROUP EXERCISE (ALL GROUPS)



Get creative!
Draw up a MISSING TRADER scheme!

MISSING TRADER



MODUS OPERANDI? ONLY MT-FRAUD WITH GOOD?

MISSING TRADER

A) SLAUGHTERHOUSE who does not make use of MISSING TRADERS:

Needs meat cutters/butchers.

Uses subcontractors/hires personnel.

The slaughterhouse uses for ex. a legitimate interim office. And lets say that the interim office wants at least 20.000.000,00 Shilling profit.

If the personnel costs for the interim office = 80.000.000,00 Shilling, interim office will send an invoice for 100.000.000,00 Shilling + 16% VAT.

MODUS OPERANDI? ONLY MT-FRAUD WITH GOOD?

MISSING TRADER

B) SLAUGHTERHOUSE makes use of **MISSING TRADERS:**

Needs meat cutters/butchers.

Uses subcontractors/hires personnel.

The slaughterhouse uses for ex. a malicious interim office. And lets say that the interim office wants at least 20.000.000,00 Shilling profit.

If the personnel costs for the interim office = 80.000.000,00 Shilling, interim office will send an invoice for approximately 87.000.000,00 Shilling + % 16 VAT.

MODUS OPERANDI? ONLY MT-FRAUD WITH GOOD?

MISSING TRADER

Who will the supermarket choose?

Slaughterhouse A: Invoice to supermarket → **116.000.000,00 Shilling**

$$= 100.000.000,00 + 16\% \text{ VAT}$$

Net profit $= 100.000.000,00 - 80.000.000,00 \text{ Shilling}$

$$= \textcolor{green}{20.000.000,00 \text{ Shilling}}$$

Slaughterhouse B: Invoice to supermarket → **100.920.000,00 Shilling**

$$= 87.000.000,00 + 16\% \text{ VAT}$$

Net profit $= 87.000.000,00 - 80.000.000,00$
 $\quad \quad \quad + \textcolor{red}{13.920.000,00}$

$$= \textcolor{green}{20.920.000,00 \text{ Shilling}}$$

**B commits
VAT fraud
&
false competition!**

MODUS OPERANDI? THE CROSS INVOICER

MISSING TRADER

The CROSS INVOICER



MODUS OPERANDI? THE CROSS INVOICER

MISSING TRADER

The CROSS INVOICER



MODUS OPERANDI? THE CROSS INVOICER

MISSING TRADER

Actual seller

Country B

Fictitious buyer

MISSING TRADER

Country A

Fictitious seller



Actual buyer

Result: VAT-declaration appears to be normal.
Fictitious invoices cancel out the VAT that was normally due.
The MT does not have to flee immediately!!!



1) Invoice from actual seller to the MT (reverse charge = no VAT):	100.000,00 euro	+ 0,00 euro VAT
2) Invoice from the MT to the actual (real) buyer (20% VAT rate):	200.000,00 euro	+ 40.000,00 euro VAT
3) Invoice from fictitious seller to the MT (20% VAT rate):	200.000,00 euro	+ 40.000,00 euro VAT
4) Invoice from the MT to the fictitious buyer (reverse charge/no VAT):	100.000,00 euro	+ 0,00 euro VAT

Look at the invoice flow vs the money flow!



MODUS OPERANDI? THE CROSS INVOICER

Invoice flow vs money flow

MISSING TRADER

1) Invoice from actual seller to the MT (reverse charge = no VAT):	100.000,00 euro	+ 0,00 euro VAT
2) Invoice from the MT to the actual (real) buyer (20% VAT rate):	200.000,00 euro	+ 40.000,00 euro VAT
3) Invoice from fictitious seller to the MT (20% VAT rate):	200.000,00 euro	+ 40.000,00 euro VAT
4) Invoice from the MT to the fictitious buyer (reverse charge/no VAT):	100.000,00 euro	+ 0,00 euro VAT

INVOICE FLOW:

- 1) Buying at: - 100.000,00 euro
- 3) Buying at: - 200.000,00 euro
- 2) Selling at: + 200.000,00 euro
- 4) Selling at: + 100.000,00 euro

0,00 euro

MONEY FLOW:

- 1) Buying at: - 100.000,00 euro
- 2) Selling at: + 200.000,00 euro
- 2) VAT: + 40.000,00 euro

+ 140.000,00 euro

VAT FLOW:

- 1) Buying at: 0,00 euro VAT
- 2) Selling at: + 40.000,00 euro VAT
- 3) Buying at: - 40.000,00 euro VAT
- 4) Selling at: 0,00 euro VAT

0,00 euro

MODUS OPERANDI? THE CROSS INVOICER

MISSING TRADER

INVOICE FLOW:	MONEY FLOW:	VAT FLOW:
1) Buying at: - 100.000,00 euro	1) Buying at: - 100.000,00 euro	1) Buying at: 0,00 euro VAT
3) Buying at: - 200.000,00 euro	2) Selling at: + 200.000,00 euro	2) Selling at: + 40.000,00 euro VAT
2) Selling at: + 200.000,00 euro	2) VAT: - 40.000,00 euro	3) Buying at: - 40.000,00 euro VAT
4) Selling at: + 100.000,00 euro	+ 140.000,00 euro	4) Selling at: 0,00 euro VAT
		0,00 euro

Cross invoicer benefits:

- 1) Everything looks normal...no red flags!
- 2) 40.000,00 euro VAT stolen!
- 3) MISSING TRADER can repeat this scheme over and over again!



Where is the weak link?

Follow the money (flow)!

The MISSING TRADER needs to get the 40.000,00 euro out of the company! Look for CASH withdrawals!

MISSING TRADER



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INDICATOR 1

MISSING TRADER

Fraud-prone sectors!



The most sensitive sectors for VAT carousel fraud are: mobile telephony, microprocessors and computer chips, hi-fi equipment, perfume, new and second-hand cars, precious metals, works of art and antiques, the construction sector, the waste sector, and CO2 emission rights.



INDICATOR 2

MISSING TRADER

Dormant company

Not carrying any business or operation.

No significant accounting transaction during the last two financial years.

Has not filed financial statements and annual returns during last two financial years.



Will be reactivated!

Has no real business structure!



INDICATOR 3

MISSING TRADER

The bigger the better.



Missing traders like to operate out of big cities!

They enjoy the safe haven of a greater anonymity in big cities.

They make use of the apathy in bigger cities.



INDICATOR 4

MISSING TRADER

The use of straw men

A straw man/front man is a person who acts under his own name, but acts as someone else's tool.

Look at who are shareholders of the company!

Look at the history of the company's shareholders.

Shareholdership can change quickly!

Look at the family link (spouse, son, daughter, nephew, niece).

Once you identify a straw man...use that intelligence!



INDICATOR 5

MISSING TRADER

Accounting



It's hard to get hold of the accounting.
Even on unannounced visits.
Accounting is sometimes even non-existent.



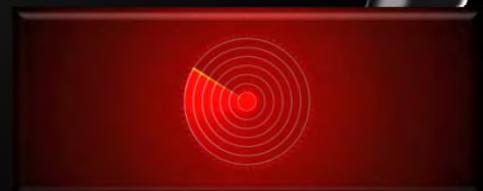
INDICATOR 6

MISSING TRADER

Numbers matter



A relatively limited number of companies represent a significant % of the turnover when it comes to in/outers.



INDICATOR 7

MISSING TRADER

Sell at a loss



In this way, they ensure themselves that their will sell their goods/services.

Remember the false competition (slaughterhouses ex.).

INDICATOR 8

MISSING TRADER

Follow the money



A lot of cash withdrawals.

They need to get the cash out of the company.

Cfr. OECD course on Money Laundering.



INDICATOR 9

MISSING TRADER

Lightning-fast payments



The supplier is paid on the delivery day, or shortly after.

Not common in trade.



INDICATOR 10

MISSING TRADER

Money abroad



MT's often use foreign bank accounts.

It's a common use that MT's use bank accounts in their country of origin.



INDICATOR 11

MISSING TRADER

Keep it simple



Invoices are drawn up in a very simple form.

Compare the invoices through the chain of transactions...you might have a *déjà vu*.



INDICATOR 12

MISSING TRADER

Eagle eye



Take a closer look at all of the invoices.

Incorrect and/or fictitious information on the documents.



INDICATOR 13

MISSING TRADER

The sky is the limit



Sudden and sharp increase in turnover.

Some nobody might suddenly enjoy a much better standing in life.



INDICATOR 14

MISSING TRADER

Spot the differences



Look at the difference between the VAT returns submitted and the actual transactions.
Try to follow the goods AND the money.



INDICATOR 15

MISSING TRADER

Be persistent and act quickly

It takes one to know one.

Think outside the box (be creative).

Do not waste any time. Speed is of the essence!

NEVER EVER GIVE UP.



**PERSISTENCE IS FAR
MORE IMPORTANT
THAN PERFECTION**



THINK
OUTSIDE
THE
BOX

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DATA ANALYTICS

Super- Machine

Est. 2019



OECD International Academy for Tax Crime Investigation

Conducting Financial Investigations



DATA ANALYTICS

SUPER-
MACHINE

TRANSACTIONAL NETWORK ANALYSIS

In 2001 within the Belgian Special Tax Inspectorate: Special VAT-carousel-fraud unit!

Knowledge is power.
Knowledge shared is
power multiplied.

Robert Noyce

Over 100 investigators!



SUPER-MACHINE

DATA ANALYTICS

TRANSACTIONAL NETWORK ANALYSIS

Special VAT-carousel-fraud unit!



50.000,00 euro

60.500,00 USD

6.666.666,67 Kenian Shilling

**SOMETIMES
YOU WIN,
SOMETIMES
YOU learn.
NOT LOSE!**



SUPER-MACHINE

DATA ANALYTICS

TRANSACTIONAL NETWORK ANALYSIS

Start at the beginning?

No refund, no carousel without VAT number?

Check the taxpayer when they register? Investigator needs to get into the field.

Smoke and mirrors! Being a bad guy is their job, so they are probably motivated not to get caught!

Remember 'dormant companies'!



SUPER-MACHINE

DATA ANALYTICS

TRANSACTIONAL NETWORK ANALYSIS

INDICATOR 1

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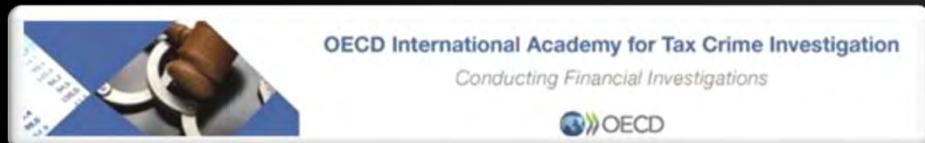
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SUPER-MACHINE

DATA ANALYTICS

TRANSACTIONAL NETWORK ANALYSIS

International information!!!



Exchange information between memberstates!

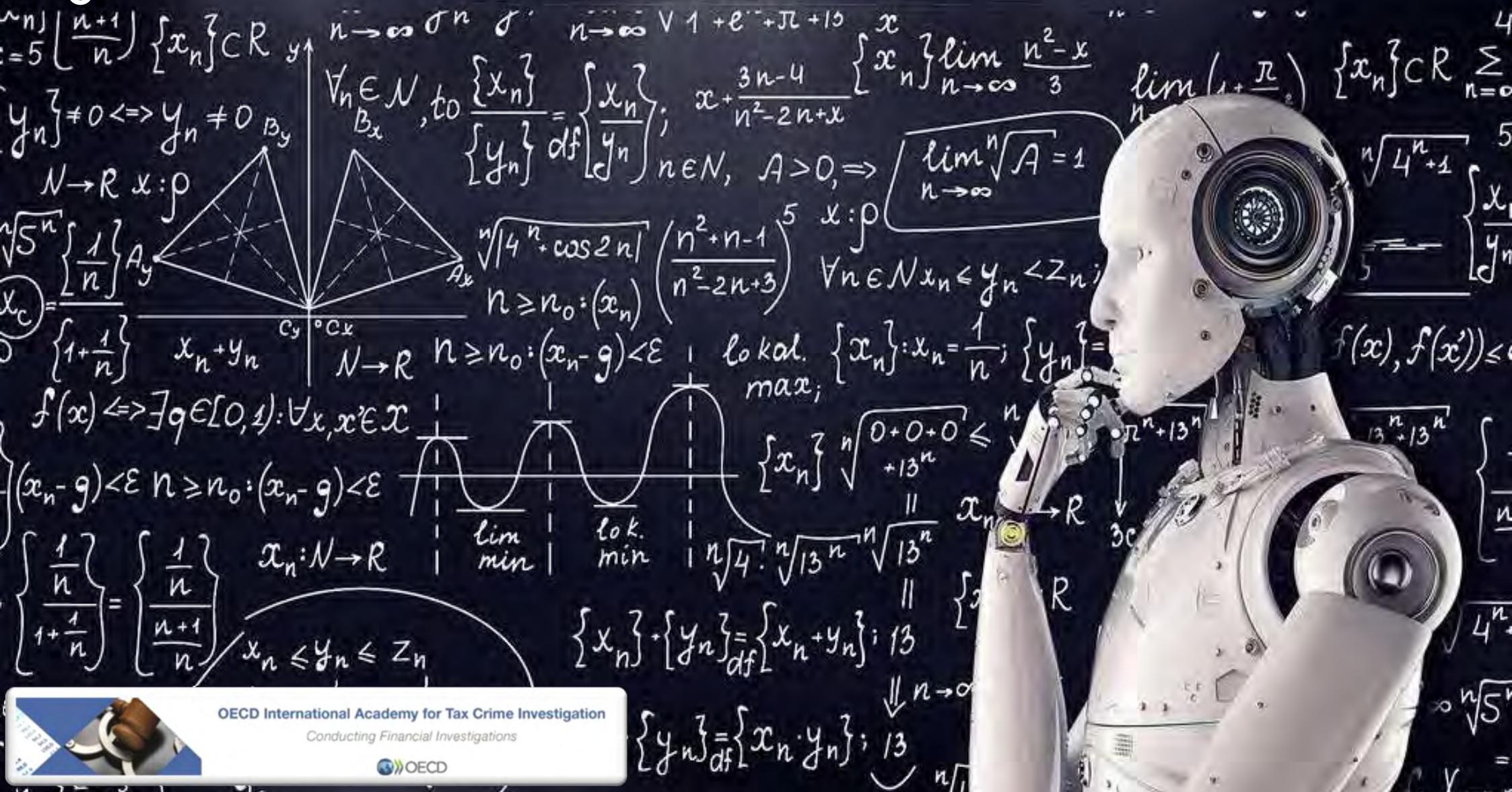
Report their IC transactions! IC-customer list.

Reproduces IC supplier list!



Algorithms

DATA ANALYTICS



SUPER-MACHINE

TRANSACTIONAL NETWORK ANALYSIS

All problems solved by this super-machine?

No input = no output

Bad guys are very well organized (lawyers/accountants/...).

New markets, no detection.

Hit and runs are unavoidable.

DATA ANALYTICS

INDICATOR 15

MISSING TRADER

Be persistent and act quickly

It takes one to know one.
Think outside the box (be creative).
Do not waste any time. Speed is of the essence!
NEVER EVER GIVE UP.

PERSISTENCE IS FAR MORE IMPORTANT THAN PERFECTION

IT TAKES ONE TO KNOW ONE

BE FAST OR BE LAST

THINK OUTSIDE THE BOX

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OECD

It took the EU 20 years!

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OECD

MISSING TRADER

My Questions

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MISSING TRADER

Thank you
for
listening ☺



OECD International Academy for Tax Crime Investigation
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KURT.CAESTECKER@MINFIN.FED.BE



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HOW TO GET AWAY WITH... MONEY LAUNDERING

ONLINE MONEY
LAUNDERING CASE



Conditions for a taxable VAT transaction:

- Delivery of goods/service provided as referred to in the VAT Council Directive 2006/112;
- By a taxable person;
- Price;
- The delivery of the goods/services takes place in Belgium.

Transaction charged with VAT



Conditions of a taxable VAT transaction:

- Delivery of goods/service provided as referred to in the VAT Council Directive 2006/112;
- By a taxable person;
- Price;
- The delivery of the goods/services takes place in Belgium.

- The provided services must take place in Belgium.





Conditions of a taxable VAT transaction:

- Delivery of goods/service provided as referred to in the VAT Council Directive 2006/112;
- By a taxable person;
- Price;
- The delivery of the goods/services takes place in Belgium.

- ELECTRONICALLY SUPPLIED SERVICES:



- website hosting
- supply of software
- access to databases
- downloading apps or music
- online gaming
- distance teaching

Until 01-01-2015: the service is provided there where the provider is established

This resulted in... **TAX SHOPPING**



Conditions of a taxable VAT transaction:

- Delivery of goods/service provided as referred to in the VAT Council Directive 2006/112;
- By a taxable person;
- Price;
- The delivery of the goods/services takes place in Belgium.

- ELECTRONICALLY SUPPLIED SERVICES:



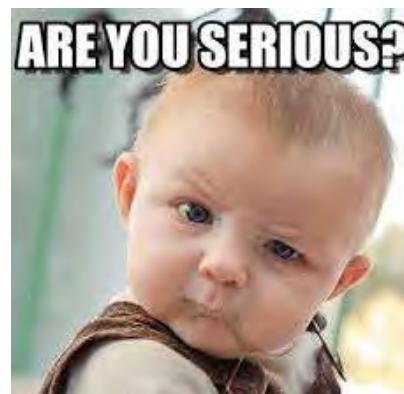
- website hosting
- supply of software
- access to databases
- downloading apps or music
- online gaming
- distance teaching

As of 01-01-2015: the service is provided there where the CUSTOMER is established

PROBLEM SOLVED?



Belgian service provider must register in all Member States where taxed services are purchased!



The VAT Mini One Stop Shop (MOSS) is an optional scheme that allows you to account for VAT - normally due in multiple EU countries – in just one EU country.

If you supply **cross-border telecommunication, television and radio broadcasting, or digital services** to non-taxable persons, you may be eligible for the scheme. Services covered under the MOSS scheme include:

- website hosting
- supply of software
- access to databases
- downloading apps or music
- online gaming
- distance teaching

MOSS means you don't need to register with tax authorities in every EU country you sell to, instead, you can **register for VAT, file VAT returns and make payments in one single place**. You must apply the rules of the MOSS scheme to your customers in **all EU countries** that you supply to.



ALL PROBLEMS SOLVED?

- MOSS = optional
- Investigation of MOSS = investigating NL/SE/DE/FR/IT...VAT
- Tax shopping still possible
- Jurisdiction? What if the data/server is located off shore?
- Ladies and gentlemen...





**Target X chosen,
almost at random.**

**ONLINE MONEY
LAUNDERING CASE**

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Vanaf € 9,33 /maand

Webhosting

Vanaf € 249,00 /maand

Dedicated webhosting

Krijg een gratis offerte

Hosting op maat

**Test case on behalf of de EU.
Unexplored terrain.**



Webhosting

Je eigen webruimte op onze krachtige hostingcluster (met aparte servers voor elke taak, bv. webserver, mailserver...).

Aangeraden voor:

Perfect voor de meeste websites, van groot tot klein.

Waarom Webhosting?

- ✓ **Goedkoop:** Door de hosting-infrastructuur te delen met anderen
- ✓ **Snelheid:** SSD schijven, snelle internetverbindingen, HTTP/2...
- ✓ **Veilig:** Continu verbeterde beveiliging tegen malware
- ✓ **Gebruiksgemak:** Dankzij ons eigen controlepaneel



Dedicated webhosting

Een eigen webhosting server volledig voor jou alleen. Ga voor maximale prestaties met hetzelfde gebruiksgemak.

Aangeraden voor:

Veeleisende website of applicatie met (onverwachte) bezoekerspieken.

Waarom Dedicated webhosting?

- ✓ **Performance:** De hele server is voor jou alleen
- ✓ **Snelheid:** SSD schijven, snelle internetverbindingen, HTTP/2...
- ✓ **Veilig:** Continu verbeterde beveiliging tegen malware
- ✓ **Altijd online:** Dankzij uitgebreide SLA-garanties



Hosting op maat

Een hostingoplossing uitgewerkt op maat van jouw website of applicatie. Alles is mogelijk bij Combell.

Aangeraden voor:

Applicatie, website of IT-infrastructuur met zeer specifieke vereisten.

Waarom Hosting op maat?

- ✓ **Performance:** De hele hostingsetup is 100% afgestemd op jouw applicatie
- ✓ **Snelheid:** NetApp, VMware, Full SSD, gigantisch 100 Gbps netwerk...
- ✓ **Peace of mind:** Onze experts beheren alles voor je, zoals beveiliging etc.
- ✓ **Altijd online:** Dankzij uitgebreide SLA-garanties



Why target X:

- Who's the X-man?

Age: 36

Start activity: 01/01/2014

(fixed) Assets: very impressive!

Fast grower!





Why target X?

End-of-year closing as per 31.12.2014

SCHULDEN		7.803.246,05
IX.	Schulden op ten hoogste één jaar	2.801.057,16
C.	Handelsschulden	1.409.795,69
1.	Leveranciers	1.409.795,69
	440000 leveranciers	1.189.445,33
	440001 klanten met creditsaldo	(155.231,00)
	440100 klantenbetalingen nog toe te wijzen	(270,00)
	444000 te ontvangen facturen	216.125,59
	445200 op te stellen krediet notas	4.650,00
E.	Schulden met betrekking tot belastingen, bezoldigingen en sociale lasten	235.547,79
1.	Belastingen	36.920,00
	450000 belgische winstbelastingen	36.920,00
2.	Bezoldigingen en sociale lasten	198.627,79
	454000 r.s.z.	462,30
	455000 bezoldigingen	(58.301,00)
	456000 vakantiegeld bedienden - provisies	119.197,16
	456200 voorziening bonus personeel	18.038,79
	459000 andere sociale schulden	60.987,84
F.	Overige schulden	1.155.713,68
	471000 dividenden over het boekjaar	1.155.713,68
X.	Overlopende rekeningen	5.002.188,89
	492000 toe te rekenen kosten	78.942,46
	493000 over te dragen opbrengsten	1.023.216,43
TOTAAL PASSIVA		7.934.924,48

BALANS NA WINSTVERDELING

	Toel.	Codes	Boekjaar	Vorig boekjaar
ACTIVA				
OPRICHTINGSKOSTEN	6.1	20		
VASTE ACTIVA		21/28	64.172.024	51.986.259
Immateriële vaste activa	6.2	21	3.651.552	2.156.982
Materiële vaste activa	6.3	22/27	1.818.849	842.624
Terreinen en gebouwen		22	5.031	
Installaties, machines en uitrusting		23	840.441	674.462
Meubilair en rollend materieel		24	88.804	42.606
Leasing en soortgelijke rechten		25	585.619	125.555
Overige materiële vaste activa		26		
Activa in aanbouw en vooruitbetalingen		27	298.954	
Financiële vaste activa	6.4/6.5.1	28	58.701.623	48.986.653
Verbonden ondernemingen	6.15	280/1	58.608.625	48.931.460
Deelnemingen		280	58.608.625	48.931.460
Vorderingen		281		
Ondernemingen waarmee een deelnemingsverhouding bestaat	6.15	282/3		
Deelnemingen		282		
Vorderingen		283		
Andere financiële vaste activa		284/8	92.998	55.193
Aandelen		284		
Vorderingen en borgtochten in contanten		285/8	92.998	55.193
VLOTTENDE ACTIVA		29/58	16.276.193	5.416.012
Vorderingen op meer dan één jaar		29		
Handelsvorderingen		290		
Overige vorderingen		291		
Voorraden en bestellingen in uitvoering		3		
Voorraden		30/36		
Grond- en hulpsstoffen		30/31		
Goederen in bewerking		32		
Gereed product		33		
Handelsgoederen		34		
Onroerende goederen bestemd voor verkoop		35		
Vooruitbetalingen		36		
Bestellingen in uitvoering		37		
Vorderingen op ten hoogste één jaar	40/41		13.314.913	2.309.795
Handelsvorderingen	40		2.343.884	2.105.168
Overige vorderingen	41		10.971.028	204.627
Geldbeleggingen	6.5.1/6.6	50/53		
Eigen aandelen		50		
Overige beleggingen		51/53		
Liquide middelen		54/58	1.688.335	2.230.419
Overlopende rekeningen	6.6	490/1	1.272.942	875.799
TOTAAL VAN DE ACTIVA		20/58	80.448.217	57.402.271

ONLINE MONEY LAUNDERING CASE



Why target X?



Company debts!

SCHULDEN

- VIII. Schulden op meer dan één jaar
 - A. Financiële schulden
 - 3. Leasing Schulden en soortgelijke schulden
 - 172000 Leasing Schulden en soortgelijke
- IX. Schulden op ten hoogste één jaar
 - A. Schulden op meer dan één jaar die binnen het jaar vervallen
 - 422000 leasing Schulden en soortgelijke
 - 423000 lt schulden die binnen het jr vervallen
 - B. Financiële schulden
 - 2. Overige leningen
 - 439100 Achtergestelde lening in Kero Holding (12%)

75.973.002,08
355.747,07
355.747,07
355.747,07
355.747,07
68.251.816,88
38.223.666,99
244.601,27
37.979.065,72
12.233.605,00
12.233.605,00
12.233.605,00

Debts due in less than 1 year!!!

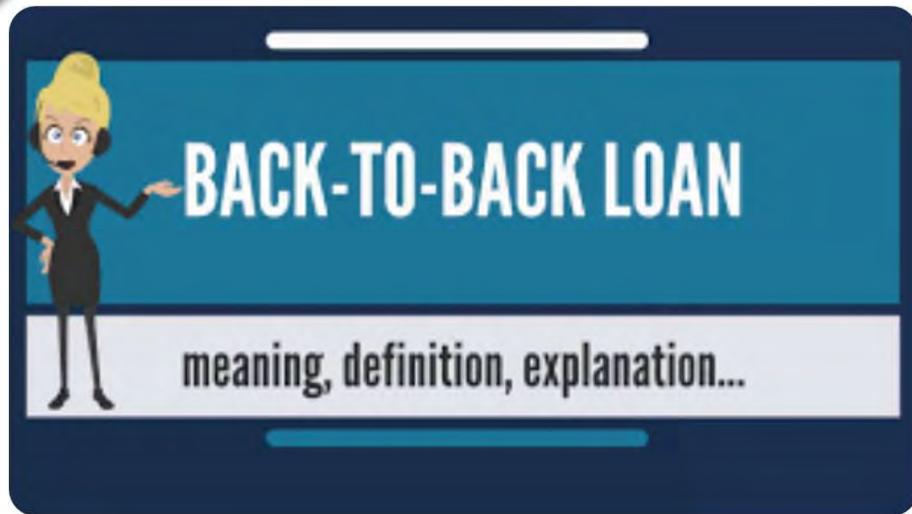
Back to back loans?

ONLINE MONEY LAUNDERING CASE

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BACK 2 BACK LOANS

ONLINE MONEY
LAUNDERING CASE

BACK 2 BACK LOANS

“Loan arrangement where person A deposits an amount of money with a bank in country X under the condition that an office of the bank, or a related bank in country Y, will lend the same amount to A in country Y”

BACK 2 BACK LOANS



10.000.000 €

“Company X in Belgium wants 10 million € to invest, using dirty money”



“Belgian branch of a Swiss bank gives the loan”
without official warranty

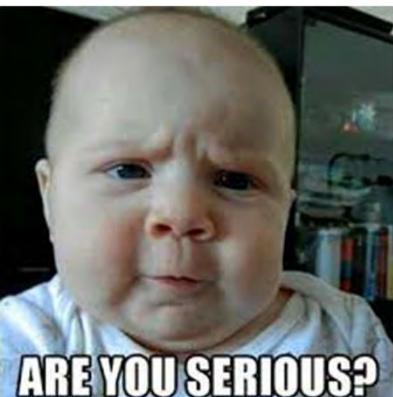


10.000.000 €

“Swiss bank, with a Belgian branch holds the 10.000.000 € as a warranty”



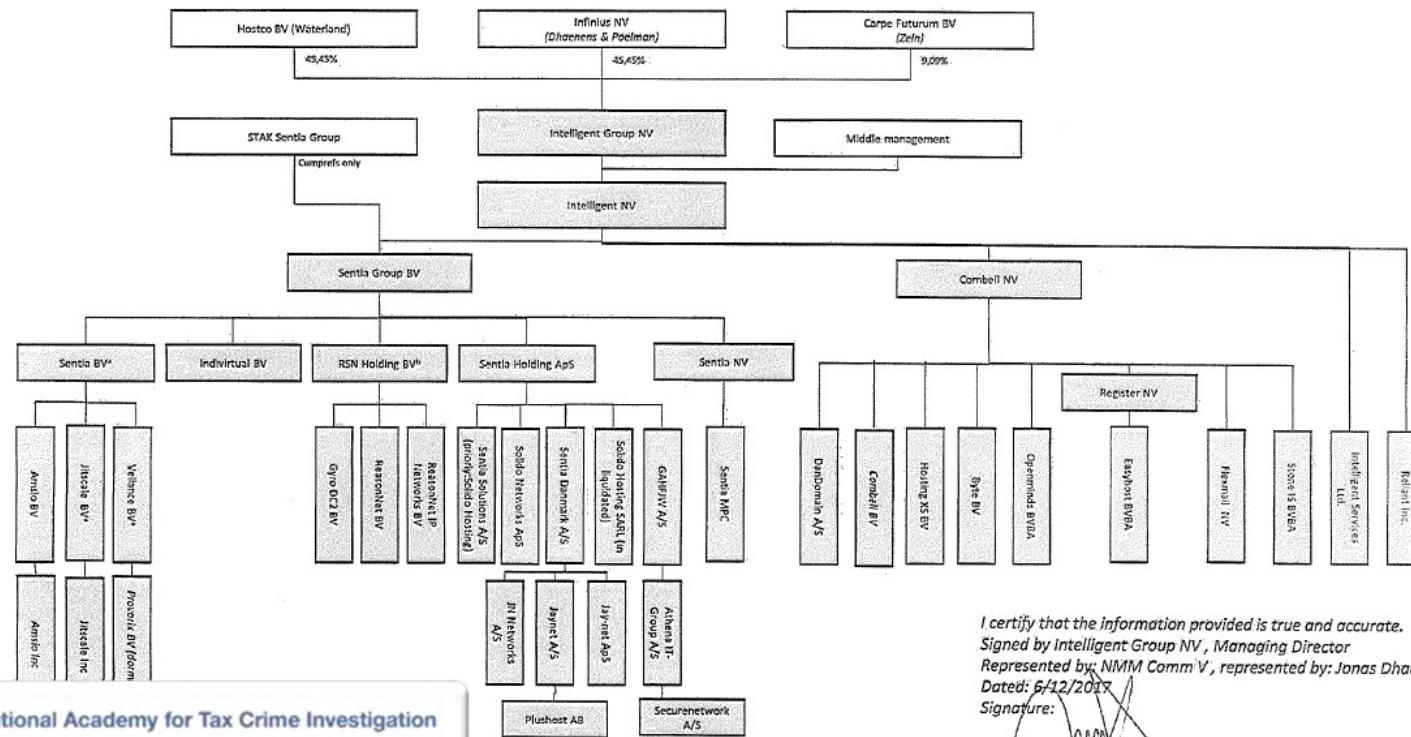
“Owner of Company X in Belgium has a Swiss bank account filled with dirty money. Worth...10.000.000 €”



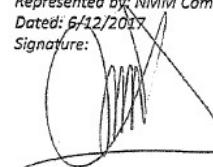
ARE YOU SERIOUS?

Company structure?

Legal structure Intelligent – As per 01/12/2017
(all owned 100%)



I certify that the information provided is true and accurate.
Signed by Intelligent Group NV, Managing Director
Represented by: NMM Comm V, represented by: Jonas Dhaenens
Dated: 6/12/2017
Signature: 





The investigation!



Not enough for a search warrant!



Follow the money!



**ONLINE MONEY
LAUNDERING CASE**



The investigation!



Very impressive amount of B2C revenues via the MOSS declaration!



The investigation!



Very impressive amount of B2C revenues via the MOSS declaration!

Follow the money?!

ALL B2C revenues paid by Credit Card or wire transfer!



99% of B2C revenues from outside Belgium!





The investigation!



Your letter from Your reference: Our reference: Attachments:
Brussels SB/3/1000537 – FMC 344
17/06/2019

AUTHORIZATION

Subject : Designation of a competent official for the direct exchange of information pursuant to
- art. 4.3 of Council Regulation (EU) N° 904/2010 of 7 October 2010 on administrative cooperation in the field of value added tax

Belgium (BE) initiates a multilateral control, pursuant to art. 29 and 30 of the above mentioned Council Regulation N° 904/2010.

This multilateral control (MLC) is notified under the Fiscaal financial code FMC 344. The Netherlands (NL) are the only participating country.

Pursuant to art. 4.3. of Council Regulation (EU) N° 904/2010, Mr. Kurt CAESTECKER (Fiscaal deskundige, AABBI, directie Gent, Inspectie BBI Brugge) will be designated as a competent official who can directly exchange information on the basis of this Regulation with the authorised competent officials and authorities of the other Member State participating in the MLC FMC 344.

Pursuant to art. 28.1 of the Council Regulation, I authorise Mr. Kurt CAESTECKER to be present in the offices of the administrative authorities and to attend meetings, organised during the course of this MLC taking place in the other participating Member State.

2 of the Council Regulation, I also authorise Mr. Kurt CAESTECKER to be administrative enquiries carried out in the territory of the other participation during the course of this MLC.

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The investigation!



PREPAID CREDITCARD AANVRAGEN

ViaBuy Prepaid

- ✓ Géén BKR toetsing
- ✓ Geen bewijs van inkomen
- ✓ € 19,90 per jaar

[BEKIJK AANBIEDING](#)

N26 Mastercard Debit

- ✓ Géén BKR toetsing
- ✓ Geen bewijs van inkomen
- ✓ Gratis

[BEKIJK AANBIEDING](#)

GWK Mastercard

- ✓ Géén BKR toetsing
- ✓ Geen bewijs van inkomen
- ✓ Vanaf € 14,95

[BEKIJK AANBIEDING](#)

PREPAID CREDITCARD AANVRAGEN

Prepaid creditcards winnen snel aan populariteit. Met een prepaid creditcard weet je vooraf waar je aan toe bent. Anders dan de andere [creditcards die je kunt aanvragen](#), kun je hier niet meer uitgeven dan je er zelf op stort. Een anonieme creditcard kopen is het perfecte alternatief voor wanneer je bijvoorbeeld online een aankoop wilt doen waarbij je een creditcard nodig hebt, zoals een vliegticket, maar niet vast wilt zitten aan een vaste creditcard. Op dergelijke momenten is een [eenmalige](#) uitkomst. Gebruik onderstaande tabel om direct een keuze te maken voor één of meerdere prepaid creditcards.



The investigation!



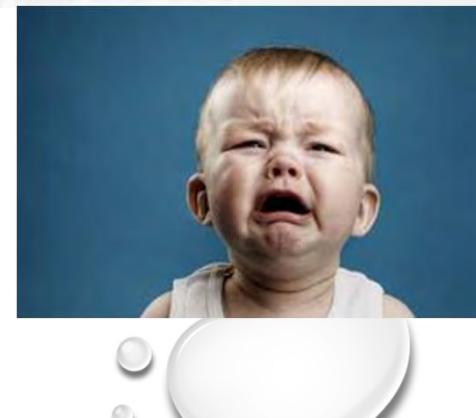
N26 Mastercard Debit

- ✓ Géén BKR toetsing
- ✓ Geen bewijs van inkomen
- ✓ Gratis

BEKIJK AANBIEDING

PREPAID CREDITCARD AANVRAGEN

Prepaid creditcards winnen snel aan populariteit. Met een prepaid creditcard weet je vooraf waar je aan toe bent. Anders dan de andere [creditcards die je kunt aanvragen](#), kun je hier niet meer uitgeven dan je er zelf op stort. Een anonieme creditcard kopen is het perfecte alternatief voor wanneer je bijvoorbeeld online een aankoop wilt doen waarbij je een creditcard nodig hebt, zoals een vliegticket, maar niet vast wilt zitten aan de 'lasten' van een vaste creditcard. Op dergelijke momenten is een [eenmalige creditcard](#) een handige uitkomst. Gebruik onderstaande tabel om direct een keuze te maken voor één of meerdere prepaid creditcards.



**JUST WHEN YOU
THINK IT CAN'T GET
ANY WORSE, IT CAN**

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The CRYPTOCARD!



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Example:



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A – URL	https://advcash.gi https://wallet.advcash.com
B – Location	Russian company located in : ADV PROJECT LTD Suite 16, Block 5, Watergardens, GX11 1AA Gibraltar
C – Data collected	
c-1 – Verification of the company's credibility	ADVCash delivers a non-anonymous cryptocard. It displays the currency EUR. The 3D SECURE function is not specified and has not been tested. It is delivered by DHL.
c-2 – Search on the card issuer	ADVCash's VISA card has the BIN 434933. The banking service provider is Laurentian Bank in CANADA. This is a prepaid card.
c-3 – Creating an account to access the order	Create an account with an email address and password
c-4 – Data required to identify oneself (KYC)	8 cryptocurrencies are available, including Bitcoin, Ethereum, Litecoin. The account management is done through the website or application. The latter, it is not in the Playstore but on the website appsgeyser.io by allowing data from an unknown source to be downloaded.
c-5 – Backup of private/public keys when obtaining a crypto-currencies wallet	The wallet is held by the platform that provides the addresses for transactions.
c-6 – Verifications and tests of crypto-currencies transfer terms and conditions	Charges can be made by credit card, by cryptocurrencies transaction, or by SEPA transfer on the ADVCash platform. A link with BINANCE is established (see § "Additional information")
c-7 – Testing the cryptocard and its payment or cash withdrawal features	Withdrawal from an ATM is possible. A withdrawal fee is applied.

Never
Give Up



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ON NOT
OUR
WATCH

Ci sono domande?





FOOTBALL CASE

February 18th 2022

Kurt Caestecker
Special Tax Inspectorate
Belgium
kurt.caestecker@minfin.fed.be

VAT, FRAUD... & FOOTBALL

Origin of the case?

'Tax fraud within the KBVB'



VAT, FRAUD ... & FOOTBALL



'Tax fraud within the KBVB'



'JPL audits Tax fraud within the KBVB'



VAT, FRAUD... & FOOTBALL

What would you do?

‘Unannounced visit’



VAT, FRAUD... & FOOTBALL

The day after... at the crack of down...



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VAT, FRAUD... & FOOTBALL



Any ideas?

VAT, FRAUD... & FOOTBALL

Ministry
of
Finance



Prosecutor



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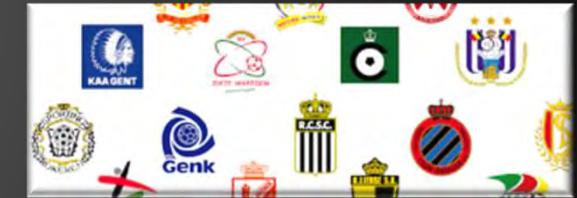


VAT, FRAUD...& FOOTBALL

1) Contracts and companies involved:



Pro League represents the clubs and negotiates on behalf of the clubs



Pro League concludes a contract with MP & Silva to assist the JPL (advisory) with the sale of the TV rights.

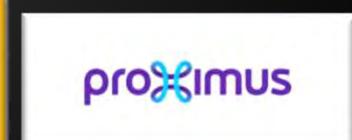


MP & SILVA

MONACO



Pro League sells the TV contracts to various providers



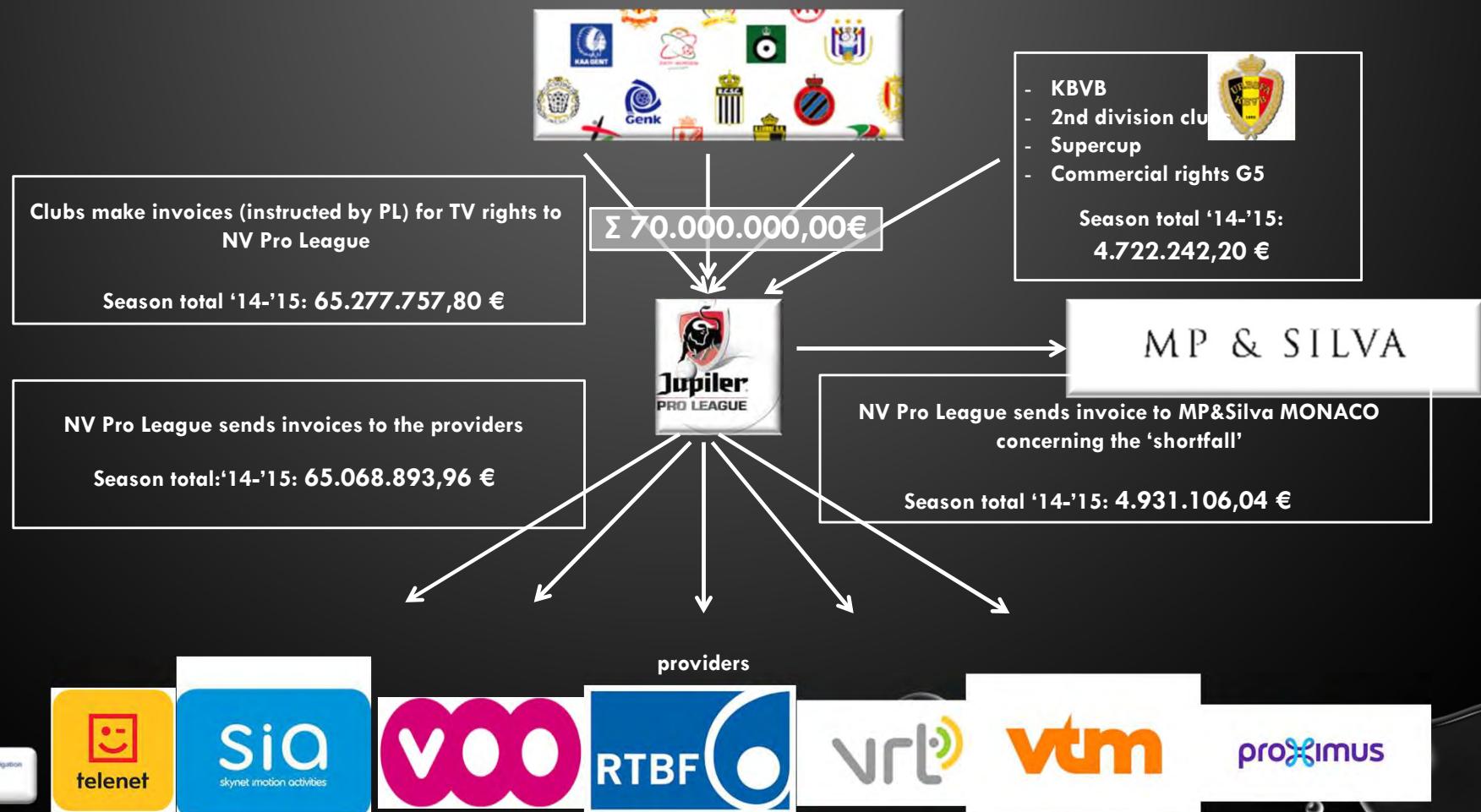
VAT, FRAUD... & FOOTBALL

2) MP & Silva and the 2014-2015 TV rights:



VAT, FRAUD ... & FOOTBALL

2) Invoice flow and numbers:



VAT, FRAUD ... & FOOTBALL

What else have we got?

Concerning the TV-rights, the clubs are allowed to bring **85%** costs into account!

As a result of a **ruling** with the Ministry of finance.

Incriminating e-mails concerning the **ruling**,
ruling was negotiated in the business seats.

VAT, FRAUD ... & FOOTBALL

Any ideas?

Money Laundering?

Bribery & corruption?

VAT problem?



EXERCISE



VAT, FRAUD ... & FOOTBALL

ALL GROUPS



'IS THERE A SPECIFIC VAT PROBLEM?'

'IF SO, WHAT DO YOU THINK THE PROBLEM IS?'

EXERCISE

VAT, FRAUD ... & FOOTBALL

‘IS THERE A VAT PROBLEM?’

Look at the full picture!

What are the TV-rights really worth?

65.000.000,00 euro?

or

70.000.000,00 euro?

EXERCISE

VAT, FRAUD ... & FOOTBALL

‘IS THERE A VAT PROBLEM?’

What had to be invoiced?

What is the taxable amount?

For the purposes of this Directive, ‘open market value’ shall mean the full amount that, in order to obtain the goods or services in question at that time, a customer at the same marketing stage at which the supply of goods or services takes place, would have to pay, under conditions of fair competition, to a supplier at arm’s length within the territory of the Member State in which the supply is subject to tax.



EXERCISE



VAT, FRAUD ... & FOOTBALL

‘IS THERE A VAT PROBLEM?’

What is the taxable amount?

Where no comparable supply of goods or services can be ascertained, ‘open market value’ shall mean the following:

(1) in respect of goods, an amount that is not less than the purchase price of the goods or of similar goods or, in the absence of a purchase price, the cost price, determined at the time of supply

(2) in respect of services, an amount that is not less than the full cost to the taxable person of providing the service.

EXERCISE

VAT, FRAUD ... & FOOTBALL



‘IS THERE A VAT PROBLEM?’

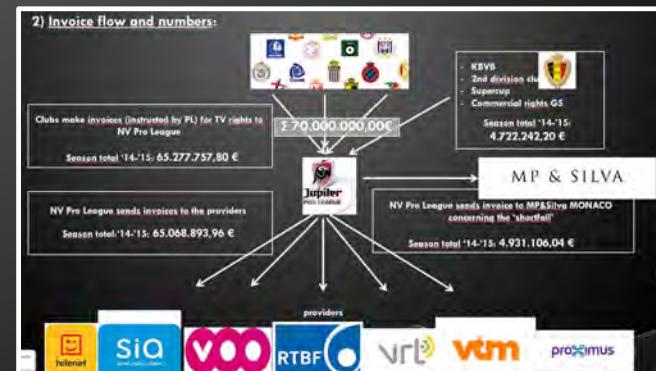
What is the taxable amount?

(2) in respect of services, an amount that is not less than the full cost to the taxable person of providing the service.

What is the full cost for the Pro League?

What amount was invoiced to the Pro League?

70.000.000,00 euro?



EXERCISE



VAT, FRAUD ... & FOOTBALL

‘IS THERE A VAT PROBLEM?’

What is the taxable amount?

(2) in respect of services, an amount that is not less than the full cost to the taxable person of providing the service.

70.000.000,00 euro?

$70.000.000,00 - 65.068.893,96 = 4.931.106,04 \text{ euro}$

$4.931.106,04 \times 21\% \text{ VAT} = \text{1.035.532,27 euro}$

VAT, FRAUD ... & SPORTS

'SIMILAR SYSTEMS ARE USED IN VARIOUS SPORTS'

'THESE FRAUD SCHEMES APPLY TO ALL TYPES OF SPORTS'



...

VAT, FRAUD... & SPORTS

'THIS INVESTIGATION WAS ONLY THE START'

'ORGANIZED CRIME'

'MATCH FIXING'

'CORRUPTION & BRIBERY'

'MONEY LAUNDERING'

OPERATION CLEAN HANDS