

TYOLOGY – TAX EVASION

EXTRACT FROM THE FIUTT STRATEGIC ANALYSIS CASE COMPILATION 2015 - 2020

Typology

11. Tax Evasion

This typology concerns cases where foreign nationals of Jurisdiction A, resident in Trinidad and Tobago (Jurisdiction T&T), created complex legal structures in a financial scheme to avoid payment of taxes in Jurisdiction A on income earned in Jurisdiction T&T. FIUTT's analysis of such cases revealed:

- existence of bank accounts held by nationals of Jurisdiction A in financial institutions in Jurisdiction T&T, which were unknown to Jurisdiction A;
- previous STRs/SARs on the subjects, associates and companies;
- transfers of large sums of money via wire remittance companies to associates in Jurisdiction A;
- frequent and large wire transfers out of Jurisdiction T&T by associates (both individuals and companies) of the foreign national;

Suspected Offence	Tax Crimes
Customer Type	Individual; Group
Industry	FI's; MVTs; Insurance
Channel	Physical; Electronic
Jurisdiction	Local; Foreign

Suspicious Indicators

Financial transactions not in line with expected economic profile;

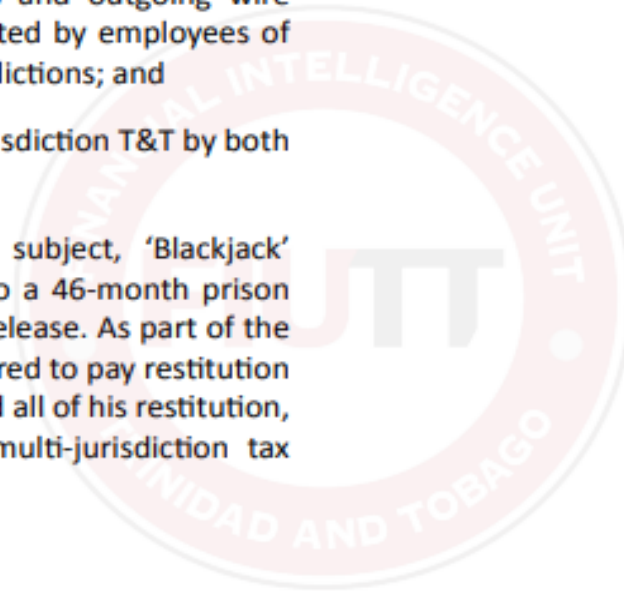
- Interconnection of seemingly independent businesses;
- Large and frequent movement of cash;
- Use of third party bank accounts e.g. Accounts of relatives,
- Use of gatekeeper to move cash through money remitters,
- Use of employees/third parties to conduct frequent and or large international wire transfers (structuring and smurfing);
- Multiple international wire transfers of large sums of cash; and
- Using 'front' companies to hide undeclared income.

TYOLOGY – TAX EVASION

EXTRACT FROM THE FIUTT STRATEGIC ANALYSIS CASE COMPILATION 2015 - 2020

- Use of the third party senders (individuals & companies) in Jurisdiction T&T, which indicated attempts to conceal and disguise the identity of the ultimate beneficiary;
- large cash transactions such as account deposits, payment of insurance premiums and outgoing wire transfers were frequently conducted by employees of the foreign nationals in both jurisdictions; and
- movement of funds outside of Jurisdiction T&T by both individuals and companies.

In one such successful case, the subject, 'Blackjack' pleaded guilty and was sentenced to a 46-month prison term and three years of supervised release. As part of the plea agreement, 'Blackjack' was ordered to pay restitution of USD 1,286,657. 'Blackjack' has paid all of his restitution, which shows the success of this multi-jurisdiction tax investigation.



TYOLOGY – TAX EVASION

EXTRACT FROM THE FIUTT STRATEGIC ANALYSIS CASE COMPILATION 2015 - 2020

DIAGRAM 8 TYOLOGY - TAX EVASION

TRINIDAD AND TOBAGO

