

## Tax-Free Fraud. Arrest of a Ukrainian citizen

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Another person involved in the procedure of fraudulent refund of undue VAT has been detained by the CBA. By a court decision, he will spend the next three months in custody.

The officers of the CBA Regional Office in Rzeszów, in cooperation with the Bieszczady Border Guard Regional Unit, have detained a Ukrainian citizen in a case concerning extortion of VAT. The man was detained at the border crossing in Medyka. The activities were conducted by order of the Podkarpacki Field Division of the Department for Organized Crime and Corruption of the National Prosecutor's Office in Rzeszów.

The detainee is another person suspected of giving financial advantages to Customs Service officers performing activities at the TAX-FREE clearance post in exchange for certifying an untruth about the export of goods outside the territory of the European Union. The investigators' findings indicate that the detainee, together with other persons, participated in submitting untrue TAX-FREE documents for customs clearance / VAT refunds for travellers for a total amount of over PLN 200,000, and in return for their clearance he gave material benefits to officers of the Customs Service. The fictitious documents were then used for undue reimbursement of VAT. The man has already heard charges and, by a court decision, he has been remanded in custody.

Thus, the number of suspects is growing. So far, more than 40 suspects have been charged in the present case. In the years 2013-2014, false statements were allegedly made in tax-free documents — VAT refunds for travellers by persons conducting business activities across the country. Fictitious purchases were entered in the documents and the export of goods outside the European Union, which actually did not take place. The scheme aimed to reduce the amount of tax due and to cause large-scale losses of public law liabilities.

Further detentions are planned.

## Public Relations Division of the CBA



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