

## Heard about the Crown Prosecution Service's current stance on tax evasion?

***"The criminal justice response to tax evasion is being ramped up"*** those words in the Director of Public Prosecutions' speech on January 23rd clearly indicated the more robust stance that the CPS is now taking:

***"Tax evasion has to be dealt with robustly all the time. But in a recession, when ordinary law-abiding tax payers are suffering real hardship, the need to deter, detect and prosecute those who evade tax is greater than ever"***



The overall loss to the Revenue in 2011 has been estimated at £1 billion and against that background three things are now happening:

1. A stronger prosecution capability following the merger of the DPS with the Revenue and Customs Prosecutions Office
2. A strategic decision to radically increase the number of tax evasion cases prosecuted
3. Demonstrable proof that it is possible to prosecute not only individuals, groups and organised criminals but also those who set up dishonest tax avoidance schemes.

As part of the 2010 Spending review HMRC was allocated additional resources of £900 million over 4 years and that included taking on 320 additional tax investigators. In the financial year to date 86% of cases originating with the HMRC were successfully prosecuted.

Keir Starmer QC concluded his speech by saying:

***"Tax evasion is not a victimless crime. It is not a "fiddle" in some sort of legal grey area. It is ordinary fraud involving dishonesty and greed. And we all pay for it.***

*The criminals who perpetuate tax fraud may be our neighbours, our friends, the people we talk to on the bus, or even seemingly esteemed professionals, but their gain is our loss. And at the heart of any complex fraud is one simple notion and something that any jury member can understand - dishonesty.*

*The criminal justice response to this dishonesty has to be clear and firm. So let me be clear and firm: a scheme might be devised by an experienced - but corrupt - tax professional. It may be clever and complex. And it may seem to offer easy wins. But no scheme is too clever or complex to be detected, to be put before a jury and to be found to be illegal"*



**Believe that you are probably under the radar?**

Hmm, not necessarily – during a radio interview on the day prior to the speech a representative said that HMRC and the CPS were putting increasing pressure on those committing tax fraud and are targeting professionals like doctors, dentists, and barristers as well as SME's...

*So are you tax savvy? There's no doubt about it, tax matters are complicated. Where do charity donations fit in? Is a company car a real tax benefit? Can gifts to staff be tax free?*

*Why not contact us to find out how we can help to keep you on the straight and narrow? Ask for one of our tax savvy sessions.*

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***This is handout no 4 in our Verve Insight Series.***

For a full transcript of the speech please click here  
[http://www.cps.gov.uk/news/articles/prosecuting\\_tax\\_evasion/](http://www.cps.gov.uk/news/articles/prosecuting_tax_evasion/)

If you're interested [here's the Guardian's account](#) of HMRC's "top tax criminals of 2012" – a list of 32 individuals which was released in early January 2012 together with their photos on Flickr (!) and who are now serving a total of 150 years imprisonment.