



Tax Evasion: Failure to Prevent

The new Criminal Finances Bill, introduced to the House of Commons in October 2016, creates a new corporate criminal offence for failing to prevent the facilitation of tax evasion.

The bill will place responsibility on businesses to make sure none of their employees or associated persons are involved in helping someone evade their taxes. If they do, and if the business failed to have “**reasonable measures**” to prevent or expose it, then the business itself could be found guilty and liable for some pretty steep fines.

Target audience

This course is designed for anyone working for a company in a regulated industry (e.g. accountants, law firms) that would be liable for prosecution under the new Act.

Course objective

The objectives of the course are to:

- Provide a refresher on tax evasion, tax avoidance, and criminal aspects of tax fraud
- Understand the issues around tax havens
- Know how the “failure to prevent” offence works, how it can occur, and what to look out for
- Provide the training requirement that counts towards reasonable procedures

Course content

What is tax evasion?

- Understanding the difference between evasion and avoidance
- The issues around global tax havens, what they are, and why they are used for tax fraud
- Why the offence is being introduced and the impacts of tax evasion

The new offence

- What constitutes criminal tax evasion
- What the corporate failure to prevent tax evasion is and how it works
- What are reasonable procedures that can be taken to mitigate the risk of prosecution

Preventing the offence

- What activities would fall under the criminal failure of tax evasion
- Warning signs, red flags, and what to watch out for
- Interactive scenarios to spot the offence and prevent it from occurring