

Member States capabilities in fighting tax crimes			
Relevant legal definition(s) of tax-related offences			
	Tax avoidance	Tax evasion	Money laundering
Bulgaria	is understood as a legal act - unless deemed illegal by the tax authorities or, ultimately, by the courts - of using tax regimes to one's own advantage to reduce one's tax burden.	is defined as an illegal act of evading taxes by concealing income, earned either legally or illegally, from detection and collection by the tax authorities.	refers to acts involving the processing of proceeds of crime to conceal their illegal origin and bring them back into the legal economy.
Legal text	Article 259 of the Criminal Code	Articles 255 and 255a of the Criminal Code	<ul style="list-style-type: none"> Article 253 of the Criminal Code Article 2 of the Measures Against Money Laundering Act
Nature of the offence	N/C	<ul style="list-style-type: none"> Administrative under 3000 BGN Criminal above 3000 BGN 	Criminal
Objective element	<p>Fraudulent creation of non-profit organisations for tax purposes: A person who establishes a non-profit legal person or a foundation, which does not pursue, or smilingly pursue the activities and objectives declared upon registration, for the purpose of obtaining credits under the cover of such institutions, to be exempted from taxes, to obtain tax reliefs or to obtain other material benefits, as well as to pursue prohibited activities</p>	<p>Fraudulent tax evasion:</p> <ul style="list-style-type: none"> Article 255: A person who avoids the assessment or payment of large-scale tax obligation by failing to file a tax return, confirming a lie or withholding the truth in a statement filed by him/her, failing to issue an invoice or another accounting document, destroying, concealing or failing to store accounting documents or registries within the statutory timelines, carrying out or allowing accounting to be carried out in violation of accounting legislation requirements, compiling or making use of a document with untrue content, a false or counterfeited document in economic operations, in accounting or in providing information to revenue authorities or public enforcement agents, or obtaining undue input tax. Article 255a: Anyone avoiding the assessment or payment of large-scale tax obligations through the transformation of a commercial company or another legal entity, through a transaction involving a business, or related parties, within the meaning of the tax and Social Insurance Procedure Code 	The one who concludes a financial operation or property transaction or conceals the origin, location, movement or the actual rights in the property, which is known or assumed to be acquired through crime or other act that is dangerous for the public.
Mental element	Intention	Intention	Intention
Sanction	<ul style="list-style-type: none"> Fine from 3.000 to 5.000 BGN Deprivation of rights Imprisonment up to 3 years 	<ul style="list-style-type: none"> Fine up to 20.000 BGN (or up to 10.000 BGN in case of 255a) Deprivation of rights Imprisonment from 1 to 6 years 	<ul style="list-style-type: none"> Fine from 3.000 to 5.000 BGN Imprisonment from 1 to 6 years
Other tax-related crimes		<ul style="list-style-type: none"> Obstruction of revenue authorities (Article 258) Fraudulent creation of non-profit organisations for tax purposes (Article 259) Providing of an untrue appraisal by a licensed appraiser or certification of incorrect annual financial statements by a registered auditor (Article 260) 	

Aggravating / mitigating circumstances	N/C	<ul style="list-style-type: none"> • Committed by organised criminal group (Article 321) • Repetition • Committed with the participation of a border police, customs administration, National Revenue Agency official or a registered auditor • Particularly large scale 	<ul style="list-style-type: none"> • Committed by organised criminal group (Article 321) • Repetition
Legal persons/natural persons	In Bulgaria, legal persons cannot be held criminally liable.		
Other information			All-crimes offence: all offences predicate

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Statistical data on tax avoidance, tax evasion and money laundering

Bulgaria	2013	2014	2015	2016	Comments
MONEY LAUNDERING					
FIU: State Agency for National Security FID-SANS Financial Intelligence Directorate State Agency for National Security					<ul style="list-style-type: none"> • Houses the administrative FIU (Financial Intelligence Specialised Administrative Directorate - FISAD) • Cooperates with National Revenue Agency (NRA), Commission for Illegal Assets Forfeiture, The Customs Agency, The Ministry of Interior, The Ministry of Finance, and with Europol (on TFTP) • Main activities: Analysing the notifications of money laundering / financing terrorism and channelling the information, stopping suspicious transactions and operations, training the obliged persons.
Human Resources					
Budget (€)					
Type of FIU					Administrative
Total number of reports disclosed					
Including Suspicious Activity Reports (SARs)					
Including Suspicious Transaction Reports (STRs)					
Including Unusual Transaction Reports					
Including Cash Transaction Reports					
Including Currency Transaction Reports					
Including External Transaction Reports					
Audits conducted (Pretrial proceedings)	65	64	73		
Court Cases					
Total number of proceedings started	20	30	39		
Number of pending/unresolved court cases					
Total number of convictions	16	14	24		
Including of natural persons convicted					
Including of legal persons					
Number of court cases resolved with an acquittal	3	1	0		
Number of court cases resolved in another way					

Amount of seized financial means					
Charges dismissed					
Sentences				30	Incoherent with number of convictions...
Including natural persons					
Including corporate bodies					
Including fines				4	
Amount of fines					
Including imprisonment				25	
of which, conditional sentence				21	
of which, unconditional imprisonment				4	

OTHER TAX-RELATED OFFENCES					
Tax Evasion Unit: Commission for withdrawal of criminal assets					
Human Resources					
Budget (€)					
Number of cases investigated	2.811	2.519	2.119		
Including related to VAT			227		
Number of Tax Audits conducted					
Number of Site Visits					
Taxes Debited on the basis of Audits					
Number of tax offences reported					
Court Cases					Prosecutor's Office of Republic of Bulgaria
Total number of proceedings started	1.906	1.659	1.292		
Number of pending/unresolved court cases					
Total number of convictions	1.777	1.475	1.138		
Including of natural persons					
Including of corporate bodies					
Number of court cases resolved with an acquittal	70	51	46		
Number of court cases resolved in another way					
Amount of seized financial means					
Sentences	1.707	1.424	1.092		
Including natural persons					
Including corporate bodies					
Including fines	212				
Amount of fines					
Including imprisonment	976				
of which, conditional sentence	888				
of which, unconditional imprisonment	88				

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Bulgaria	Interventions in response to the publication of the Panama Papers
Processing and analysing the Panama Papers data	
Supervisory activities	
Investigations initiated	
(Pre) trial proceedings initiated	<p>There are no pre-trial proceedings instituted on the basis of information received as a result of the Panama Papers leaks.</p> <p>In some of the already instituted pre-trial proceedings it was found that companies registered in Panama had been used in connection with the investigated activity.</p>
Fines and sentences	
Other information	