

Member States capabilities in fighting tax crimes

Relevant legal definition(s) of tax-related offences

Czech Republic	Tax avoidance 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.	Tax evasion 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.	Money laundering 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	N/C	Tax Code	Act No. 253/2008 Coll. on selected measures against legitimisation of proceeds of crime an financing of terrorism, as amended
Nature of the offence	N/C	<ul style="list-style-type: none"> • Administrative • Criminal 	N/C
Objective element	N/C	<p>No clear definition was provided, only a list of administrative and criminal offences, notably:</p> <ul style="list-style-type: none"> • Late tax declaration (Section 250 of tax Code) • Additionally assessed tax amount (Section 251) • Default interest (Sections 252, 253) • Withdrawal and non-payment of social security premium (Section 23, paragraph 3 letter a of Act on income taxes) • Evasion of taxes, fees and similar compulsory payments (Section 240 of Penal Code) • Evasion of tax, social security insurance fee and similar compulsory payments (Section 241 of Penal Code) • Failure to notify exempt income (section 38w of Act on income Taxes) • Non submission of the control statement for purposes of administration of VAT (Section 101 of Act on VAT) • Usage of tax securing to the reimbursement of tax (section 43 of Act on excise duty) 	N/C
Mental element	N/C	N/C	N/C
Sanction	N/C	<ul style="list-style-type: none"> • Penalty • Fine • Increase of tax base 	N/C
Other tax-related crimes		N/C	
Aggravating / mitigating circumstances	N/C	N/C	N/C
Legal persons/natural persons			
Other information			

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Statistical data on tax avoidance, tax evasion and money laundering

Czech Republic

2013

2014

2015

2016

Comments

MONEY LAUNDERING

FIU: FAU-CR					
Financial Analytical Unit					
Finanční analytický útvar					
Human Resources					
Budget (€)					
Type of FIU					
Total number of reports disclosed					Administrative
Including Suspicious Activity Reports (SARs)					
Including Suspicious Transaction Reports (STRs)	2.721	3.192	2.963	2.948	
Including Unusual Transaction Reports					
Including Cash Transaction Reports					
Including Currency Transaction Reports					
Including External Transaction Reports					
Audits conducted	14	27	51	55	"Controls" more than proper audits
Court Cases	572	583	567	570	
Total number of proceedings started					
Number of pending/unresolved court cases					
Total number of convictions	572	583	567	570	
Including of natural persons convicted	572	583	567	569	
Including of legal persons	0	0	0	1	
Number of court cases resolved with an acquittal					
Number of court cases resolved in another way					
Number of court cases resolved in sentences					
Amount of seized financial means					
Including natural persons					
Including corporate bodies					
Including fines	39	20	38	36	
Amount of fines					
Including imprisonment					
of which, conditional sentence					
of which, unconditional imprisonment					

OTHER TAX-RELATED OFFENCES					
Tax administration					
Human Resources					
Budget (€)					
Number of cases investigated					
Number of Tax Audits conducted					
Number of Site Visits					
Taxes Debited on the basis of Audits					
Number of sanctions imposed	1.220	1.112	207.365	236.520	Enormous increase in 2015, probably due the addition of Section 250 (penalty for late tax declaration) in the statistics.
Number of tax offences reported					
Court Cases					
Total number of proceedings started					
Number of pending/unresolved court cases					
Total number of convictions					
Including of natural persons convicted					
Including of legal persons					
Number of court cases resolved with an acquittal					
Number of court cases resolved in another way					
Number of court cases resolved in sentences	662	676	687	734	
Amount of seized financial means					
Including natural persons	660	658	649	683	
Including corporate bodies	2	18	38	51	
Including fines					
Amount of fines					
Including imprisonment					
of which, conditional sentence					
of which, unconditional imprisonment					

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Czech Republic	Interventions in response to the publication of the Panama Papers
Processing and analysing the Panama Papers data	
Supervisory activities	
Investigations initiated	As to the Supreme Public Prosecutor's Office of the Czech Republic there was notified only one criminal case relating to the Panama Papers. A Chain of companies is being investigated because of a suspicion of legalisation of proceeds from crime through invoicing of goods and services. During the inspections of headquarters of involved companies there were seized inter alia documents drawn up by law office Mossack Fonseca i.e. this criminal investigation was not launched on the basis of information leaked from the law office Mossack Fonseca, but coherence appeared with context of those inspections
(Pre) trial proceedings initiated	There are nowadays several tax proceeding in process in which the information from Panama Papers will be taken into consideration.
Fines and sentences	
Other information	