



Valsts ieņēmumu dienests

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PRESS RELEASE
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Finance Police of Latvia Stops Group Involved in VAT Fraud and Money Laundering

The Finance Police Department of the State Revenue Service (SRS), in cooperation with the State Police counter-terrorism unit Omega, has apprehended a criminal group. During the period of criminal activities of the group from January 2016 to August 2017, the State budget incurred losses of approximately EUR 1.7M. During the recent operation, 27 premise and vehicle searches were carried out and nine persons were detained. The most important piece of evidence was the discovery of the group's hidden premises.

Within the framework of the criminal proceedings initiated on 5 September 2017, employees of the SRS Finance Police Department carried out 27 searches, in Riga, Riga District and Jelgava, of the homes, offices and vehicles of persons involved in criminal activities. During the recent searches, officers found and seized approximately EUR 95,000 in cash, as well as smuggled cigarettes and firearms; an expert-examination will be carried out.

During the searches, investigators also discovered the group's hidden office. Documents were seized detailing transactions, indicating the names of companies involved, digital password generators (used for logging into bank accounts), bank cards, official seals, and telephone numbers of all shell companies concerned, as well as a large amount of falsified documents.

The investigation established that the criminal group created chains of transactions between shell companies, with the aim of avoiding VAT tax payments and legitimizing illegally-acquired funds. The group carried out activities in several economic areas: cargo transport by road, wholesale trade in motor vehicle spare parts and accessories, and security systems.

Criminal proceedings regarding the activities of the group were initiated according to Latvian law. Nine persons were detained and are considered suspects.



#Atkrāpies! (#FraudOff!) is an anti-fraud movement that joined [state administration institutions of Latvia](#), which combat fraud in different areas and forms, as well as inhabitants of Latvia and organisations that strictly oppose any kind of fraud. More information and an opportunity to join the movement on www.atkrapijes.lv.

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