

in their country of tax residence. In order to do that, the clients had to receive detailed information on their assets held by these financial institutions and DNFBPs, who were more than willing to provide such information. This may change with the introduction of tax crimes as predicate offences to ML in the countries where the financial institutions and DNFBPs are domiciled. Why? Once the tax crime committed by the client is a predicate offence to ML in the country of domicile of the financial institution/DNFBP, the latter is not just running the risk of being an accessory to the tax crime of the client, but also of being regarded as potential money launderer by the prosecutor of his own country of domicile. This may have a significant inhibitory effect on the willingness of the financial institution or DNFBP to motivate their clients to file a voluntary disclosure.

4.5 Will the FIUs become the long arm of the tax administration? Or have they already in certain countries?

What criteria might be useful to assess whether a FIU has become the long arm of the tax authority or not? Probably the percentage of reports received by the FIU in question that are related to tax crimes as predicate offences to ML.

Of all the SARs and STRs the German FIU has received in 2014, 7 % were triggered by the suspicion of a tax crime as predicate offence to ML¹¹⁹. This is the 3rd biggest share in the total number of reports. The Austrian FIU received 54 tax related SARs in 2014, when the total number of SARs was 2301, leading to a 2.3% share of tax related SARs.¹²⁰

The number of SARs the Belgian FIU received with serious fiscal fraud as predicate offence to ML has increased from 59 in 2012 to 84 in 2014, leading to a share of 7.43 % of the total in 2014.¹²¹

Of the 464 files the French FIU transferred to the judiciary in 2014, 144 were categorised as having tax fraud or related offences as predicate offence to ML.¹²² This means that almost a third (32.22 %) of all files forwarded by the FIU to the judiciary in France in 2014 were based on tax fraud or related offences as predicate offences to ML.

¹¹⁹ The annual reports of the German FIU are available in German and English from http://www.bka.de/nn_205932/DE/Publikationen/JahresberichteUndLagebilder/FIU/fiu_node.html?_nnn=true, accessed on April 3, 2016.

¹²⁰ The annual reports of the Austrian FIU are available in German from http://www.bmi.gv.at/cms/BK/publikationen/Statistiken_Geldwsc.aspx, accessed on April 10, 2016.

¹²¹ The annual reports of the Belgian FIU are available in English, French and Dutch from http://www.ctifcfi.be/website/index.php?option=com_content&view=article&id=206&Itemid=76&lang=en, accessed on April 10, 2016.

¹²² The annual reports of the French FIU are available in French from <http://www.economie.gouv.fr/tracfin/rapports-annuels>, accessed on April 10, 2016.