

CRIME

RCMP charge seven in alleged CRA fraud

Investigation has shaken up collection agency, with allegations that auditors received bribes to turn a blind eye to unpaid taxes

DANIEL LEBLANC OTTAWA

The RCMP has completed its six-year investigation into alleged corruption at the Canada Revenue Agency by laying 36 fraud and bribery charges against seven individuals, including four former federal civil servants.

Overall, the RCMP has laid 142 charges against eight former CRA officials and seven businessmen, the national police force said in a statement on Monday. "The latest charges mark the conclusion of Project Coche," the RCMP said in reference to the investigation's code name.

Launched in 2008, the investigation has shaken up the tax-collection agency, with allegations that senior auditors received bribes in exchange for turning a blind eye to millions of dollars in unpaid taxes and fraudulent tax credits. In some cases, CRA officials tried to apply pressure on company owners to obtain bribes in exchange for a reduction in their tax assessments, the RCMP alleged.

According to the last round of charges, three CRA auditors were "phantom shareholders" in a firm called Delvex that helped other firms obtain allegedly fraudulent

tax credits. Delvex later received about a quarter of the total value of the claims that were granted under the CRA's Scientific Research and Experimental Development (SR&ED) Program, the RCMP said.

The RCMP laid five charges each against the three former CRA officials who were Delvex investors — Americo Comparelli, Adriano Furgiuele and Antonio Girardi — as well as businessmen Francesco Bruno and Marcello Furgiuele, who is Adriano's brother. The five co-accused are scheduled to appear in court in April.

The RCMP also announced on

Monday that it has laid 11 charges against Adriano Furgiuele and Nicola Iammarrone — who are both former CRA officials — in relation to an alleged bribe from businessman Francesco Bertucci. According to the RCMP statement, Mr. Bertucci allegedly "evaded payment of more than \$2-million in federal taxes in relation to a business investment loss" after securing the co-operation of the former CRA officials.

According to an RCMP search warrant that had previously been filed in court, Adriano Furgiuele received \$150,000 from Mr. Bertucci, who was the president of

placement firm Thomson Tremblay, on Jan. 9, 2008.

Revenue Minister Kerry-Lynne Findlay said in a statement that the government will hold CRA officials to the "highest ethical standards."

"We committed to holding those responsible to account and I am very pleased to see that the investigation has led to 15 arrests and to over 140 charges," Ms. Findlay said. "The CRA will continue to investigate any allegations of misconduct and continue to cooperate with the RCMP to ensure that the individuals responsible face the full force of the law."