

ANTI-FACILITATION OF TAX EVASION POLICY



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1. Introduction

- 1.1 On 30 September 2017 the Criminal Finances Act 2017 came into force, making companies criminally liable where they fail to prevent tax evasion facilitation committed by their employees, workers, agents or service providers, even where the business was not involved in the act or was unaware of it.
- 1.2 Bexley Tigers is committed to conducting itself professionally, fairly and with the utmost integrity in all its business dealings and to enforcing effective systems to counter the facilitation of tax evasion.

2. Scope of Policy

- 2.1 The purpose of this policy is to set out Bexley Tigers responsibilities, and those of all Bexley Tigers employees, contractors, consultants and freelancers ("Bexley Tigers Personnel") in relation to the prevention of tax evasion. The policy is intended to provide information and guidance as to how to recognise and avoid practices that may amount to a tax evasion facilitation offence.
- 2.2 All Bexley Tigers Personnel must adhere to this policy and will be provided with a copy (it will also be made available on the intranet).
- 2.3 In this policy, a reference to a third party should be taken to mean any individual or organisation that Bexley Tigers Personnel encounter during the course of their work for Bexley Tigers. This includes Bexley Tigers suppliers, distributors, licensees, business contacts, agents, advisors, Clubs and partners. It also includes government and public bodies, and their advisers, representatives and officials and politicians and political parties.

3. The Offences of Tax Evasion and Facilitating Tax Evasion

- 3.1 Under UK law, tax evasion is the offence of fraudulently evading the payment of tax or cheating public revenue. The criminal offence requires an element of fraud, which means there must be a deliberate action or a failure to do something with deliberate intent. Evading tax in a foreign country is also a

criminal offence and is caught by UK law where the action is illegal in the foreign jurisdiction and would also be an offence if committed within the UK.

- 3.2 Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs).
- 3.3 Tax evasion facilitation is being knowingly concerned in, or taking steps with a view to, someone else's tax evasion, or aiding, abetting, counselling or procuring the commission of that offence. If you are knowingly involved with the fraudulent evasion of tax (whether relating to taxes payable in the UK or abroad) by another person, you are committing the criminal offence of facilitating tax evasion.
- 3.4 It is not an offence to accidentally, ignorantly, or negligently facilitate tax evasion. The key element is that the action was taken deliberately and dishonestly.
- 3.5 Under the Criminal Finances Act 2017, there is also a separate offence of the facilitation of tax evasion that will automatically apply to the Bexley Tigers, as a corporate body, if tax evasion is facilitated by an "associated person", acting within their role for the Bexley Tigers.
- 3.6 'Associated persons' can include employees, subsidiaries and third party agents, and anyone else who performs services for Bexley Tigers. If an associated person is found to have deliberately and dishonestly taken action to facilitate tax evasion while performing their duties for Bexley Tigers, the Bexley Tigers will be automatically liable. There's no requirement for Bexley Tigers to know of any wrongdoing or illegal activity taking place.
- 3.7 Bexley Tigers only defence is to show that the it had "reasonable prevention procedures" in place to prevent associated persons from committing the offence.
- 3.8 Under the Criminal Finances Act 2017, all offences are punishable by unlimited fines for companies. Individuals may also face imprisonment or fines for their involvement.

4. Example "Red Flag" Scenarios

4.1 During the course of your work you may come across certain 'red flag' behaviours. If you become aware of anyone being involved in any of the below situations, you must report it promptly to the Director of Legal Services:

- a. false statements relating to tax, a failure to disclose income or gains or a failure to register with the HMRC (or equivalent authority in a foreign jurisdiction);
- b. a failure to register for VAT or account for VAT payments;
- c. requests for unusual payment methods, payments in cash, or a refusal to sign contracts or provide invoices or receipts for payments made;
- d. a request by a contractor or third party to be treated as self-employed, but without any material change to working conditions;
- e. requests to make payments to a country that is different from where the employee or third party resides or conducts its business;
- f. receipt of non-standard or customised invoices or invoices showing different company details (including name and address) to those given by the third party when engaged;
- g. unfounded requests for contracts to be backdated;
- h. unexpectedly large or small commission or fee payments, or a request to split payments across different invoices;
- i. third party requests to use an agent, intermediary, distributor or supplier that is not typically used by the Bexley Tigers, especially where such third party is based outside of the jurisdiction.

4.4 Particular care should be taken in relation to employees or associated persons in higher risk functions, such as (i) accounts payable/receivables, due to their close proximity to the payment process; (ii) HR and Payroll due to their role in the determination of employment status and the operation of PAYE employment taxes withholding; and (iii) employees or agents/associated persons responsible for negotiating arrangements with suppliers.

5. Engaging Suppliers and Third Parties

- 5.1 The Bexley Tigers can be held legally responsible for the acts of people who act on our behalf, therefore in order to prevent any misconduct we take the following steps:
- a. Conducting due diligence on agents, distributors, suppliers and joint venture partners (together referred to as “third parties”) to assess their reputation and the potential risks of misconduct;
 - b. Ensuring that commercial relationships with third parties are based on written agreements including reasonable provisions requiring compliance with applicable laws and providing reasonable remedies for violations;
 - c. Ensuring that all third party agreements are submitted to ServiceNow for review and approval by Bexley Tigers Legal Department, the project lead and the executive leadership team, to ensure oversight and transparency;
 - d. Ensuring that Bexley Tigers personnel monitor and review the performance of any third parties including compliance-related performance; and
 - e. Responding promptly and effectively to any reports or allegations or unlawful or unethical conduct by any third parties acting on our behalf.
- 5.2 The tax evasion facilitation risks associated with third parties may be higher in the following circumstances:
- a. They are based in or are providing services in a high-risk jurisdiction (see list at Appendix 1) or goods are passing through borders between high-risk jurisdictions;
 - b. The services involve the payment of taxes, fees or other payments on the Bexley Tigers behalf in relation to the import or export of goods; and
 - c. There are any other specific reasons to suspect that the risk of tax evasion or tax evasion facilitation is higher than normal.
- 5.3 The Bexley Tigers Legal Department should be contacted if any of the situations listed above arise. They will provide advice on any further due diligence required and any anti-bribery clauses to be included in the contract.

6. Your responsibilities

- 6.1 The prevention, detection and reporting of both UK and foreign tax evasion is the responsibility of everyone working for the Bexley Tigers. You should notify the Director of Legal Services as soon as possible if you believe or suspect that a breach of this policy has occurred or may occur in the future. If you are unsure whether a particular act constitutes tax evasion or facilitating tax evasion, or if you have any other queries, these should be raised with the finance department. Contact details are set out below.
- 6.2 It is not acceptable for you (or someone on your behalf) to engage in any of the following behaviours:
- a. knowingly engage in any form of facilitating tax evasion or foreign tax evasion;
 - b. aid, abet, counsel or procure the commission of a tax evasion offence or foreign tax evasion offence by another person;
 - c. fail to promptly report any request or demand from a third party to facilitate the fraudulent evasion of tax (whether UK tax or tax due in a foreign jurisdiction) by another person;
 - d. threaten or retaliate against another individual who has refused to commit a tax evasion offence or foreign tax evasion offence or who has raised concerns under this policy.
- 6.3 Any employee who breaches this policy will face disciplinary action. Any third party found to be engaging in conduct that breaches this policy will see their relationship with the Bexley Tigers terminated.

7. Bexley Tigers responsibilities

- 7.1 Bexley Tigers aims to encourage openness and will support anyone who raises genuine concerns under this policy, even if they turn out to be mistaken. All disclosures under this policy will be treated in accordance with the Bexley Tigers Whistleblowing Policy.
- 7.2 The Board has overall responsibility for ensuring compliance with this policy. The Director of Legal Services has primary and day-to-day responsibility for implementation and for monitoring its use and effectiveness.

7.3 Training will be offered to those Bexley Tigers Personnel identified as having the greatest chance of exposure to the red flag scenarios at 4.3 above. If you have not been offered training, but would like to request it, please contact the legal department.

Appendix 1

High Risk Countries

American Samoa	Fiji	Niger	Zambia
Afghanistan	Gabon	Nigeria	Zimbabwe
Albania	Gambia	Palau	
Algeria	Guam	Pakistan	
Angola	Guatemala	Panama	
Anguilla	Guinea	Papua New Guinea	
Argentina	Guinea-Bissau	Paraguay	
Armenia	Guyana	Peru	
Azerbaijan	Haiti	Philippines	
Bangladesh	Honduras	Republic of Congo	
Belarus	India	Russia	
Benin	Indonesia	Samoa	
Bolivia	Iran	Seychelles	
Bosnia and Herzegovina	Iraq	Sierra Leone	
Brazil	Jamaica	Somalia	
Burundi	Kazakhstan	South Sudan	
Cambodia	Kenya	Sri Lanka	
Cameroon	Korea (North)	Sudan	
Central African Republic	Kosovo	Syria	
Chad	Kyrgyzstan	Tajikistan	
China	Laos	Tanzania	
Colombia	Lebanon	Thailand	
Comoros	Lesotho	The FYR of Macedonia	
Cote d'Ivoire	Liberia	Timor-Leste	
Democratic Republic of Congo	Libya	Togo	
Dominica	Madagascar	Trinidad and Tobago	
Djibouti	Malawi	Turkmenistan	
Dominican Republic	Maldives	Uganda	
Ecuador	Mali	US Virgin Islands	
Egypt	Mauritania	Ukraine	
El Salvador	Mexico	Uzbekistan	
Eritrea	Moldova	Vanuatu	
Ethiopia	Mongolia	Venezuela	
	Morocco	Vietnam	
	Mozambique	Yemen	
	Myanmar		
	Nepal		
	Nicaragua		