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# More Offshore Account Prosecutions For Secret Accounts Seeking Heavy Prison Time

These days, the IRS and Justice Department seem more intent on nabbing crypto tax dollars than owners of still secret offshore accounts. The land rush of offshore account cases started in 2008 and went on for over 10 years. But there are still secret ones out there it seems, and when the feds find them, they are harsh. In one recent indictment, Mark Anthony Gyetvay was accused of defrauding the United States by not disclosing offshore assets, failing to report income on his tax returns, failing to pay millions in taxes, and submitting a false offshore compliance filing as he tried to avoid penalties and prosecution. This is only an indictment, so the government must prove its case, but the government's success rate in is extremely high. Gyetvay was a CPA and CFO of a Russian gas company who the feds claim had over $93 million stashed in Swiss accounts. The indictment claims that he even tried to hide it with making his Russian wife the account holder, filing a false "non-willful" streamlined filing with the IRS, etc. If convicted, he faces up to 20 years in prison for each wire fraud count, five years for each failure to file FBAR count, five years for tax evasion, five years for making a false statement, three years for each count of assisting in the preparation of a false tax return, and one year for each willful failure to file a tax return count.


Another recent indictment charges offshore financial service executives and a Swiss financial services company with conspiracy to defraud the IRS by helping three large-value U.S. taxpayer-clients conceal more than $60 million in income and assets held in undeclared, offshore bank accounts and to evade U.S. income taxes. According to the indictment, from 2009 to 2014, Ivo Bechtiger, Bernhard Lampert, Peter Rüegg, Roderic Sage, Rolf Schnellmann, Daniel Wälchli and Zurich, Switzerland-based Allied Finance Trust AG allegedly defrauded the IRS by concealing income and assets of U.S. taxpayers with undeclared bank accounts located at Privatbank IHAG and elsewhere. They allegedly devised the “Singapore Solution” to conceal bank accounts and income of U.S.-based clients from U.S. authorities by routing funds through a series of accounts using the name of a Singapore-based asset manager. Potential prison time for these defendants if convicted is also significant.

Unsealed at the time of the indictment was also a guilty plea of Wayne Franklyn Chinn, of Vietnam and San Francisco, who was one of the U.S. taxpayer-clients in the Singapore Solution scheme. Chinn pleaded guilty to one count of tax evasion which carries a maximum penalty of five years in prison. He also consented to the civil forfeiture of 83% of the funds held in five accounts at two Singapore banks, which resulted in the successful forfeiture and repatriation to the United States of approximately $2.2 million. The civil forfeiture proceeding is *United States of America v. Certain Funds on Deposit in Various Accounts*, 20 Civ. 3397 (LJL).

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