



Oct 05, 2015 15:04 BST

Payback time for closet VAT fraudster

A London pensioner who hid in a wardrobe to avoid discovery during an operation by HM Revenue and Customs (HMRC) has been ordered to repay criminal profits of almost £275,000, within three months, or remain in prison for a further two and a half years.

Company director Michael Kelly, 74, was jailed for four and a half years in 2014 for making false VAT repayment claims of more than £500,000 over a six-year period.

Kevin Newe, Assistant Director, Fraud Investigation Service, HMRC, said:

”Kelly was shameless in his attempts to obtain huge sums of money by fraud with no regard for the fact that he was stealing it from public services. But this action shows that our work doesn’t stop when someone is convicted, and that we will look to reclaim the money stolen from the public purse.

“I would encourage anyone with information about tax fraud to contact us on 0800 59 5000 and help us stamp out this crime.”

Recorder Sells QC commented:

“You operated a shadowy web of asset and money movement designed to deceive the authorities.”

Notes for editors

1. Details of the defendant and the Confiscation Order granted on 2 October 2015 at the Old Bailey:

- Michael Flannan Kelly, DOB 13/12/40, formerly of Kangley Bridge Road, London SE26, was ordered to pay £274,725 within three months or remain in prison for a further two and a half years.
- He had previously been found guilty after a three-week trial and was sentenced to four and a half years in prison on 17 January 2014, at the Old Bailey. A copy of the news release and is available at: <http://www.mynewsdesk.com/uk/hm-revenue-customs-hmrc/pressreleases/closet-vat-fraudster-jailed-950091>

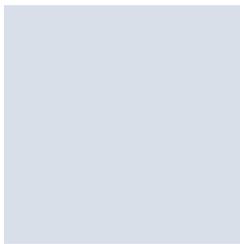
2. Follow HMRC on Twitter @HMRCgovuk

Issued by HM Revenue & Customs Press Office

HM Revenue & Customs (HMRC) is the UK’s tax authority.

HMRC is responsible for making sure that the money is available to fund the UK’s public services and for helping families and individuals with targeted financial support.

Contacts



HMRC Regional Press Officer - North West

Press Officer for North West

Lancashire, G. Manchester, Merseyside & Cheshire

03000 525 872

07900 394 601