

What are the goals and means for research?

What does a research service do?

The research service's main role is to collect and process information in order to select files for a tax audit. This work is mainly directed towards frauds with the most serious risks such as:

- Occult activities and illegal work;
- The non-reporting of income;
- Cross-border fraud (false residency, VAT fraud ...).

The contribution of the local search services (BCR) in tax audits: 14 % of audits have their origins in research.

The organization of the research services

Between ministries

The DGFIP is actively involved on the one hand, in the action of regional intervention groups (GIR), whose activity is focused on the fight against the underground economy and illegal employment and on the other hand, in the cooperation with the police and gendarmerie in the fight against illegal trafficking. Furthermore, the National Economic Investigation Brigade (BNEE) operates on investigations conducted by the judicial police whose primary investigate crimes and offenses with a financial impact. In this respect, the agents have a national jurisdiction.

On the national level

The National Directorate of Tax Investigations ("direction nationale des enquêtes fiscales – DNEF »)

The National Directorate of Tax Investigations (DNEF) is the national action and coordination of the tax intelligence gathering "device". Part of the DNEF services' mission is to detect fraudulent mechanisms and conduct search operations and investigations for tax audits and the production of documents. The DNEF services proceed to the implementation of the visit and seizure procedure provided for in Article L. 16 B of the Tax Procedure (LPF). Finally, this national directorate carries out external tax audits in economic sectors at risk, specifically in the field of intra-community VAT and VAT carousels.

On the *département* level : the audit and research brigades ("*les brigades de contrôle et de recherche - BCR*")

Present in each local tax directorate, the BCR are made up of, on average, a dozen agents supervised by a brigade leader.

They are in charge of the gathering and processing of information, including those transmitted by other administrations through the communication right.

The means of the action research services

The research services have four major types of information gathering procedures strictly regulated by law:

- **the right of communication (“*droit de communication*”)**: procedure used to obtain documents from companies, administrations or miscellaneous bodies and statement of accounting information;
- **the right of inquiry (“*droit d’enquête*”)** : research procedure used in breaches of business billing rules to which taxpayers are subject in regards to VAT;
- **visits and seizure procedure (“*procédure de visite et de saisie*”)** : authorized by a judge and in the presence of a police officer. This exceptional procedure is used, more rarely, to highlight fraud complex or large schemes. It is implemented only by agents of the DNEF in about 200 operations per year;
- **tax flagrancy (“*flagrance fiscale*”)** : this procedure allows, if challenged of some fraudulent acts causing a risk for the recovery of the tax debt for taxpayers engaged in a professional activity, to draw up a report with the possibility of precautionary measures.