



Australian Government
Australian Taxation Office

MEDIA RELEASE

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Queensland company directors receive 6 ½ years for tax fraud

Joint Media Release with ACC

Two company directors were today each sentenced to six and a half years imprisonment for tax fraud equating to \$2.22m in the Queensland Supreme Court, Brisbane, as a result of Project Wickenby investigations.

Adam John Hargraves and Daniel Aran Stoten, directors of the Gold Coast based Phone Directories Company Pty Ltd, were found guilty of conspiring to intentionally cause a loss to a Commonwealth entity, namely the Australian Taxation Office, contrary to section 135.4(3) of the Commonwealth Criminal Code 1995, between 24 May 2001 and 9 June 2005.

Australian Crime Commission (ACC) Chief Executive Officer, John Lawler, said the men used a sham invoicing scheme involving international tax havens to understate their company's income by more than \$4.46 million. In addition, they understated their own income by \$4.81 million.

"By moving income overseas they planned and executed a deliberate theft from Australia of \$2.22 million dollars in tax revenue," Mr Lawler said.

"The scheme involved multiple layers of entities and the passage of funds through three international tax havens in an attempt to frustrate investigations."

Project Wickenby develops intelligence on and investigates and prosecutes promoters and participants who facilitate and profit from abusive tax haven arrangements.

"The ACC is focused on disrupting the activities of principal organisers and facilitators behind these schemes and today's sentences follow the recent conviction of solicitor Paul John Gregory in the Supreme Court of Victoria who was subsequently sentenced to two years imprisonment, and the guilty plea by Perth accountant Trevor Neil Thomson who was jailed for three years and three months," Mr Lawler said.

"Through close collaboration with our partners, including international agencies, we are successfully targeting promoters who deceptively withhold significant amounts of money from our nation – placing an unfair burden on law-abiding taxpayers."

Tax Commissioner Michael D'Ascenzo said today's sentencing is a positive outcome for the community.

"Our ability to trace fund flows around the world is constantly expanding and we are identifying suspect transactions and participants," Mr D'Ascenzo said.



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“We encourage people caught up in these schemes to seek independent advice and take advantage of our [offshore voluntary disclosure concessions](#).

“This sentence sends a clear message to participants and promoters of complex offshore schemes they will face the full force of the law if they attempt to deliberately hide income and assets from the ATO.”

Project Wickenby is a cooperative partnership between the Australian Taxation Office, Australian Federal Police, Australian Crime Commission, Australian Securities and Investments Commission, and the Commonwealth Director of Public Prosecutions, with support from The Australian Transaction Reports and Analysis Centre (AUSTRAC), the Australian Government Solicitor and the Attorney-General’s Department.

To date the Project Wickenby taskforce has resulted in:

- \$767 million in tax liabilities raised
- \$186 million in tax collected
- 57 people charged with serious offences
- 8 people convicted
- 26 criminal investigations
- 1224 audits and reviews completed
- 693 audits and reviews underway
- \$75.7 million in assets restrained, and
- \$299.33 million in improved voluntary compliance.

For more information please visit [Project Wickenby](#)

For ATO media enquiries please call 02 6216 1901 or email mediaunit@ato.gov.au

For ACC media enquiries please call 02 6243 6843 or mobile 0409 603 637 or email media@crimecommission.gov.au



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