Press Release



Taipei District Prosecutors Office

Release Date: June 8, 2016

Media Contact: Deputy Chief Prosecutor Chang

Contact number: (02)23146881

Taipei Mayor Ko Wen-Je is discharged from the MG149

account allegations

- 1. Our Office has discharged Taipei Mayor Ko Wen-Je from allegations of corruption, embezzlement, fraud, using falsely-made occupational documents, inciting others to commit a crime, or violations of Business Entity Accounting Act and Tax Collection Act, due to lack of evidence.
- 2. Ms. Lo Shu-lei has discharged from allegations of intending to influence a candidate's election, defamation, or falsely accusations, due to withdrawal of complaints or lack of evidence.

Ms. Lo claims that Mayor Ko, while being the director of the NTUH's Surgical Intense Care Unit, applied to set up the MG149 bank account pursuant to NTUH's No.402 account in 2000 to fund the department's operation. He was the manager of the account. Ko was accused by Lo of pocketing donations made by individuals or medical equipment of companies to the MG149 account by transferring monies to his private accounts.

Lo also accused Ko, as a public servant, of procurement and accepting kickbacks from manufacturers of extracorporeal membrane oxygenation (ECMO) machines.

The reasons that Ko was not indicted are as follows:

 At the time of the alleged offenses, Ko was not a public servant as defined by the Criminal Code. He was neither an accountant nor professional in procurements. His team's procurements did not pertain to public interest.

- 2. The MG149 bank account was set up according to the rules in NTUH.
- 3. Ko's team had truthfully provided invoices before granted funds from the MG149 account. (Exception: three small invoices provided by defendant Liu were forged. For these minor crimes, Liu received a fine and deferred prosecution.)
- 4. Ko's private account was used to facilitate the department's operation. When Ko's team members made case-advance requests for their research projects, the fees could be covered by the private account. However, the case-advance grants must be repaid by the team's members.
- 5. As to allegations that doctors were granted half of the department's surplus for distribution among themselves, evidence shows the portion of the surplus allocated for doctors were used for research purposes. After reviewing the ledgers, prosecutor did not find evidence that the doctors pocketed remnants of the grants they received.
- 6. As for invasion of taxation, although under Ko's MG149 account rules, doctors were encouraged to donate funds to the account to claim tax deduction in turn. There were16 doctors from 2006 to 2014 had done this and received tax deduction. However, they use tax invoices produced by NTUH. According to the facts above, there is no evidence to convince the prosecutor that Ko has excited others to invade taxation.