



Press Release

Taipei District Prosecutors Office

Release Date: Jan. 30, 2020
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Investigation on 21 cases of defendant Wu and the others suspected of violating the Anti-Corruption Act

Crime Detection

The first phase of the investigation ended, as briefly stated below:

- (a) The defendants Wu and the other twelve were indicted on charges of corruption and tax collection and other offenses.
- (b) Six defendants suspected of violating the Tax Collection Act were placed on deferred-prosecution.
- (c) The defendant Zeng and Lin was not prosecuted for any offenses such as the Anti-Corruption Act and the violation of the Tax Collection Law.
- (d) Other persons who are involved in the purchase of cigarettes and other missions of the President's visit shall be investigated separately.

Two Main Principles

The Department has always upheld the principle of "don't let go," and "leniency" to trace the origin, regardless of the status of the person involved, is investigated. The more serious circumstances of its crime, the heavier the punishment, and vice versa according to the evidence.

Specific Investigation

The case is led by the head Prosecutor and the team of prosecutors and Prosecutor Investigators to handle and commanded the New Taipei City Field Division of Investigation Bureau of Ministry of Justice to carry out. A total of 204 interrogations, access to 25 monitors, 23 financial institutions to check 44 people's financial accounts, the relevant units to check the data, and 31 digital devices (mobile phones, laptops, hard drives) were identified by the Department's Digital Forensics Office, and three searches were conducted, with a total of 23 spots and 20 suspects. The investigation covers all sectors and has questioned the chairman of China Airlines and related personnel. The case was to conclude on August 26, 2019, and transferred to the Taipei District Court for trial.

Facts of Crime

1. China Airlines Co., Ltd. and China Food Cook Co., Ltd.:
Qiu is the Deputy General Manager of China Airlines Company in the air supplies supply office, in charge of duty-free sales. Yu is the Associate General Manager, in charge of the air supplies sale. Huang is the head of the integrated marketing section and is the main contractor for the sale of duty-free of the President's flight. Chen is the Air Products Control Group Manager, responsible for the air cabin supplies loading planning. Xu is the clerk of the air products control group, stationed in the China catering company's machine supply center, responsible for checking the business of the machine supply center. Bai is a flight attendant responsible for the sale of duty-free goods on the president's flight. Tian is the

company's food deputy chef, as the random chef in the president's visit, responsible for in-flight meal planning.

2. Wu is the chief administrative officer of the logistics team of the presidential guard group and is the contractor for the presidential visit. Zhang is the chief of staff of the logistics team of the presidential guard group, responsible for the assignment of the pilot's schedules on the day of the return of this flight. Huang and Li are both Sergeants of the Guard sector. Liu, Ye, Pan and Zhang are officers of the Yonghe Guard sector, responsible for driving official vehicles into the control area to carry the presidential guards' luggage and equipment.

3. Xu is a member of the Office of the Presidential Guard sector. Qi is Xu's friend. Li was a retired military officer and the schoolmate of Liu. Lin is the deputy head of the National Security Agency's Secret Service Center Security Unit.

4. Background of the President's visit

The Ministry of Foreign Affairs provides the President's visit under Article 28 of the International Airport Park Development Regulations and Article 2, 3, 7 and Article 8 of the International Airport Courtesy Operation Measures. The members of the Presidential Visiting Mission apply for the customs clearance of state guests, and the gift car to and from the airport, and directly into and out of the reception room of the State Guest. The passport is checked by the Ministry of Foreign Affairs personnel, and the luggage is exempted from inspection.

5. Pre-purchase of duty-free cigarettes by China Airlines for the pre-travel of the presidential plane

Huang provided duty-free cigarette order to the presidential office

of the guard, and then Wu issued it to the presidential office of the guard of the orders to various units. Xu, Liu, Lin make orders for themselves and for the people from other units of a large number of cigarettes, and The Chinese Airlines flight attendant Bai also took the opportunity to participate in the order. Wu collected and pre-paid the money to Yushan Bank to facilitate the credit card. Qiu and Yu knew that the number of pre-purchased duty-free cigarettes exceeds the number that the presidential plane can carry and the passengers who can legally bring in the aircraft, but they still instruct and agree to take the side-of-hand delivery of Huang. Huang is responsible for coordinating with various departments of China Airlines to arrange pre-purchased cigarettes and delivery on the side of the flight, using courtesy customs clearance without inspection.

6. Huang And Xu are aware that the duty-free cigarettes booked by this presidential visit project is not loaded on the flight, and still to declare to the Ministry of Finance Customs Department Taipei Customs Inspection of the use of duty-free goods list and stored them in the Chinese dining company bonded warehouse.

7. Wu estimated, by the number of attendance in the presidential guard room, carrying luggage, equipment quantity plus the number of pre-purchased cigarettes, that the day of return about five trucks, in addition to the Presidential guard sector has one truck, borrowed two trucks from the Presidential transportation department , and 2 trucks from the National Security Bureau.

8. Tian asked Huang to pass duty-free cigarettes with official vehicle courtesy exemption from customs clearance, after being allowed, Tian purchased 200 duty-free cigarettes on the plane.

Another White saw that there was still a surplus of duty-free cigarettes sold on board, and then with Huang to negotiate the same way to exempt the customs clearance to buy 129 duty-free cigarettes. Huang also set up a LINE group and made an agreement to deliver goods on the arrival of the flight at the same time as the shipping of the container.

9. Zhang instructed Chan to tow five AKE luggage cabinets near the B9 gate, where Wu will receive him. Wu and other eight people then moved out the cigarettes from C3 gate, but then the New Taipei City Field Division of Investigation Bureau of Ministry of Justice was in conjunction with the Ministry of Finance Customs Department Taipei customs officers to seize them on the spot, and found a total of 5,873,984 NT dollars to escape the leakage of tobacco and alcohol tax, health taxes and sales tax.

Violation

1. The staff of the Presidential guard sector

The defendants, Wu, Zhang, Liu, Ye, Pan, Zhang, Li, Huang, were committing the Anti-Corruption Act , article 4, paragraph 1, subparagraph 4, article 6,, paragraph 1, subparagraph 5, , and Tax Collection Act, article 41, paragraph 1.

2. The personnel of China Airlines company

The defendants Qiu, Yu, Huang, and Wu, were committing the Anti-Corruption Act , article 6, paragraph 1, subparagraph 5, and Tax Collection Act, article 41, paragraph 1.

The defendants, Chen and Xu, were committing the crime of helping others to evade taxes by improper means, article 43, paragraph 1, of the Tax Collection Act.

3. other participants in the purchase of tobacco

The defendants, Xu, Qi, Li, Lin, Bai, Tian, Wu, Huang, were accomplices in the Tax Collection Act, article 41, paragraph 1.