

## Effect of the presumption of simulated operations

## Efecto de la presunción de operaciones simuladas

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### Abstract

Currently in Mexico the issue of non-existent operations has become more relevant, since this has become a problem that aggravates the collection system and therefore the income that was budgeted for the contribution items decreases, The Tax Administration Service (SAT) is the entity in charge of carrying out said collection and which, through its verification powers established in article 42 of the Federal Tax Code, provides the authority with the facilities to carry out reviews of taxpayers in relation to their fiscal situation and through these practices, it has tried to reduce simulated operations, the same ones that are covered by Digital Tax Receipts by Internet, this situation is provided for in the Tax Code of the Federation article 69-B, which has been modified in recent years, proof that in Mexico this practice has presented an increase and in which there are more and more p moral persons affected by those who issued these receipts as they are recipients of a document that lacks validity, since they did not produce or produce fiscal effects.

**Presumption, Simulated operations, Taxpayers, Taxes, Evasion**

### Resumen

Actualmente en México el tema de operaciones inexistentes ha tomado mayor relevancia, pues este se ha vuelto un problema que agrava el sistema recaudatorio y que por ende los ingresos que se tenían presupuestados para las partidas de contribuciones decrecen, El Servicio de Administración tributaria (SAT) es la entidad encargada de llevar a cabo dicha recaudación y la cual mediante sus facultades de comprobación establecidos en el artículo 42 del Código Fiscal de la Federación, le brinda a la autoridad las facilidades para realizar revisiones a los contribuyentes con relación a su situación fiscal y mediante estas, ha intentado reducir la práctica de operaciones simuladas, mismas que se encuentran amparadas por Comprobantes Fiscales Digital por Internet, esta situación está prevista en el Código Fiscal de la Federación artículo 69-B, el cual se ha modificado en los últimos años, prueba de que en México esta práctica ha presentado un incremento y en el que cada vez son más las personas morales afectadas por quienes emiten estos comprobantes al ser receptores de un documento que carece de validez, puesto que no produjeron ni producen efectos fiscales.

**Presunción, Operaciones simuladas, Contribuyentes, Impuestos, Evasión**

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## Introduction

The first audit actions in Mexico against taxpayers who engage in the practice of simulated or non-existent transactions began with the reform of the Federal Tax Code (C.F.F.) by the Ministry of Finance and Public Credit (S.H.C.P.), published in the Official Gazette of the Federation (D.O.F., 2013), which came into force on 1 January 2014.

In the newspaper *el economista* in its 2019 edition, through several editorial opinions they state that:

In recent years, the Tax Administration Service (S.A.T.) has been provided with legal tools to address this problem, for example, the procedure regulated in Article 69-B of the Federal Tax Code (C.F.F.) to presume, in certain cases, the non-existence of transactions covered by tax receipts. However, this measure has been insufficient to dissuade and put an end to this illegal and harmful practice for the strengthening of public finances (Barajas and Ruiz, 2019 n.p.).

Among the multiple economic, social, political and cultural problems that Mexico faces, one of the most acute, transcendent, vital and strategic issues addressed by the authorities is undoubtedly tax collection, and within this, the problem of tax collection takes on special relevance; This practice is one of the most damaging for the Mexican state, because it weakens -sometimes by illegal means- the financial strength of the Mexican state. Another issue related to tax collection and the harmful practice of tax evasion is the trafficking of tax receipts through simulated operations.

This problem has created a prolonged decrease in tax revenues, and causes a substantial drop in tax collection, hence the tax authorities in recent years have established mechanisms to detect, monitor and eliminate aggressive tax evasion schemes to sanction and prosecute taxpayers who commit the crime of tax fraud. Consequently, the following problem arises: tax evasion schemes are causes that aggravate tax collection and are the way in which taxpayers try to reduce or attempt to evade the payments of their established tax obligations, generally these practices derive from the acquisition of tax vouchers between Companies that Deduct Simulated Operations known as EDOS and EFOS.

Derived from the above, this research is focused on: Obtaining information through the perception of expert accountants in the field, on the practice incurred by taxpayers on how to distort their records through simulated operations. The study is carried out as an exploratory, non-experimental research, through the deductive method and with a qualitative approach (Hernández, *et al.*, 2014).

Due to the characteristics of the research, the following assumption was made Taxpayers lacking the necessary information regarding simulated operations and not being trained to carry out a substantiation process, it ends in impunity or they proceed incorrectly in deducting these operations.

To verify this, the analysis will address two types of categories:

1. Simulated operations.
2. The media.

The sample will be represented by subjects (Hernández, *et al.*, 2014) being these, expert accountants, owners of accounting firms of recognized firms in the entity.

The technique that was applied was the interview through a structured guide; the strategy for data collection was carried out by contacting the experts by telephone and in person to obtain their consent to carry out the interview using the Microsoft Teams platform, which allowed the interview to be conducted face to face and at the same time to record it for its unpublished analysis.

## Method

This research seeks to contrast the information provided by the tax authorities, the laws and the opinion of expert accountants about simulated operations in order to identify and explain the way in which they operate and how they are detected. Since this is a phenomenon that has been little studied in this geographical demarcation and an important part of the study is to analyze it within the context in which the participants carry out their activities (Hernández-Sampieri and Mendoza, 2018), the qualitative approach was considered the most appropriate to carry out this research.

The first stage of this research consisted of a period of enquiry through the review of existing literature to learn about the content of the laws regarding simulated operations and the existing information provided by the tax authorities.

Then, as indicated by the inductive nature of the method, the construction of the instrument began, generating a semi-structured interview guide with questions that respond to the initial concerns that led to the emergence of this project, within the framework of the assumption and the categories determined.

With this first interview guide, the initial immersion into the field was carried out, to find out the opinions, knowledge and experiences that the Public Accountants have about the simulated operations.

In the end, the size of the sample chosen was represented by three specialist experts, who have three attributes that guaranteed their perspectives of information on the subject analysis, namely: Certified Public Accountants by the Mexican Institute of Public Accountants of the State of Tabasco (IMCP), holders of recognized accounting firms in the entity and research professors of the Universidad Juárez Autónoma de Tabasco, the interviews were applied and recorded using the Microsoft Teams platform for subsequent transcription and analysis.

### **Theoretical Framework**

The fiscal system of colonial Mexico was an extremely complex structure that was built since the beginning of the 16th century from the conjunction of the Aztec and Spanish fiscal systems to which original elements were added (Marichal, 2003. p.03).

The plan for fiscal reforms was drawn up in 1867 by the minister Matías Romero, and contained significant changes such as:

"The establishment of the Rentas interiores del timbre, herencias and direct contributions to real estate, the abolition of alcabalas, new openings to the coast for export trade, establishment of new steamship lines, among others" (Lara, 2009, p. 118).

The history of taxation is almost as old as the history of thinking man. From the earliest human societies, taxes were levied by rulers or chiefs in the form of tributes, many of which were intended for ceremonial matters and for the ruling classes. Tax fraud of the nature and destination of taxes was rare, due to the direct control of tax collection by priests and rulers (Gómez, et al, 2010).

The Porfiriato years (1876-1910) saw a process of strengthening and centralization of power in the hands of the Federal Government. "The process was accompanied by several fiscal and financial reforms initiated in 1870, which were consolidated in the 1890s, when a surplus was achieved in the public accounts" (Lara, 2009, pp. 118-119).

In the Decree that was issued on 8 January 1885, it mentioned the removal of revenue control from the states to give the federal government greater control of the system, this was due to the fact that state budgets showed favorable results of surplus (Lara, 2009. p. 118).

Thanks to all the exports that took place at that time, including oil, they obtained important revenues for Venustiano Carranza's administration, although most of this revenue went to cover military expenses (Lara, 2009. p. 118).

On 5 February 1917, the Political Constitution of the United Mexican States was promulgated and came into force on 1 May of the same year. In addition to its much-cited social and central part, it contained a liberal part (Becerril, 2017).

The post-revolutionary tax system and the amparo trial in tax matters represent the most liberal part of the Mexican constitution. Various articles of the Constitution established the general principles that tax policy should henceforth follow, and in the amparo trial these postulates found their practical application. In this way, various social sectors found in the amparo a form of institutionalized tax resistance, turning to the federal courts in search of the protection of the justice of the Union to avoid paying taxes that they considered disproportionate and inequitable, or to fight the procedures for collecting them (Becerril, 2017).

By means of the 2010 reform, which came into force in 2011, the three most important current invoicing schemes were strengthened with the aim of minimising the tax evasion that is carried out by practising illegal invoicing, this is done with the implementation of the (C.F.D. I) through the internet, a security mechanism for paper-based verification, and the elimination of additional documentation to validate statements issued by financial institutions, cooperative savings and loan companies, as well as any legal entity authorised to issue a credit or debit card as a tax receipt, which leads to better control of all operations carried out by taxpayers, economically reducing the cost of paperwork, and also provides the benefits of storing the necessary information and documentation in case any contingency should arise (Barajas et. al, 2011).

On 9 December 2013, the decree reforming, adding and repealing several provisions of the (C.F.F.) for the new fiscal year 2014 was published in the (D.O.F., 2013). Among the articles mentioned in the new reform was article 69-B (Solís, 2018).

The initiative of the reform to article 69-B of the (C.F.F.) is to attack evasive conduct and all evasive practices, thus sanctioning all taxpayers who acquire, sell, produce, facilitate, place and/or use tax receipts that cover simulated operations (Turati, 2013).

### **Means of information**

The legal bases that serve as support for the development of the research are the following:

- I. Political Constitution of the United Mexican States.
- II. Federal Law on the Rights of the Taxpayer.
- III. Federal Law on Contentious Administrative Proceedings.
- IV. Federal Tax Code.
- V. Federal Civil Code.
- VI. Federal Code of Civil Procedures.

In Mexico the main source of revenue for public finances is tax collection, which has been in decline due to undue practices that go against the obligation established in Article 31, section IV of the Political Constitution of the United Mexican States, which mentions that it is "To contribute to the public expenses, both of the Federation and of the States, of Mexico City and of the Municipality in which they reside, in the proportional and equitable manner provided by law" (C.P.E.U.M., 2021. p.44)

It is evidently clear that engaging in undue practices aimed at deceiving or evading the tax authority in order to obtain a benefit goes against the above constitutional article, representing an omission of obligation and is recognized by the Fiscal Code as a crime of tax evasion.

Tax evasion is a practice that has been used for many years, but the S.A.T. through the implementation of new control mechanisms in the control process has tried to stop this type of activities, a clear example of this is the evolution of the invoice, of which more and more requirements are established in order to be able to issue and deduct it, as well as restrictions in case of cancellation.

For this reason, Article 29 of the Federal Fiscal Code (C.F.F.) establishes that it is the obligation of taxpayers to:

...to issue tax receipts for the acts or activities they carry out, for the income received or for the withholdings of contributions they make, taxpayers must issue them by means of digital documents through the Tax Administration Service's website (C.F.F., 2021. pp.53-55).

In addition, it is stated that in order to issue the (C.F.D.I.) it is obligatory to have an Advanced Electronic Signature (F.I.E.L.), Digital Seal Certificate (C.S.D.), among other requirements. Notwithstanding the above, Article 29-A of the CFF defines the requirements with which the taxpayer must comply at the time of issuing the tax receipt, due to any transaction with a third party, as well as for the elaboration of these can be found within the portal of the (S.A.T) the filling guide called Annex 20, although in most cases the invoices issued by the (E.F.O.S) comply with the established requirements, resulting in a problem that undoubtedly affects public finances.

Therefore, the tax authority establishes in Article 42 its powers of verification to find out:

Whether taxpayers, jointly and severally liable parties, third parties related to them, tax advisors, financial institutions; fiduciaries, settlors or trustees, in the case of trusts, and contracting or integrating parties, in the case of any other legal figure, have complied with tax and customs provisions and, where appropriate, determine omitted contributions or tax credits, as well as to verify the commission of tax offences and to provide information to other tax authorities (C.F.F., 2021. p.90).

Therefore, when the authority presumes that simulated operations are being carried out, it may, in accordance with Article 42, Section II:

Require taxpayers, jointly and severally liable parties or third parties related to them, to exhibit at their domicile, establishments, at the offices of the authorities themselves or within the tax mailbox, depending on the manner in which the requirement was made, the accounting, as well as to provide the data, other documents or reports that are required of them in order to carry out their review (C.F.F., 2021, p.90).

In addition to being empowered to carry out any other type of verification established in Article 42, in relation to the tax situation of the taxpayer, but it should be noted that the authority itself may only exercise this power after it has been notified.

Now, as mentioned in previous paragraphs, the taxpayer has the obligation to issue a tax receipt for each of the transactions carried out with third parties, for which it is necessary to comply with other requirements for its correct issuance. It was also mentioned that despite the reforms that have been implemented in recent years to increase auditing and have greater control of the operations carried out by individuals, everyday practices that erode the collection of taxes have been incurred, proof of this has been the simulation of operations by means of apocryphal invoices.

Therefore, in article 69-B; first paragraph, the authority will presume that non-existent operations are being carried out when:

It detects that a taxpayer has been issuing vouchers without having the assets, personnel, infrastructure or material capacity, directly or indirectly, to provide the services or produce, market or deliver the goods covered by such vouchers, or that such taxpayers are not located (C.F.F., 2021, p.131).

For this purpose, once the authority has identified these presumed taxpayers who carry out simulated operations, it will proceed as follows:

Notify the taxpayers who are in this situation through their tax mailbox, the Tax Administration Service's website, as well as through publication in the Official Gazette of the Federation, so that those taxpayers can state before the tax authority what is in their interest and provide the documentation and information, they consider relevant to refute the facts that led the authority to notify them (C.F.F., 2021. p.131).

In simpler terms, this article governs the process to which persons are subject to the presumption of the tax authority for operations that lack materiality, being this a procedure of delivery of information, evaluation of the same within the established deadlines and the requested extension, to give as a final result a positive or negative resolution that will be published in the official media, except if the same is revoked, which will be mentioned later on.

As a next point, making use of this type of practice is comparable to tax fraud and is stipulated in Chapter II "Tax crimes" in Article 108, which states that "The crime of tax fraud is committed by anyone who, by using deceit or taking advantage of errors, omits totally or partially the payment of any contribution or obtains an undue benefit to the detriment of the federal treasury" (C.F.F., 2021. p.178).

Therefore, the S.A.T. has currently placed greater emphasis on this problem, due to the fact that the levels of collection in the country have decreased and the projects that were programmed for certain fiscal years were not finalised due to the lack of budgetary sufficiency to carry them out. The mechanisms for detecting this type of crime have become so complex that they have allowed the authority to identify more taxpayers involved in these aggressive fraud schemes.

Likewise, article 109 of the Federal Fiscal Code (C.F.F., 2021. p.180) typifies the penalties to which taxpayers who make use of false receipts are subject, among which the following can be highlighted:

IV. Simulate one or more acts or contracts obtaining an undue benefit to the detriment of the federal treasury.

VIII. Giving fiscal effects to digital receipts when they do not meet the requirements of Articles 29 and 29-A of this Code

Now that it is known that this type of acts is comparable to tax fraud, it is necessary to point out that it is also punishable with penalties ranging from "two to nine years of imprisonment, to whoever by himself or through an intermediary person, issues, sells, purchases or acquires tax receipts that cover non-existent or false operations or simulated legal acts" (C.F.F., 2021. p. 183) all of this is covered by Article 113 Bis, which in turn mentions in the second paragraph that "whoever knowingly allows or publishes, through any means, advertisements for the acquisition or sale of tax receipts that cover non-existent or false operations or simulated legal acts, shall be punished with the same penalties" (C.F.F., 2021. p.183).

If a negative administrative ruling has been issued for the taxpayer, it does not have repercussions on a final ruling and that is why in the event that individuals do not agree with the ruling, Article 116 provides for this situation, stating that "against administrative acts issued in federal tax matters, an appeal for revocation may be filed" (C.F.F., 2021. p.184).

Now, it is affirmed on the basis that according to article 120 of the same Federal Fiscal Code, the individual has the option to challenge an administrative resolution, either through the appeal for revocation provided in article 116 of the Code, or through the contentious administrative trial, counting for both means of defense with a period of thirty working days, according to articles 121 of the Code and 13 of the Federal Law of Contentious Administrative Proceedings, respectively.

This appeal for revocation is in many ways favorable for those who make use of it, because according to what has been raised during this research topic, there are cases in which taxpayers are affected by their suppliers due to the lack of adequate internal control and, as it is known so far, the simulation of operations has serious repercussions, since the person who issues the false invoice is the first party involved and as a consequence of this, all those who carried out operations with the invoice are involved.

## Results

This phase describes the process by which the unpublished analysis of the information gathered through the interviews with the three experts was carried out:

José María Nieto Contreras, head of the accounting firm "Despacho Nieto, SC" and President of the Institute of Public Accountants (IMCP) of the State of Tabasco.

Reinerio Escobar Pérez, owner of the accounting firm "Escobar y Asociados" and Active Partner of the Institute of Public Accountants (IMCP) of the State of Tabasco.

Carmen Paz Ramón head of the accounting firm "CPR & Asociados, SC" and Active Member of the Institute of Public Accountants (IMCP) of the State of Tabasco.

The first step of the conceptual analysis was to group the codes into categories using ATLAS.ti 22 software, which is mainly, but not exclusively, used in qualitative research or qualitative data analysis, as was the case in this research, the categories were assigned according to the similarities and the information that needed to be obtained, and in turn were grouped as follows:

1.0 Simulated operations

1.1 EDOS

1.2 EFOS

2.0 Means of information

2.1 Taxpayers

2.2 SAT information

Subsequently for the interpretation of the results as shown in figure 1, (shown on the next page) a network was made where the above-mentioned categories were grouped with their respective answers obtained with the application of the research instrument, which were identified by specific codifications.

The results obtained make it possible to describe important points such as when simulated operations arose, the concept of EDOS and EFOS, which laws regulate this type of operations, the repercussions that these operations bring to taxpayers (individuals and companies) and their legal representatives (accountants), when the authority detects them and the progress that the Tax Administration Service (SAT) has made so far in terms of reducing these aggressive practices.

"The authority is acting and is in one way or another inhibiting this type of practice, however, there are those who continue to carry them out, the issue of shareholder partners has been greatly strengthened, when one goes to register it is no longer so simple, because the invoicing companies register today, the next day they are deregistered, the following day they are deregistered, and so on, Now it is not so simple, the authority has been reinforcing all this part and the issue of joint and several liability, so I think there has been progress, however, there is still a lot to do". Unpublished narrative by (Nieto, 2022).

"The authority therefore asks for proof that what was invoiced is demonstrated with human capital, equipment and the necessary capital to be able to be sure that it is not a question of simulated operations or ghost companies, it is a demanding and aggressive way, but it is the way they seek to be convinced that the operation was carried out and that is how they advance day by day". Unpublished narrative by (Escobar, 2022).

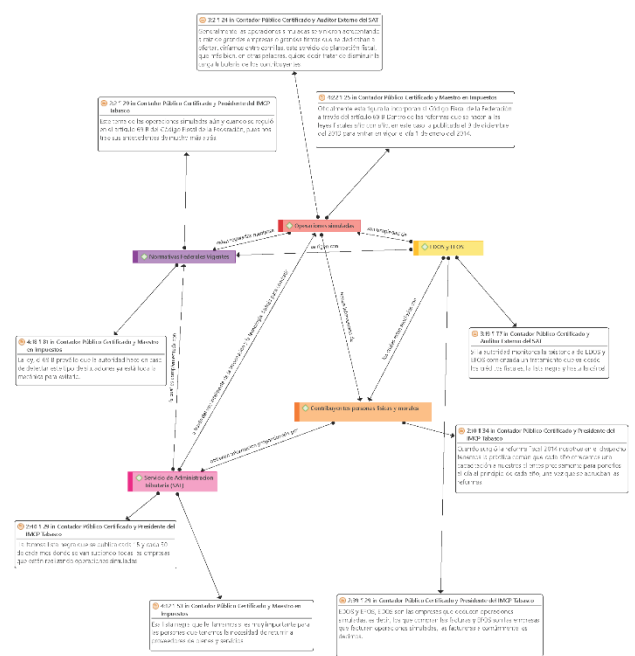
"Yes, the authorities have indeed made progress, even so I think it is important to investigate a little more on our own to avoid continuing to fall into this type of practice and thus reduce it". Unpublished narrative by (Paz, 2022).

In the same way, all the interviewed parties are clearly aware of the laws that regulate the issue of simulated operations and the consequences they entail if the authority detects them.

"Well, the issue of simulated operations became relevant as a result of the 2014 tax reform, I believe that one of the most important reforms that has taken place in the whole tax issue was this one in 2014, which was when the obligation of electronic accounting was born and also the obligation of the tax mailbox was born for taxpayers in a staggered manner. Once this reform began in the Fiscal Code, article 69 B was established, which is precisely what regulates all these types of simulated operations where we see the repercussions, the fines, the sanctions". Unpublished narrative by (Nieto, 2022).

**Figure 1** Simulated operations and means of information  
 Source: Prepared by the authors based on responses obtained through interviews with experts in the Atlas-ti 22 software

The interviewees stated and agreed on the assumption that the Tax Administration Service (SAT) has made progress with the attempt to reduce simulated operations, a figure which was incorporated into the Federal Tax Code through article 69 B within the reforms that are applied to tax laws year after year, in this case the reform published on 9 December 2013, and which came into force on 1 January 2014.



"If a taxpayer carries out this type of operation to avoid paying the tax that really corresponds to them by simulating operations, the sanction is that they have to pay the tax with its surcharges, updates and a fairly high fine, and with this the authority aims to inhibit these practices from continuing, but there are other types of measures that are sometimes more serious, such as the cancellation of the certificate to issue tax receipts". Unpublished narrative by (Escobar, 2022).

"We must not forget that the authority has two ways of enforcing the credits for a taxpayer, whether an individual or a company that uses this type of operation, it will treat them with consequences because through administrative channels it will determine a tax credit by rejecting these simulated operations and in doing so it will determine contributions that are generally VAT and income tax as they do not contain materiality and thus determine a tax credit for high amounts depending on the amount and quantity of the simulated operations according to the authority, This is through administrative channels, but the authority also has a criminal channel, which is when taxes are not paid or contributions are omitted, depending on the amount, the authority can exercise criminal tax powers and thus have two channels and the criminal part will take them to prison and there they can perhaps reach a settlement". Unpublished narrative by (Paz, 2022).

## Conclusions

The main findings obtained through this research are shown in Figure 2, where the current federal regulations governing simulated operations are found, which have their main legal basis within Article 69-B of the CFF which provides the actions to follow if a taxpayer hires a supplier that is published in the Official Journal of the Federation as a Company that Invoices Simulated Operations (EFOS), one of the consequences will be that the tax receipts obtained are without any fiscal effect, In other words, the expenditures made will not be deductible for income tax or creditable for value added tax, in addition to the fact that in the event that the tax authority, in the use of its powers of verification, detects that an individual or legal entity did not prove the effective provision of the service or acquisition of the goods, or did not correct its tax situation in the terms provided for, it will determine the corresponding tax credit(s).

Another point to consider was the fact that the experts interviewed agreed that the work of the Tax Administration Service (SAT) to prevent the trafficking of tax receipts continues to advance and improve on a daily basis, thereby making it possible to detect those companies that issue tax receipts without having the necessary assets to prove them and proof of this is the so-called Black List, which is a section of the system where taxpayers who have firm, enforceable, untraceable, cancelled tax debts or have been convicted of a tax offence are listed, and those who have had a tax credit remitted or, in other words, taxpayers who are in an irregular tax situation in accordance with the provisions of Article 69-B of the Federal Fiscal Code. Another proof of this is the cancellation of digital stamps, which arose as a result of the reform to the CFF published in the DOF on 5 January 2004, Article 17-H of the Federal Fiscal Code, where nine sections were created, with nine causes for which the fiscal authority can cancel the Digital Seal Certificate, in which section VIII mentions not complying with legal requirements.

This shows that taxpayers, both individuals and legal entities, will continue to have the obligation to contribute to public spending through contributions, as stated in Article 31 section IV of the Political Constitution of the United Mexican States, and therefore one of the points against this is that they will seek a way to reduce the tax base of their taxes, making the authority evolve through the tax provisions, seeking to adapt both to increase tax collection and to increase the taxpayers' register.

Finally, this investigation raised an Assumption to be demonstrated which states: - Taxpayers lacking the necessary information regarding simulated operations and not being able to carry out a substantiation process, end up in impunity or proceed incorrectly in deducting these operations-.

It also sought to contrast information from the tax authorities, laws and expert opinions on the practice of simulated operations, the result is as follows:



As the investigation progressed, it was verified that the assumption made at the beginning: (Taxpayers, lacking the necessary information regarding simulated operations and not being able to carry out a substantiation process, end up in impunity or proceed incorrectly in deducting these operations). Complied with, since the answers obtained through the interviews with experts were divided into two categories:

1. Simulated operations.
2. Means of information.

It showed that taxpayers do not have the necessary information on the subject of simulated operations, which means that when they are offered to reduce their taxes through the purchase of invoices, they agree without even asking if this will have any legal consequences.

Currently, as a result of the advance of these operations, tax reforms have changed, so much so that now not only the taxpayer is involved and/or affected by incurring in these aggressive tax evasion practices, but also their representatives, as mentioned by Nieto (2022).

Table 1 describes some of the alternatives that experts apply.

Problems faced by experts	Actions taken
- Clients from other firms who arrive with already settled credits.	- Provide advice explaining the consequences of agreeing to engage in this type of operation.
- Clients who are offered the option to reduce their taxes through the purchase of invoices.	- Annual training on tax matters for clients.
- Clients who carry out normal practices but whose suppliers engage in sham transactions.	- A section on the consequences of simulated operations is included at the bottom of the e-mails.
- Accountants who offer their clients the option to purchase invoices.	- Recommend always checking the supplier's history in the Tax Administration System before carrying out a transaction.

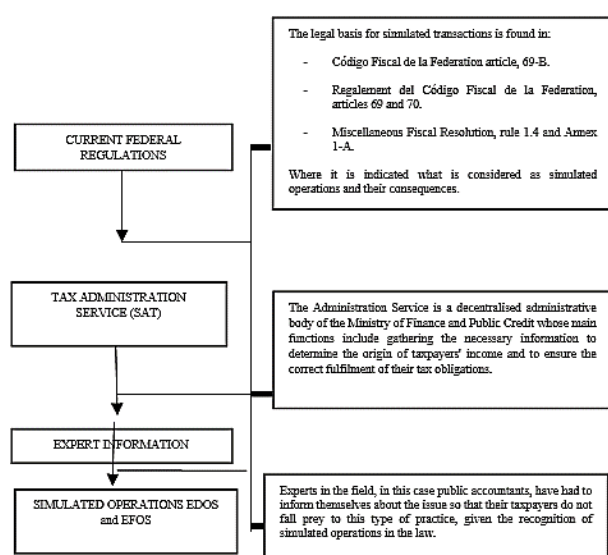
- Invoireros who win their lawsuit against the SAT and continue to operate normally.	- Check whether or not there really is support, i.e., the materiality of the transactions.
	- If there is sufficient information and documentation to be able to support the operations carried out, the authority should be confronted, and it should be made clear that everything is in order.
	- If there is no information to support the operation carried out, the taxpayer will have to regularise his situation, otherwise he will incur in the payment of infractions or penalties.

**Table 1** Measures taken in personal cases  
*Source: Own elaboration based on learning from the research*

For all of the above reasons, it is proposed to study in depth this aggressive practice of tax evasion and the repercussions it has on our daily lives, since, as one of the experts interviewed mentioned,

"Simulated operations affect our daily life and, at the end of the day, the government because it is losing a large amount of resources that could be used at a given moment for more infrastructure, hospitals, security, and so on, all the needs of the country, the state, the municipalities, and so on. The government loses a lot, the amount of resources that do not reach the government's coffers due to this type of improper fiscal practices is incalculable". (Nieto, 2022).

Finally, in Figure 2, I present a summary of the analysis carried out.



**Figure 2** Results obtained

Source: Own elaboration based on the learning obtained through the research

This 2014 reform did not only affect taxpayers, but there is also responsibility for accountants and advisors, if it turns out that the taxpayer bought invoices and you appear as an advisor or accountant in that exercise, at a given moment you could also be involved in a tax crime.

## Appendix.

Juárez Autonomous University of Tabasco  
Academic Division of Economic and Economic and Administrative Sciences Bachelor's Degree in Public Accounting

### Interview guide

Article: Effect of the presumption of simulated operations.

Objective: To obtain general information that explains how to disprove simulated operations.

Academic degree:

Name of the firm:

Gender: M ( ) F ( )

### 1.1 Simulated transactions

EDOS

EFOS

- 1 When did the issue of sham transactions become relevant?
- 2 What are your views on sham transactions and on those who engage in them voluntarily?
- 3 What were the first measures you took in your office to prevent these practices?
- 4 How do you currently prevent these practices?
- 5 What do you think are the most important tax effects they produce?
- 6 Have any of your clients ever incurred in this type of practice? How do you handle it?
- 7 Have you seen a case close to you, independent of your firm, and what sanctions did the authorities apply?

### 1.2 Means of information

#### Taxpayers

#### Information from SAT

- 8 So far, what do you think has been the most useful information provided by the authority to avoid these practices?
- 9 What would you do if you saw your name on the SAT blacklists?
- 10 What would you do if you saw the name of any of your suppliers or clients on the SAT blacklists? What would you do if you see the name of any of your suppliers or clients on the SAT blacklists?
- 11 Can you detect at a glance when someone is engaging in these practices?
- 12 Do you think that the measures proposed by the authority are sufficient?
- 13 Do you know what happens when the tax authority detects that apocryphal invoices are issued?
- 14 Do you think that these operations affect your professional life? How?

- 15 Do you think that these operations affect the government in what way?
- 16 What would be your proposal to the authority to avoid this type of practices?

### Glossary

The following is a definition of the basic concepts that are necessary for the understanding of the research work, having as first concept the Digital Tax Receipt by Internet (C.F.D.I.) because this is the main reason for the presumption of Non-Existent Transactions.

C.F.D.I.: electronic voucher in XML format that covers a transaction carried out between an issuer (taxpayer who issues the invoice) and a receiver (who receives the good or service for which the invoice is issued), which in turn generate sufficient information that is collected by the Tax Administration Service (S.A.T., n.d.). (S.A.T., n.d.).

Apocryphal vouchers: C.F.D.I. that even though they comply with all the formal requirements established in the Annex 20 filling guide (which is available on the SAT website), they do not comply with the substantive requirements as they cover non-existent transactions.

Inexistent operations: those carried out by the taxpayer when invoices are issued to cover transactions for which the taxpayer does not have the personnel, assets and infrastructure to carry out such operations, but there is a cash flow for the same, in which two parties are involved, the first one issuing the apocryphal invoice known as Companies that invoice Simulated Operations (E.F.O.S) and the second, those that make use of the invoice called Companies that Deduct Simulated Operations (E.D.O.S).

E.F.O.S.: taxpayers who incur in the undue practice of non-existent operations by issuing apocryphal vouchers with the objective of evading the obligation to contribute to public expenditure.

EDOS: By "buying" these invoices or digital tax receipts, they are becoming EDOS, i.e. persons or companies that simulate an increase in their operating expenses in order to pay less tax.

Tax fraud: The crime of tax fraud is committed by any person who, using deception or taking advantage of errors, totally or partially omits the payment of any tax or obtains an undue benefit to the detriment of the federal treasury. The total or partial omission of any tax includes, indistinctly, the failure to make provisional or final payments or the tax for the year under the terms of the tax provisions (MisAbogados.com, 2016). (MisAbogados.com, 2016)

Tax law: Set of rules and principles of law by which taxes are created, developed, regulated, modified and repealed, the legal framework of the different tax procedures, the general tax rules and the bodies of the tax administration. (Kluwer, n.d.)

Presumption: the action and effect of presuming. In turn, to presume is to conjecture, judge, or suspect a situation or thing as true, without having the certainty of it, for example: I have the presumption that my daughter is not well, she has not answered the phone on several occasions. (Meanings, 2016).

Materiality: refers to the criterion of assessment by the preparer of the financial statements of the information and facts to be contained in them, as well as the items that can be added, added, or the headings and subtotals they should contain. (Sanz, 2019).

Taxation: the set of rules, regulations, laws and procedures that govern the tax system and the relations of economic agents with the Treasury (Roldán, 2018).

Tax collection: is that which applies to the act carried out by a body, normally the State or the government, with the aim of raising capital to be able to invest it and use it in different activities of its own character (Bembibre, 2011).

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