

# White-collar crimes in the COVID-19 pandemic

June 30, 2020

The recent decision in *R v Scholz*, 2020 BCPC 120, serves as a reminder that white collar crimes, which are often said to “fly under the radar”, are continuing to be aggressively prosecuted.

In *Scholz*, which was decided on June 18, 2020, the Court found that Michael Scholz, a wealthy executive, had submitted forged documentation to the Canada Revenue Agency in support of certain claimed GST tax credits related to the design and construction of a luxury home. The Court held that using the forged documentation, Mr. Scholz had knowingly claimed GST tax credits to which he was not entitled. As a result, Mr. Scholz was found guilty of three counts of violating the Excise Tax Act and two counts of violating the Criminal Code.

Although Mr. Scholz has yet to be sentenced, the offences of forgery and uttering a forged document carry a potential sentence of up to ten years in prison. The tax evasion offences result in fines and the Court may impose sentences of up to five years in prison.

As we emerge from the COVID-19 pandemic, individuals and entities will be looking to improve their financial positions and the CRA will be looking to recover on its significant investment in combating tax evasion. Over the coming months, we expect to see an increase in investigations and prosecutions for white-collar crimes generally, and tax **evasion in particular**. The example of *Scholz* underscores the serious penal repercussions for engaging in such crimes and the need to seek legal advice should one be subject to these white-collar crime investigations.

By

[Laurie Goldbach, Jay Dyck](#)

Expertise

[Tax, White Collar Criminal Defence and Corporate Investigations](#)

---

## **BLG | Canada's Law Firm**

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

[blg.com](http://blg.com)

### **BLG Offices**

#### **Calgary**

Centennial Place, East Tower  
520 3rd Avenue S.W.  
Calgary, AB, Canada  
T2P 0R3

T 403.232.9500  
F 403.266.1395

#### **Ottawa**

World Exchange Plaza  
100 Queen Street  
Ottawa, ON, Canada  
K1P 1J9

T 613.237.5160  
F 613.230.8842

#### **Vancouver**

1200 Waterfront Centre  
200 Burrard Street  
Vancouver, BC, Canada  
V7X 1T2

T 604.687.5744  
F 604.687.1415

#### **Montréal**

1000 De La Gauchetière Street West  
Suite 900  
Montréal, QC, Canada  
H3B 5H4

T 514.954.2555  
F 514.879.9015

#### **Toronto**

Bay Adelaide Centre, East Tower  
22 Adelaide Street West  
Toronto, ON, Canada  
M5H 4E3

T 416.367.6000  
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing [unsubscribe@blg.com](mailto:unsubscribe@blg.com) or manage your subscription preferences at [blg.com/MyPreferences](http://blg.com/MyPreferences). If you feel you have received this message in error please contact [communications@blg.com](mailto:communications@blg.com). BLG's privacy policy for publications may be found at [blg.com/en/privacy](http://blg.com/en/privacy).

© 2025 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.