News from Finland

A commission was concealed from the taxman

The Director-General of the Patent and Registration Office arranges jobs for his friends

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The Uusimaa Tax Office is investigating a tax scandal involving the renting of premises by the Patent and Registration Office (PRH). Martti Jokinen, a good friend of PRH Director General Martti Enäjärvi, advised on the lease and was paid a fee of FIM 240,000 by Merita Real Estate. Mr Jokinen concealed the sum from the tax authorities.

The investigations found no evidence that the Director-General himself had benefited from the contract. However, he played a key role in its arrangement in 1995.

The premises at Arkadiankatu 6 were initially brokered by Huoneistomarkkinointi Oy. Later, Merita Kiinteistöt Oy, as the owner, started to negotiate the lease with PRH and mainly with Director General Enäjärvi. According to the division of labour, the matter would have been the responsibility of Deputy Director Jarmo Etelävuor.

Enäjärvi took on Martti Jokinen, an ex-bank manager, as an advisor - in his own words, as a "facilitator" - in his search for rental premises. The contract was signed with Merita Kiinteistöjen, which paid Jokinen's company, Tanja Trading Oy, a fee of FIM 240,000.

Friends for many years

The Uusimaa Tax Office started investigating the case early this year. Enäjärvi disputed the investigation. He got a friend, law professor Kai Kalima, to prepare a memo for the PRH, at a cost of 30,000 marks. According to the memorandum, a tax audit can only be carried out on a taxpayer, not on a government agency.

However, the tax authorities did carry out an audit and obtained, among other things, material relating to the lease. There was no mention of Jokinen's commission in the contract. It turned out that the commission had been paid through Merita Real Estate Ltd. Mr Jokinen had not declared it to the tax authorities. The tax audit is still pending.

Enäjärvi and Jokinen are good friends from twenty years ago. They have also served on the boards of several companies at the same time.

"I asked him if he had any information about the properties, but he was neither promised nor paid any commission by us," says Director General Martti Enäjärvi.

Jokinen says Merita asked him to be a consultant, but Risto Sirkkanen, regional director of Merita Real Estate, says Jokinen contacted him and offered himself. Mr Sirkkanen believes that the contact was based on personal relations between Mr Jokinen and PRH.

Enäjärvi's friends of are well represented in other contracts. For example, PRH's printed matter and annual reports go through an advertising agency owned by Kari Eklund. Eklund is a friend of Enäjärvi. Both are members of the Helsinki Paasikivi Society.

Mr Eklund was responsible, among other things, for the book to commemorate the 150th anniversary [in 1992] of the grant of the first Finnish patent, which was twice criticised by the State Audit Office for being too expensive. The book cost about half a million FIM.

The PRH bought computer services from HM&V Research Oy of Espoo, although its offer was not the cheapest. The company's project manager is Aila Vuoria, whose husband at the time was Matti Vuoria, Permanent Secretary of Enäjärvi's supervisory authority, the Ministry of Trade and Industry. Vuoria and Enäjärvi are friends.

The PRH website was created by Ringnet Oy of Espoo. Its managing director Reijo Rautajoki is also a good friend of Enäjärvi.

Mikko Ijäs, PRH's much-used time management consultant, is Enäjärvi's tennis partner. Enäjärvi is godfather to Ijäs' daughter.

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https://www.hs.fi/kotimaa/art-2000003754891.html