

Former Vatican Bank President Charged with Embezzlement



Summary: *The former president of the Vatican Bank and his lawyer were indicted by Vatican prosecutors for embezzlement.*

Vatican prosecutors have indicted the former Vatican Bank (IOR) president and his lawyer for embezzlement. The former president, Angelo Caloia, and Italian lawyer Gabriele Liuzzo are charged with embezzling over 50 million euros.

According to an Associated Press report, the two are accused of embezzling and self-laundering money from real estate sales. They are set to go to trial on March 15. A third person in the case passed away during the investigation.

The AP first reported the Institute of Religious Works announcement of the charges against Liuzzo and Caloia. The alleged scam is believed to have taken place between 2001 and 2008 when the bank was putting “considerable” amounts into real estate assets. The suspects are believed to have sold the real estate at prices undervaluing the Vatican-owned real estate to the offshore companies, who then went and resold the real estate properties for the current market value. The difference in the sales became a profit for the three individuals, according to a source from the investigation.

The investigation into the scam started in 2014 when Vatican bank officials detected irregularities in the real estate accounts. They both deny any wrongdoing. The IOR is also filing a civil suit against the individuals in order to try and recoup some of their losses.

The civil tribunal at the Vatican found two other former heads of the bank liable of mismanaging investments last month. Paolo Cipriani and Massimo Tulli mismanaged investments during their times as head of the bank. They have both been ordered to pay the bank back. Pope Benedict XVI has ordered a massive overhaul of the bank and its operations in order to improve the bank's reputation as an offshore tax haven plagued by scandal and corruption.

Would you have greater trust in the Vatican bank and its employees because it's associated with the Catholic church? Share your thoughts with us in the comments below.

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