

CRIMINAL-LEGAL CHARACTERISTICS OF FRAUD WITH FINANCIAL RESOURCES IN THE CONDITIONS OF DEVELOPMENT OF INFORMATION TECHNOLOGIES

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Abstract. The present article is devoted to an analysis of the criminal-legal characteristics of fraud involving financial resources in the context of the development of information technologies. The article observes that the evolution of information technologies has profoundly transformed the nature of financial resource-based fraud, underscoring the importance of a comprehensive examination of its criminal-legal dimensions. It has been determined that fraud, in its capacity as a fundamental criminal offence, constitutes the misappropriation of property through deceit or the exploitation of trust. It is imperative to acknowledge that fraud encompasses a multitude of distinct forms, classified according to the specific object of criminal violation. The fundamental distinction between fraud and other forms of criminal property-related offences lies in the voluntary transfer of property to the perpetrator, often facilitated by deceit or the exploitation of trust. In contrast, the direct seizure of property by a criminal in most cases occurs without the consent of the owner, characterised as a distinct category of property-related offences. A criminal-legal qualification of fraud was carried out, which encompasses the object (property right), the subject (other people's property), the objective side (possession of property or acquisition of the right to it by deception and/or abuse of trust), the subjective side (direct intent and mercenary motive) and the subject of the criminal offense (a criminal individual who has reached the age of criminal responsibility). It was emphasised that, in criminal legislation, fraud involving financial resources is defined as a distinct component of a criminal offence. This component differs from general fraud in that it is characterised by a specific subject, namely clearly defined types of financial resources on which a criminal act is committed. It was observed that as information technologies evolve, the objective side of fraud with financial resources is assuming novel, more intricate forms. These forms leverage the capabilities of information technologies to mask criminal activity and facilitate access to the relevant funds. It is imperative to acknowledge that fraudulent activities involving financial resources and information technology can encompass a multitude of forms, including the submission of fraudulent electronic documents, the exploitation of software or database vulnerabilities, the utilisation of social engineering methods within the digital domain, and the establishment of fictitious companies to obtain budgetary funds, among others.

Keywords: criminal offences, fraud, fraud with financial resources, information technology, criminal legal characteristics, cybercrime.

JEL Classification: K14, K24

1. Introduction

The study of the criminal-legal characteristics of fraud with financial resources in the context of the development of information technologies is of paramount importance, given the rapid introduction of

digital technologies has transformed traditional fraud schemes, allowing criminals to act anonymously and globally. In light of the substantial rise in fraud cases in Ukraine, particularly in cyberspace, where methods include phishing, exploiting software vulnerabilities,

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social engineering and establishing fictitious online companies, it is imperative to adapt the legal system to modern cybercrime challenges. This requires the development of new criminal legal countermeasures and improved norms for the effective investigation and punishment of such offences. In the context of the constant evolution of cybercrime, a deep analysis of the objective and subjective aspects of such criminal offences, as well as the development of effective mechanisms for their classification and proof, are key to protecting the financial security of the state, its institutions and its citizens.

A statistical analysis of fraud (Article 190 of the Criminal Code of Ukraine) and financial fraud (Article 222 of the Criminal Code of Ukraine) in Ukraine between 2021 and the first half of 2025 (see Table 1) reveals the following:

Statistical data demonstrate a marked increase in fraud in Ukraine since 2022, a development that is likely to be associated with the full-scale Russian invasion and the imposition of martial law. These conditions have created additional opportunities for fraudsters (e.g., due to increased vulnerability of the population, increased online activity, creation of criminal schemes involving "humanitarian aid", etc.). Although indications suggest potential stabilisation or a marginal decline in 2024-2025, the aggregate level of fraud persists at a remarkably elevated position in comparison to the pre-war era, underscoring the pressing imperative to fortify countermeasures against fraud, especially in the context of the accelerated advancement of information technologies.

With regard to statistics on financial fraud, one can note that after a significant decrease in the number of criminal offences registered under Article 222 of the Criminal Code of Ukraine in 2022, since 2023, there has been a trend towards an increase in the number of cases of financial fraud, although current figures are still lower than in 2021.

Consequently, the analysis of the criminal-legal characteristics of fraud involving financial resources in the context of the development of information technologies is of paramount importance. As statistical data demonstrate a worrisome trend towards an increase in fraud in Ukraine, this underscores the pressing need to fortify measures to combat this type of crime (Shkuta, 2022).

Analysis of recent research and publications.

The present study undertakes an analysis of the latest research in the field of criminal-legal characteristics of fraud with financial resources in the context of the development of information technologies. It has been determined that scientists should focus on adapting the legal system to the modern challenges posed by cybercrime, as well as developing new mechanisms for counteracting criminal law. In particular, N.V. Golovey's work explores the criminal law and criminological characteristics of fraud, while D. Fomenko and N. Tymoshenko analyse the concept of fraud and its features. The studies of G.S. Reznichenko and I.M. Chekmareva focus on the features of the qualification of fraud committed through illegal operations using electronic computing equipment, and Y.A. Dorohina and A.O. Ilyashko examine the individual needs of distinguishing fraud from fraud with financial resources. Recent research in this area has emphasised the importance of a deep analysis of the objective and subjective aspects of this type of criminal offence, as well as the development of effective mechanisms for its qualification and proof to protect the financial security of the state, legal entities and individuals in the context of the rapid evolution of cybercrime (Dorohina, 2019).

The purpose of the present article is to undertake a criminal-legal characterisation of fraud involving financial resources in the context of the development of information technologies.

2. Literature Review

Considering the extremely acute problem of updating, improving, revising, and expanding the legislative framework for preventing cross-border economic crime, as well as neutralising the causes and conditions that give rise to such criminal offences under martial law in Ukraine, and blocking the channels, sources, and opportunities for their commission, an important direction for enhancing counteraction efforts lies in the theoretical development of the issues raised. A significant contribution to this field has been made by the following domestic scholars: V. V. Babanina, A. M. Babenko, V. M. Bilokonev, I. V. Bodnar, V. V. Bondarev, V. O. Bugaev, M. B. Golovko,

Table 1

Indicators of registered cases of fraud and abuse of financial resources in Ukraine for the period 2021 – first half of 2025

	2021	2022	2023	2024	first half of 2025
Article 190 of the Criminal Code of Ukraine	23847	32086	82609	64978	28448
Article 122 of the Criminal Code of Ukraine	147	7	31	76	43

Source: based on materials from the Prosecutor General's Office

N. A. Dmytrenko, S. F. Denisov, I. M. Koropatnik, Ya. S. Kulikina, Yu. B. Kurylyuk, I. I. T. B. Nikolayenko, A. S. Ovcharenko, M. I. Panov, O. R. Polegenka, A. O. Reva, O. M. Sarnavskiy, V. M. Stratonov, E. L. Streltsov, S. O. Kharitonov, I. O. Khar, G. I. Changuli, V. V. Shablysty, O. O. Shkuta, among others.

3. Materials and Methods

The present study draws upon the extant body of research conducted by scholars from Ukraine and other countries, which has sought to explore methodological approaches to understanding the issues involved in the prevention of crime.

The present study employed a combination of general scientific and specialised methods. In particular, hermeneutic methods were utilised for the cognitive interpretation of scientific articles, monographs, and educational materials, with the aim of elucidating the content of the issues raised. Furthermore, sociological methods were employed to ascertain the positions and opinions of scientists and practitioners with regard to the causes and conditions of economic crime. Additionally, dogmatic methods were employed to identify positive foreign experiences in the field of economic crime prevention. Finally, statistical methods were employed to process statistical indicators of economic crime.

4. Results and Discussion

According to Part 1 of Article 190 of the Criminal Code of Ukraine, fraud is defined as "the appropriation of another person's property or the acquisition of the right to property through deception or abuse of trust". It should be noted that fraud constitutes a specific element of such criminal offences as Article 222 of the Criminal Code of Ukraine ("Fraud with financial resources"); Article 262 ("Theft, appropriation, extortion of firearms, ammunition, explosives or radioactive materials, or their appropriation through fraud or abuse of official position"); Article 308 ("Theft, appropriation, extortion of narcotic drugs, psychotropic substances or their analogues, or their appropriation through fraud or abuse of official position"); Article 312 ("Theft, appropriation, extortion of precursors, or their possession through fraud or abuse of official position"); Article 313 ("Theft, appropriation, extortion of equipment intended for the manufacture of narcotic drugs, psychotropic substances or their analogues, or their possession through fraud or abuse of official position, as well as other unlawful acts involving such equipment"); Article 357 ("Theft, appropriation, extortion of documents, stamps, or seals, their possession through fraud or abuse of official position, or their damage"); Article 362

("Unauthorised actions with information processed in electronic computers, automated systems, computer networks, or stored on corresponding media, committed by a person having authorised access"); and Article 410 ("Theft, appropriation, or extortion by a serviceman of weapons, ammunition, explosives or other combat materials, vehicles, military or special equipment, or other military property, as well as their appropriation through fraud or abuse of official position"). Taking the above into account, it should be emphasised that fraud, as defined in the criminal legislation of Ukraine – namely, the appropriation of property through deception or abuse of trust – represents a fundamental criminal offence that has numerous special forms related to particular objects (e.g., weapons, drugs, financial resources, etc.) or methods of commission. This reflects the diversity of fraudulent manifestations across various spheres, including modern technological schemes for committing fraud involving financial resources (Halunko, 2024).

In criminal law, the distinction between fraud and other criminal offences against property is a significant task, given the similarity in the object of encroachment, which is property. The distinguishing characteristic of fraud, which differentiates it from other forms of property encroachment, is that the victim voluntarily transfers property to the perpetrator, albeit as a consequence of deception or abuse of trust. In the context of other criminal offences against property (for example, theft and robbery), the direct seizure of property by the guilty person is characterised by the absence of or opposition to the will of the owner or possessor. As D. Fomenko and N. Tymoshenko observe, "fraud differs significantly from other criminal offenses against property, since it is carried out by deception or abuse of trust" (Leheza, 2022).

The criminal-legal characteristic of fraud incorporates various elements, including the object, subject, objective and subjective parties, the subject of the criminal offence, and qualifying features that exacerbate criminal liability for the commission of this type of criminal offence.

In the classical understanding of the subject, the elements of the criminal law characteristic of fraud are defined as follows:

1. The object and subject of the criminal offence in question is defined as "property or acquisition of the right to property". In the context of fraud, the direct object constitutes the right to property, that is to say, the right to own, use and dispose of property. The subject is constituted by the property of another, which is the subject of the criminal encroachment. A hallmark of fraud is the victim's transfer of property or rights to the perpetrator, often influenced by a state of deception or a breach of trust. According to D. Fomenko and N. Tymoshenko, "in the theory of criminal law, a system of features of theft as an

element of each offence has been developed: a physical feature – the material nature of the object of theft...; an economic feature – the object of theft can only be a thing that has a certain economic value...; a legal feature – the object of fraud can only be someone else's property" (Golovey, 2025).

2. The exploitation of software or database vulnerabilities with the objective of manipulating financial statements, altering entitlement data, or concealing the misappropriation of funds already received is a subject of particular concern. For instance, cybercriminals may utilise bots to disseminate spam, thereby facilitating the infiltration of malware into the victim's computer system. Moreover, it has become a prevalent practice to employ stolen card details from e-commerce or payment systems to gain unauthorised access to financial resources (Reznichenko, 2024).

3. It is important to note that, in the digital realm, while the primary target may be financial resources rather than the personal assets of individuals, fraudsters can utilise phishing, vishing, and other cyber tools to gain unauthorised access to corporate accounts or financial management systems. This enables them to perpetrate fraudulent activities on behalf of a legitimate entity. For example, fraudsters organise complex phishing schemes in which they impersonate representatives of well-known companies. They send phishing emails to specific employees of enterprises and bill them for goods or services that were supposedly provided. This can lead to employees transferring significant amounts to accounts controlled by fraudsters. For example, there was a well-known case of 100 million USD fraud against Google and Facebook that was carried out through such a scheme. The fraudsters used phishing emails to impersonate a well-known electronics manufacturer in order to receive money transfers from companies for non-existent services (Leheza, 2022).

4. The creation of fictitious companies or schemes for the purpose of obtaining budget funds may take various forms. These include the registration of fictitious business entities through online services, the submission of electronic applications for participation in tenders or government support programmes, and the undertaking of any other actions that appear to fulfil the obligations of a company without there being any real intention to fulfil such obligations. For instance, financial and insurance schemes may utilise business relationships with companies exhibiting signs of fictitiousness. In particular, an insurance company may receive funds for unlikely insurance risks, with the subsequent transfer of these funds to enterprises exhibiting signs of fictitiousness. This is part of broader schemes involving fictitious entities to illegally obtain funds, including budget funds. Consequently, within the paradigm of evolving information technologies, the objective aspect

of financial resource-based fraud assumes novel, increasingly sophisticated forms. These forms leverage the functionalities of digitalisation to obfuscate criminal activities and expedite access to pertinent financial resources.

5. Conclusions

The advent of information technology has had a profound impact on the nature of financial fraud, rendering it a pertinent subject for criminal and legal scrutiny. A comprehensive analysis of the objective and subjective elements of this criminal offence, coupled with the development of effective methods for their identification, is imperative to ensure the financial security of the state, legal entities, and individuals. Fraud, defined as the misappropriation of property through deceit or the abuse of trust, is a fundamental criminal offence that manifests in numerous specific forms relating to particular objects, including weapons, drugs, and financial resources. This diversity reflects the wide range of fraudulent activities that take place in various domains, including modern technological schemes related to financial resources.

The fundamental distinction between fraud and other criminal offences against property is that, in the case of fraud, the victim voluntarily transfers property to the perpetrator as a result of deception or abuse of trust. By contrast, in the case of other criminal offences against property, the direct seizure of property by the criminal is carried out in most cases without the consent of the owner. The criminal legal qualification of fraud encompasses the following elements: the object, which refers to the property right; the subject, which refers to another person's property to which the criminal encroachment is directed; the objective side, which includes active actions consisting of taking possession of another person's property or acquiring the right to it by deception and/or abuse of trust; the subjective side, which refers to direct intent and mercenary motive; and the subject of the criminal offence, which is a criminal natural person who has reached the age of criminal responsibility.

Financial fraud is a specific type of criminal offence involving the misuse of financial resources. It differs from general fraud in that it involves a clearly defined type of financial fund, such as loans, grants, subsidies and other budget funds. In the context of the development of information technologies, the objective side of fraud with financial resources acquires new, more complex forms that use the capabilities of digitalisation to conceal criminal activity and facilitate access to funds. Such forms may include the submission of false electronic documents, the use of software or database vulnerabilities, the use of social engineering methods in the digital space, the creation of fictitious companies to obtain budget funds, etc.

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