REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

August 16, 2017

REVENUE MEMORANDUM CIRCULAR NO. 81-2017

SUBJECT: **Publishing the Full Text of Republic Act No. 10927, Entitled "AN ACT DESIGNATING CASINOS AS COVERED PERSONS UNDER REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS THE "ANTI-MONEY LAUNDERING ACT OF 2001", AS AMENDED"**

TO : **All Internal Revenue Officials, Employees and Others Concerned**

For the information and guidance of all internal revenue officials and others concerned, attached is the letter from Atty. Concepcion Zeny E. Ferrolino-Enad, Director III of Malacañang Records Office and the certified copy of Republic Act No. 10927, entitled "An Act Designating Casinos As Covered Persons Under Republic Act No. 9160, Otherwise Known As The "Anti-Money Laundering Act Of 2001", As Amended."

All concerned are hereby enjoined to be guided accordingly and give this Circular a wide publicity as possible.

CAESAR R. DULAY
Commissioner of Internal Revenue

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BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
11:28 A.M.
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Office of the President
of the Philippines
Malacañang

DEPARTMENT OF FINANCE
Republic of the Philippines

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All USECs, ASECs
& Heads of
Attached Agencies

MALACAÑANG RECORDS OFFICE

Manila, July 18, 2017

SECRETARY CARLOS G. DOMINGUEZ III
Department of Finance
Manila

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Sir:

I have the honor to transmit for your information and guidance, a certified copy of Republic Act No. 10927 which was approved on July 14, 2017 entitled **"AN ACT DESIGNATING CASINOS AS COVERED PERSONS UNDER REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS THE "ANTI-MONEY LAUNDERING ACT OF 2001" AS AMENDED."**

Thank you.

Very truly yours,

BUREAU OF INTERNAL REVENUE
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JUL 28 2017
OFFICE OF THE COMMISSIONER

ATTY. CONCEPCION ZENY E. FERROLINO-ENAD
Director III

DEPT. OF FINANCE
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Dennis 9:39am
19 JUL 2017
OFFICE OF THE SECRETARY

DEPARTMENT OF FINANCE
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JUL 18 2017
CENTRAL RECORDS MGMT. DIVISION

S. No. 1468
H. No. 5663

Republic of the Philippines

Congress of the Philippines

Metro Manila

Seventeenth Congress

First Regular Session

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Begun and held in Metro Manila, on Monday, the twenty-fifth day of July, two thousand sixteen.

[REPUBLIC ACT NO. **10927**]

AN ACT DESIGNATING CASINOS AS COVERED PERSONS UNDER REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS THE "ANTI-MONEY LAUNDERING ACT OF 2001", AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 3(a) of Republic Act No. 9160, as amended, is hereby further amended to read as follows:

"(a) 'Covered persons', natural or juridical, refer to:

"x x x

"(8) casinos, including internet and ship-based casinos, with respect to their casino cash transactions related to their gaming operations.

"x x x."

SEC. 2. Section 3(b) of Republic Act No. 9160 is hereby further amended to read as follows:

"(b) 'Covered transaction' is a transaction in cash or other equivalent monetary instrument involving a total amount in excess of Five hundred thousand pesos (P500,000.00) within one (1) banking day; for covered persons under Section 3(a)(8), a single casino cash transaction involving an amount in excess of Five million pesos (P5,000,000.00) or its equivalent in any other currency."

SEC. 3. Section 3 of Republic Act No. 9160, as amended, is hereby further amended by inserting a new paragraph (l) to read as follows:

"x x x

"(l) For purposes of covered persons under Section 3(a)(8), the following terms are hereby defined as follows:

"(1) 'Casino' refers to a business authorized by the appropriate government agency to engage in gaming operations:

"(i) 'Internet-based casino' shall refer to casinos in which persons participate by the use of remote communication facilities such as, but not limited to, internet, telephone, television, radio or any other kind of electronic or other technology for facilitating communication; and

"(ii) 'Ship-based casino' shall refer to casinos, the operation of which is undertaken on board a vessel, ship, boat or any other water-based craft wholly or partly intended for gambling;

"(2) 'Casino cash transaction' refers to transactions involving the receipt of cash by a casino paid by or on behalf of a customer; or transactions involving the payout of cash by a casino to a customer or to any person in his/her behalf; and

"(3) 'Gaming operations' refer to the activities of the casino offering games of chance and any variations thereof approved by the appropriate government authority."

SEC. 4. Section 10 of Republic Act No. 9160, as amended, is hereby further amended to read as follows:

"SEC. 10. *Freezing of Monetary Instrument or Property.* – Upon a verified *ex parte* petition by the AMLC and after determination that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Section 3(i) hereof, the Court of Appeals may issue a freeze order which shall be effective immediately, for a period of twenty (20) days. Within the twenty (20)-day period, the Court of Appeals shall conduct a summary hearing, with notice to the parties, to determine whether or not to modify or lift the freeze order, or extend its effectivity. The total period of the freeze order issued by the Court of Appeals under this provision shall not exceed six (6) months. This is without prejudice to an asset preservation order that the Regional Trial Court having jurisdiction over the appropriate anti-money laundering case or civil forfeiture case may issue on the same account depending upon the circumstances of the case, where the Court of Appeals will remand the case and its records: *Provided,* That if there is no case filed against a person whose account has been frozen within the period determined by the Court of Appeals, not exceeding six (6) months, the freeze order shall be deemed *ipso facto* lifted: *Provided, further,* That this new rule shall not apply to pending cases in the courts. In any case, the court should act on the petition to freeze within twenty-four (24) hours from filing of the petition. If the application is filed a day before a nonworking day, the computation of the twenty-four (24)-hour period shall exclude the nonworking days.

"The freeze order or asset preservation order issued under this Act shall be limited only to the amount of cash or monetary instrument or value of property that the court finds there is probable cause to be considered as proceeds of a predicate offense, and the freeze order or asset preservation order shall not apply to amounts in the same account in excess of the amount or value of the proceeds of the predicate offense.

"x x x."

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SEC. 5. Section 18 of Republic Act No. 9160 is hereby amended by inserting a new paragraph to read as follows:

"SEC. 18. *Implementing Rules and Regulations.* –

"x x x

"x x x

"Within ninety (90) days from the effectivity of this Act, the AMLC, the Philippine Amusement and Gaming Corporation (PAGCOR) and other government regulatory agencies shall jointly promulgate the rules and regulations to implement the provisions of this Act as applicable to casinos as covered institutions. The implementing rules applicable to other covered institutions shall not apply to casinos unless it is expressly so provided under the rules and regulations to implement the provisions of this Act."

SEC. 6. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of other provisions hereof.

SEC. 7. *Repealing Clause.* – All laws, decrees, orders, and issuances or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SEC. 8. *Effectivity.* – This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in any newspaper of general circulation.

Approved,

PANTALEON D. ALVAREZ
Speaker of the House of Representatives

AQUILINO "KOKO" PIMENTEL III
President of the Senate

Senate Bill No. 1468, which was approved by the Senate on May 30, 2017, was adopted as an amendment to House Bill No. 5663 by the House of Representatives on May 30, 2017.

CESAR STRAIT PAREJA
Secretary General
House of Representatives

LUTGARDO B. BARBO
Secretary of the Senate

Approved: JUL 14 2017

RODRIGO ROA DUTERTE
President of the Philippines

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