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GAMING HOUSE OPERATOR (AMENDMENT) (NO.2) REGULATIONS, 2019

Arrangement of Regulations

Regulation

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GAMING ACT, 2014
(NO. 40 OF 2014)

S.I. No. 63 of 2019

GAMING HOUSE OPERATOR (AMENDMENT) (NO. 2)
REGULATIONS, 2019

The Minister, in exercise of the powers conferred by section 81 of the Gaming Act, 2014 (*No. 40 of 2014*), makes the following regulations—

1. Citation.

These Regulations, which amend the Gaming House Operator Regulations, 2014¹, may be cited as the Gaming House Operator (Amendment) (No. 2) Regulations, 2019.

2. Amendment of regulation 14 of the principal Regulations.

Regulation 14 of the principal Regulations is amended—

(a) in paragraph (2) by the insertion, immediately before the words “All games” of the words “Except as provided in paragraph (3),”; and

(b) by the insertion immediately after paragraph (2) of paragraphs (3) and (4)—

“(3) All games authorized to be offered for play by the holder of a gaming house operator licence that involve wagering on event betting, the numbers game and interactive games that emulate or are a facsimile of a lottery drawing must theoretically pay out a mathematically demonstrable return to player percentage of not less than fifty per centum.

(4) The Board may waive any return to player percentage referred to in paragraphs (2) and (3) upon a demonstration to the satisfaction of the Board that—

(a) the requirement inhibits design of the game or is inappropriate under the circumstances; and

(b) the game otherwise meets the standards of laws and regulations of The Bahamas.”

3. Amendment of regulation 56 of the principal Regulations.

Regulation 56 of the principal Regulations is amended —

¹(S.I. 85/2014).

- (a) in the definition of the term "tax", by the insertion immediately after the words "section 64", of the words "and the winnings tax imposed under section 64A of the Act";
- (b) in the definition of the term "winnings", by the insertion immediately after the word "bets" of the words "without deduction of the amount attributable to the underlying bet"; and
- (c) by the insertion in the appropriate alphabetical order of the following new definition —
"winnings tax" means the tax imposed under section 64A of the Act."

4. **Amendment of regulation 57 of the principal Regulations.**

Regulation 57 of the principal Regulations is amended by the deletion and substitution of paragraph (1) as follows —

- "(1) Subject to paragraph (2), the gaming taxes payable under section 64 of the Act by the holder of a gaming house operator licence shall be based upon the total taxable revenue for the tax period, calculated as follows —
 - (a) 15% on the first twenty-four million dollars of taxable revenue for the tax period; and
 - (b) 17½% on any taxable revenue exceeding twenty-four million dollars in the tax period."

5. **Insertion of new regulation 57A into the principal Regulations.**

The principal Regulations is amended by the insertion immediately after regulation 57 of the following new regulation 57A —

"57A. Winnings tax.

- (1) The winnings tax payable under section 64A of the Act shall be calculated on an individual bet basis as follows —
 - (a) 5% of winnings paid to a domestic player of a numbers game, where the winnings are less than one thousand dollars; or
 - (b) 7½% of winnings paid to a domestic player of a numbers game, where the winnings are one thousand dollars or more.
- (2) The holder of a gaming house operator licence shall —
 - (a) deduct the winnings tax due from a domestic player concurrent with the crediting of the winnings payment to the domestic player's account or the over the counter payment of the winnings to the domestic player; and

- (b) remit to the Board, the winnings tax deducted from the domestic player of the numbers game over the medium of the internet or over the counter.
- (3) The tax payable under paragraph (1) shall be subject to review at such time as the Minister may direct.”.

6. Repeal and replacement of regulation 58 of the principal Regulations.

The principal Regulations are amended by the repeal and replacement of regulation 58 as follows —

“58. Tax period.

- (1) The tax period for purposes of the imposition of gaming taxes and winnings tax under sections 64 and 64A of the Act shall be a calendar year commencing on January 1st and ending on December 31st of each year provided that, where applicable, the first tax period for any licence holder shall commence on the date on which such licence holder becomes licensed under the Act or on the date on which such licence holder would have become licensed had such licence holder qualified for licensing in connection with a transitional period.
- (2) Notwithstanding that the tax period is a calendar year, the licence holder shall remit any taxes payable under regulations 57 and 57A to the Board on a monthly basis by filing with the Board a monthly tax return prescribed, formatted and distributed by the Board for that dual purpose.
- (3) The monthly tax return shall reflect, at a minimum —
 - (a) the total taxable revenue for the calendar month being reported;
 - (b) the total taxable revenue to date for the calendar year;
 - (c) the total winnings paid to domestic players of the numbers game—
 - (i) over the medium of the internet for the calendar month being reported and to date for the calendar year;
 - (ii) over the counter in licensed premises for the calendar month being reported and to date for the calendar year;
 - (iii) over the counter through the holder of a gaming house agent licence for the calendar month being reported and to date for the calendar year;
 - (d) the total winnings tax paid to the Board for the calendar month being reported;

- (e) the total winnings tax paid to date for the calendar year; and
 - (f) such other information as the Board, after consultation with the Minister, may from time to time determine.
- (4) Each monthly tax return filed with the Board under regulation 60 shall be accompanied by such accounting system generated supporting documentation as the Board shall prescribe and deem to be satisfactory.”.

7. Amendment of regulation 59 of the principal Regulations.

Regulation 59 of the principal Regulations is amended in paragraphs (1) and (2), by the insertion immediately after the words “taxable revenue”, wherever they appear, of the words “or winnings paid to domestic players of a numbers game”.

8. Amendment of regulation 60 of the principal Regulations.

Regulation 60 of the principal Regulations is amended —

- (a) by the deletion of paragraph (1) and the substitution as follows —
 - “(1) Each monthly tax return shall correspond to a month in the twelve month calendar year, with the monthly tax return for each individual month filed with the Board by no later than the 30th day of the immediate succeeding month.”;
- (b) by the insertion immediately after paragraph (1) of the following new paragraphs —
 - “(1A) The filing of the monthly tax return with the Board shall coincide with the deposit or wire transfer on the same date of the gaming tax and winnings tax reflected as due on that return to the Consolidated Fund into the bank account of the Board.
 - (1B) If the 30th day of the succeeding month is a Saturday, Sunday or public holiday in The Bahamas, the monthly tax return shall be filed with the Board no later than the next business day.”;
- (c) in paragraph (4), by the deletion of the words “paragraph (1)(b)” and the substitution of the words “paragraph (1A)”;
- (d) in paragraph (5), by the deletion of the words “paragraph (1)(b)” and the substitution of the words “paragraph (1A)”.

9. Amendment of regulation 61 of the principal Regulations.

Regulation 61 of the principal Regulations is amended —

- (a) by the insertion immediately after the words “gaming tax” of the words “or winnings tax”; and

(b) by the deletion of the word "week" and the substitution of the word "month" wherever it appears.

10. **Revocation of S.I. No. 27 of 2019.**

The Gaming House Operator (Amendment) Regulations, 2019 is hereby revoked.

Made this 1st day of October, 2019.

Signed
DIONISIO D'AGUILAR
Minister Responsible for Gaming