

## Online Gambling Legislation

The Portuguese Government adopted recently the Online Gaming and Betting Act ('the Act'), which legalises and regulates online gambling and betting in Portugal. The Act comes into force on 28 June 2015 and will allow companies to request licenses for the provision of online gambling and betting services from that date.

The Portuguese Government expects to issue the first licenses by the last quarter of 2015.

### Permitted gambling and betting services

The Act permits a broad range of online gambling and betting services including sports pool betting; pool and pari-mutual horse-race betting; "casino type games" including but not limited to online baccarat, banca francesa, blackjack/21, bingo and slot machines, poker and roulette.

### Obtaining a license

To be eligible for a license, an entity must be a public liability company. The Act allows that foreign companies apply for a license provided their head office is either (i) in an European Union Member State or (ii) in an EEA country, provided in any event that such company holds a branch in Portugal.

Foreign online gambling licenses will not be valid in Portugal. The licence must be granted locally by Portuguese authorities.

To obtain a license, a company must demonstrate inter alia a clear tax and social security record; technical and financial capacity; and present an online gaming system incorporating best practices with regard to software and technology architecture and complying with specific requirements.

The Applicant must provide a deposit of 500,000 EUR to guarantee compliance with legal obligations.

A second deposit of 100,000 EUR is required to ensure compliance with the special online gambling tax regime.

A license is issued for a period of three years, renewable.

The issue of licenses is subject to a fee but the amount is yet to be defined.

### Obligations and requirements

The Act establishes a number of strict requirements in order to prevent fraud and money laundering and gaming related criminal activities, as well as the protection of minors and more vulnerable persons.

There is an obligation on service-providers to hold a bank account in an EU Member State, through which all transactions related to the online gambling and betting are made. Furthermore, a licensed service provider must keep a register of each player including their full name, date of birth, nationality, profession, ID card or passport number, tax number, email address and bank details.

The service provider is under the obligation to verify the identity of the players using a (i) database provided by the Portuguese Institute of Tourism, (ii) the Portuguese ID card or (iii) through a copy of an ID card which contains a photo and the date of birth of the player.

### Control, inspection and regulation

The control, inspection and regulation of online gambling services will be exerted by both the Gaming Commission and the Regulation and Inspection of Games Service of the Institute of Tourism of Portugal ("Institute of Tourism").

### **Breaches of the Act**

The operation, promotion and organization of online gambling and betting services without the relevant license is punishable by up to 5 years imprisonment.

Fraudulent conduct of online gambling and betting services is punishable by 3 to 8 years imprisonment.

Non-criminal infringements are punishable with a fine of up to 1 million EUR or up to 10% of the turnover of the company in the year prior to the infringement if such percentage represents an amount higher than 1 million EUR.

### **Special taxation regime**

The Act creates a special tax regime for online gambling and betting service providers.

For online 'casino type' games, the tax is 15% of gross revenue up to 5 million EUR. For the earnings over 5 million EUR, the tax rate can go up to 30% of the amount of gross revenue above 5 million EUR.

For online 'sports pool betting', the tax is 8% of the total betting pool. For a pool higher than 30 million EUR, the tax rate can go up to 16% of the amount of the betting pool above 30 million EUR.

## CONTACTS

[www.srslegal.pt](http://www.srslegal.pt)

### LISBON

R. Dom Francisco Manuel de Melo, n.º 21  
1070-085 Lisboa  
T. +351 21 313 2000  
F. +351 21 313 2001

### FUNCHAL

Av. Zarco, n.º 2, 2.º  
9000-069 Funchal  
T. +351 291 20 2260  
F. +351 291 20 2261

### OPORTO

R. Tenente Valadim, n.º 215  
4100-479 Porto  
T. +351 22 543 2610  
F. +351 22 543 2611

## MAIN CONTACT



**LUÍS NETO GALVÃO**  
PARTNER  
T. +351 21 313 2035  
[luis.galvao@srslegal.pt](mailto:luis.galvao@srslegal.pt)



1\_



2\_



3\_



4\_



5\_



6\_

**1\_ OCTÁVIO CASTELO PAULO**  
PARTNER, HEAD OF TMT  
T. +351 21 313 2035  
[octavio.paulo@srslegal.pt](mailto:octavio.paulo@srslegal.pt)

**4\_ MARIA PAULA MILHEIRÃO**  
MANAGING ASSOCIATE  
T. +351 21 313 2035  
[maria.milheirao@srslegal.pt](mailto:maria.milheirao@srslegal.pt)

**2\_ NUNO PRATA**  
PARTNER  
T. +351 21 313 2042  
[nuno.prata@srslegal.pt](mailto:nuno.prata@srslegal.pt)

**5\_ RAQUEL CUBA MARTINS**  
MANAGING ASSOCIATE  
T. +351 21 313 2035  
[raquel.martins@srslegal.pt](mailto:raquel.martins@srslegal.pt)

**3\_ PAULO BANDEIRA**  
PARTNER  
T. +351 21 313 2035  
[paulo.bandeira@srslegal.pt](mailto:paulo.bandeira@srslegal.pt)

**6\_ SOLANGE FERNANDES**  
TRAINEE  
T. +351 21 313 2035  
[solange.fernandes@srslegal.pt](mailto:solange.fernandes@srslegal.pt)

SRS Global

ANGOLA

BRAZIL

MACAO

MOZAMBIQUE

Sociedade  
Rebello de Sousa  
& Advogados  
Associados, RL

The curricula of the contacts can be seen in [www.srslegal.pt](http://www.srslegal.pt)