



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session

House Bill No. **1454**



Introduced by **Honorable ERLPE JOHN "PING" M. AMANTE**

EXPLANATORY NOTE

Consistent with the policy of having games of chances strictly managed and made subject to close scrutiny, regulation, supervision and control by the Government, this bill seeks to regulate Internet Casino operations within the Philippines.

The unregulated operations of these Internet Casinos in the Philippines deprived the Government of the possible billions of Pesos in taxes, which if collected, may be used to bolster the social services provided to the public.

Under this legislative proposal, all internet casino operators must first get a license to operate from the Philippine Amusement and Gaming Corporation (PAGCOR), or from the Autonomous Economic Zones with their own charter granting them to provide license to internet casino applicants, for those internet casinos operating inside a Free Port Zone.

Furthermore, it is proposed that Internet Casinos operating without the required license to operate shall be subjected to a stiffer penalty of imprisonment and fines.

The approval of this bill is therefore, earnestly requested.


ERLPE JOHN "PING" M. AMANTE



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AN ACT

REGULATING INTERNET GAMBLING OPERATIONS IN THE PHILIPPINES AND PROVIDING PENALTIES FOR ITS VIOLATION

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

SECTION 1. Title. – This Act shall be known and cited as the "Internet Gambling Act of the Philippines"

SECTION 2. Declaration of Policy. – It is hereby declared to be the policy of the State to have games of chances strictly managed and made subject to close scrutiny, regulation, supervision and control by the Government. With the ever-increasing numbers of virtual casinos or the internet casinos operating in the Philippines, the State shall regulate them to ensure their harmonious and orderly operations, beneficial to the economic growth of the State, and not detrimental to the social and moral well-being of the people.

SECTION 3. Definitions. – As used in this Act, the following terms shall mean:

- (a) Internet gambling or internet casino. – Also known as virtual casinos or online casinos, are online versions of traditional casinos. Online casinos enable gamblers to play and wager on casino games through the Internet.
- (b) Web-based online casinos. – Websites where users may play casino games without downloading software to the local computer. Games are mainly represented in the browser plug-ins and require browser support.
- (c) Download-based online casinos. – Require the download of the software client in order to play and wager on the casino games offered. The online casino software connects to the casino service provider and handles contact without browser support.

- (d) Autonomous Economic Zone. - A special economic zone with its own charter, having power to provide a license to internet casino operators.

SECTION 4. Regulatory power. - All internet casinos shall first obtain a license to operate, subject to the requirements, and the rules and procedures of either:

- (a) PAGCOR or the Philippine Gaming and Amusement Corporation.
- (b) Autonomous Economic Zones for internet casinos operating inside such zones.

SECTION 5. Penalty. - Internet casinos operating without the license to operate prescribed by the next preceding Section shall be subjected to a fine of not less than One Million Pesos (P1,000,000.00), but not more than Three Million Pesos (P3,000,000.00).

The corporate officers such as the President, Vice President, Corporate Secretary, Treasurer, and the General Manager shall be punished by *prision mayor* in its medium and maximum periods and a fine not less than Five Hundred Thousand Pesos (P500,000.00) but not exceeding Two Million Pesos (P2,000,000.00).

The employees of the internet casinos operating without the license to operate shall be punished by *prision correccional* in its minimum and medium periods and a fine not less than Fifty Thousand Pesos (P50,000.00) but not exceeding One Hundred Thousand Pesos (P100,000.00).

SECTION 6. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

SECTION 7. Separability Clause. - If any provision of this Act is held invalid or unconstitutional, the other provisions not affected hereby shall remain valid and subsisting.

SECTION 8. Effectivity. - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,