

5:12-1 et seq
LEGISLATIVE HISTORY CHECKLIST

9/20/88

NJSA: 5:12-1 et seq. (Casinos-- cash transactions over \$10,000-- report to IRS)

LAWS OF: 1987 **CHAPTER:** 419

BILL NO: A953

Sponsor(s): Schuber

Date Introduced: Pre-filed

Committee: **Assembly:** Institutions, Health and Welfare
Senate: Independent and Regional Authorities

Amended during passage: Yes Amendments during passage denoted by asterisks.

Date of Passage: **Assembly:** May 8, 1986
Senate: December 10, 1987

Date of Approval: January 14, 1988

following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes
Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

P. L. 1987, CHAPTER 419, *approved January 14, 1988*

1986 Assembly No. 953 (*Second Official Copy Reprint*)

A SUPPLEMENT to the "Casino Control Act," approved June 2, 1977
(P. L. 1977, c. 110; C. 5:12-1 et seq.).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. No casino licensee or any person licensed under P. L. 1977,
2 c. 110 (C. 5:12-1 et seq.), and no person acting on behalf of or
3 under any arrangement with a casino licensee or other person
4 licensed under P. L. 1977, c. 110, shall**, *in a single transaction*
5 *during a gaming day,*** accept cash ****[or travelers checks]****
6 from a person offered for the purposes of establishing an account,
7 when the amount offered totals \$10,000.00 or more ****[in any**
8 **24-hour period]****, unless the person presents proof of his identity
9 and ****[social security number, or]**** passport identification num-
10 ber if he is not a United States citizen.

11 ***Multiple currency transactions shall be treated as a single*
12 *transaction if the casino licensee, person licensed under P. L. 1977,*
13 *c. 110 or person acting on behalf or or under any arrangement with*
14 *a casino licensee or other person licensed under P. L. 1977, c. 110*
15 *has knowledge that the transactions are by or on behalf of one*
16 *person and result in either cash in or cash out totalling more than*
17 *\$10,000.00 during a gaming day.***

1 2. No casino licensee or any person licensed under P. L. 1977,
2 c. 110 (C. 5:12-1 et seq.), and no person acting on behalf of or
3 under any arrangement with a casino licensee or other person
4 licensed under P. L. 1977, c. 110, shall**, *in a single transaction*

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Assembly committee amendments adopted March 6, 1986.**

****—Senate committee amendments adopted November 9, 1987.**

5 *during a gaming day,*** redeem for cash or credit any chips or
6 markers in an amount of \$10,000.00 or more **or exchange chips*
7 *for cash in an amount of \$10,000.00 or more**, from any one person,
8 ****[in any 24-hour period]**** unless the person seeking to redeem
9 the chips or markers presents proof of his identity and ****[social**
10 **security number, or]**** passport identification number if he is not
11 a United States citizen.

12 ****Multiple currency transactions shall be treated as a single**
13 **transaction if the casino licensee, person licensed under P. L. 1977,**
14 **c. 110 or person acting on behalf of or under any arrangement with**
15 **a casino licensee or other person licensed under P. L. 1977, c. 110**
16 **has knowledge that the transactions are by or on behalf of one**
17 **person and result in either cash in or cash out totalling more than**
18 **\$10,000.00 during a gaming day.****

1 3. Casino licensees, persons licensed under P. L. 1977, c. 110
2 (C. 5:12-1 et seq.) and persons acting on behalf of or under any
3 arrangement with casino licensees or other persons licensed under
4 P. L. 1977, c. 110, who accept cash ****[or travelers checks]**** or
5 redeem chips or markers totalling \$10,000.00 or more **** in a gaming**
6 **day**** for which identification is required pursuant to sections 1
7 and 2 of this *** **[1986]** * **1987** supplementary* act, shall at
8 least once every 30 days report the identities and ****[social security**
9 **numbers or]**** passport numbers of the persons offering the cash,
10 ****[travelers checks,]**** chips or markers, to the ***[Casino Control**
11 **Commission, the New Jersey Division of Taxation,]** *Division of**
12 **Gaming Enforcement* **[and the United States Internal Revenue**
13 **Service]****.****

1 4. This act shall take effect immediately.

5 chips or markers totalling \$10,000.00 or more for which identifica-
6 tion is required pursuant to sections 1 and 2 of this act, shall at
7 least once every 30 days report the identities and social security
8 numbers or passport numbers of the persons offering the cash,
9 travelers checks, chips or markers, to the Casino Control Com-
10 mission, the New Jersey Division of Taxation, and the United
11 States Internal Revenue Service.

1 4. This act shall take effect immediately.

STATEMENT

This bill requires casino licensees or persons acting on their behalf to report to the Casino Control Commission, the New Jersey Division of Taxation and the United States Internal Revenue Service deposits of cash or travelers checks in excess of \$10,000.00 in any customer's account or the redemption of chips or markers in excess of \$10,000.00 by any one person within a 24-hour period. The report shall be made every 30 days and shall state the person's identity and social security number, or passport number if the person is a noncitizen.

The purpose of the bill is to prevent persons with large amounts of cash derived by illegal means from using casinos as a means of legitimizing their cash holdings; a process often referred to as "laundering" the money.

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ASSEMBLY INDEPENDENT AND REGIONAL
AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 953

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 6, 1986

The Assembly Independent and Regional Authorities Committee reports favorably Assembly Bill No. 953 with committee amendments.

As amended, this bill requires casino licensees or persons licensed under the "Casino Control Act" or persons acting on their behalf to report transactions of \$10,000.00 or more to the Division of Gaming Enforcement and the Internal Revenue Service when these transactions result in (1) deposits of cash or travelers checks of \$10,000.00 or more in any customer's account; (2) the redemption of chips or markers totalling \$10,000.00 or more; or (3) the exchange of chips for cash in an amount of \$10,000.00 or more within a 24-hour period. This bill requires a report of these transactions to be made every 30 days containing the name, social security number, or passport number if the person is a noncitizen, in order to prevent persons with large amounts of illegally derived money from using the casinos to legitimize or "launder" their cash holdings.

This bill was pre-filed for introduction in the 1986 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

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SENATE INSTITUTIONS, HEALTH AND WELFARE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 953

[OFFICIAL COPY REPRINT]

with Senate committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1987

The Senate Institutions, Health and Welfare Committee favorably reports Assembly Bill No. 953 OCR with committee amendments.

As amended by committee, this bill prohibits casino licensees, persons licensed under the "Casino Control Act" and persons acting on their behalf to accept in a single transaction cash from a person for the purposes of establishing an account when the amount offered totals \$10,000.00 or more within a gaming day unless the person presents proof of his identity and passport identification number if the person is not a United States citizen. The bill also prohibits the redemption in a single transaction of any chips or markers in an amount of \$10,000.00 or more for cash or credit within a gaming day unless the person provides appropriate identification. The bill further provides that multiple currency transactions in the total amount of \$10,000.00 or more in a gaming day shall be treated as a single transaction if the person conducting the transaction has knowledge that the transactions are by or on behalf of one person.

This bill also requires casino licensees, persons licensed under the "Casino Control Act" and persons acting on their behalf to report these transactions of \$10,000.00 or more to the Division of Gaming Enforcement. The bill requires that the report of these transactions be made every 30 days and that it contain the name and passport number, if the person is not a citizen.

The committee amended the bill to conform the provisions of the bill to Internal Revenue Service reporting requirements on currency transactions (31 C. F. R. Chapter 1, Part 103). The amendments delete references to travelers checks, change the transaction period from a 24-hour period to a gaming day, delete references to social security numbers as a form of identification and clarify when multiple currency transactions shall be treated as a single transaction.