



Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Amendment Regulations 2018

Patsy Reddy, Governor-General

Order in Council

At Wellington this 15th day of October 2018

Present:

Her Excellency the Governor-General in Council

These regulations are made under sections 153 and 154 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009—

- (a) on the advice and with the consent of the Executive Council; and
- (b) in relation to regulations made under section 154 of that Act, on the recommendation of the Minister (as defined by section 5(1) of that Act) made in accordance with section 154(2) and (3) of that Act.

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Regulations

1 Title

These regulations are the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Amendment Regulations 2018.

2 Commencement

These regulations come into force on 1 August 2019.

3 Principal regulations

These regulations amend the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (the **principal regulations**).

4 New regulation 6AB inserted (Exemption of New Zealand Racing Board from some duties under section 31 of Act)

After regulation 6A, insert:

6AB Exemption of New Zealand Racing Board from some duties under section 31 of Act

The New Zealand Racing Board (the **NZRB**), in carrying out its duties under section 31 of the Act, is not required to link a cash transaction between a person and the NZRB involving less than \$10,000.

5 New regulation 7A inserted (Certain transactions with New Zealand Racing Board exempt from section 49(2) of Act)

After regulation 7, insert:

7A Certain transactions with New Zealand Racing Board exempt from section 49(2) of Act

- (1) This regulation applies to 1 or more of the following transactions that take place between a person and the New Zealand Racing Board (the **NZRB**):
- (a) the purchase of vouchers below \$10,000;
 - (b) the redemption of vouchers below \$10,000;
 - (c) the exchange of coins below \$10,000 into different denominations of the same currency;
 - (d) the exchange of notes below \$10,000 into different denominations of the same currency.
- (2) A transaction to which this regulation applies is exempt from section 49(2) of the Act.

- (3) To avoid doubt, the exemption in subclause (2) does not affect a reporting entity's duty to carry out customer due diligence in accordance with subpart 1 of Part 2 of the Act or keep records in accordance with section 50 or 51 of the Act.
- (4) In this regulation, **voucher** has the same meaning as in regulation 15(3).

6 Regulation 15 amended (Relevant services provided in respect of certain stored value instruments)

- (1) After regulation 15(1)(a)(ii), insert:
 - (iii) if the stored value instrument is a voucher issued by the New Zealand Racing Board (the **NZRB**), \$10,000; and
- (2) In regulation 15(3), definition of **stored value instrument**, paragraph (a), after "gift facility", insert "or voucher".
- (3) In regulation 15(3), insert in its appropriate alphabetical order:

voucher includes any document or other instrument issued by the NZRB to a person that has a monetary value and can be used to facilitate or carry out a transaction (for example to place a bet) irrespective of whether—

 - (a) it can be redeemed for cash:
 - (b) it can be split or consolidated for use in 2 or more transactions

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations come into force on 1 August 2019. They amend the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (the **principal regulations**) by—

- providing that the New Zealand Racing Board (the **NZRB**), in carrying out its duties under section 31 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (the **Act**), is not required to link transactions between a person and the NZRB involving less than \$10,000;
- clarifying that certain vouchers issued by the NZRB are stored value instruments. Those stored value instruments are exempt from the provisions of the Act if they have a maximum value at any one time of less than \$10,000;
- exempting certain transactions between any person and the NZRB from section 49(2) of the Act.

**Anti-Money Laundering and Countering Financing of
Terrorism (Exemptions) Amendment Regulations 2018**

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These regulations are administered by the Ministry of Justice.

Wellington, New Zealand:

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