

A BILL

entitled

BERMUDA MONETARY AUTHORITY AMENDMENT (NO. 2) ACT 2018

WHEREAS it is expedient to amend the Bermuda Monetary Authority Act 1969 in order to revise and update the provisions relating to the Digital Asset Business Act 2018;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Bermuda Monetary Authority Amendment (No. 2) Act 2018.

Amends the Fourth Schedule

2 The Bermuda Monetary Authority Act 1969 is amended in the Fourth Schedule under the heading Digital Asset Business Act 2018—

- (a) in paragraph (2)(d)(ii) by deleting the words “higher of \$150,000” and substituting the words “higher of \$15,000”;
- (b) in paragraph (3)(a)(ii) by deleting the words “estimated client receipts” and substituting the words “client receipts”;
- (c) in paragraph (3)(b)(ii) by deleting the words “estimated client receipts” and substituting the words “client receipts”;
- (d) in paragraph (3)(c)(i)(b) by deleting the words “\$15,000 and 0.00075 multiplied by estimated client receipts” and substituting the words “\$150,000 and 0.00075 multiplied by client receipts”;
- (e) in paragraph (3)(c)(ii)(b) by deleting the words “estimated client receipts” and substituting the words “client receipts”;
- (f) in paragraph (3)(d)(ii) by deleting the words “estimated client receipts” and substituting the words “client receipts”;
- (g) in paragraph (3)(e)(ii) by deleting the words “estimated client receipts” and substituting the words “client receipts”; and

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(h) by repealing paragraph (4) and substituting the following—

“(4) For the purposes of this Schedule—

“client receipts” means gross revenue earned in the year preceding the year of assessment arising from digital asset business services provided or product sales to clients by a licensed undertaking.

“estimated client receipts” means estimated annual gross revenue to be earned arising from digital asset business services provided or product sales to clients by a licensed undertaking.”

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EXPLANATORY MEMORANDUM

This Bill amends the Fourth Schedule to the Bermuda Monetary Authority Act 1969 in order to revise and update the provisions relating to the Digital Asset Business Act 2018.

Clause 1 provides a title for this Bill.

Clause 2 amends the Fourth Schedule to the Bermuda Monetary Authority Act 1969 under the Digital Asset Business Act 2018 heading. The amendments being made are to the formulas used for calculating the fees payable by digital asset businesses. The Bill also provides further clarification to the definitions of terms “client receipts” and “estimated client receipts”.