

Issuer: Riigikogu  
Type: act  
In force from: 09.07.2012  
In force until: 30.06.2014  
Translation published: 30.10.2013

# Gambling Act

Passed 15.10.2008  
RT I 2008, 47, 261

Entry into force 01.01.2009, partly the date of entry into force pursuant to § 111

Amended by the following acts

Passed	Published	Entry into force
26.11.2009	RT I 2009, 61, 401	26.12.2009, partly 01.01.2010 and 01.01.2011
26.11.2009	RT I 2009, 62, 405	01.01.2010
27.01.2010	RT I 2010, 9, 41	08.03.2010
22.04.2010	RT I 2010, 22, 108	01.01.2011, enters into force on the date which has been determined in the Decision of the Council of the European Union regarding the abrogation of the derogation established in respect of the Republic of Estonia on the basis provided for in Article 140 (2) of the Treaty on the Functioning of the European Union, Council Decision 2010/416/EU of 13 July 2010 (OJ L 196, 28.07.2010, pp. 24–26).
17.06.2010	RT I 2010, 44, 262	01.09.2010
21.10.2010	RT I, 08.11.2010, 3	18.11.2010
09.12.2010	RT I, 17.12.2010, 22	27.12.2010
16.12.2010	RT I, 06.01.2011, 1	16.01.2011
17.02.2011	RT I, 21.03.2011, 2	01.01.2012, repealed [RT I, 29.06.2012, 2]
08.12.2011	RT I, 22.12.2011, 3	23.12.2011, repealed [RT I, 29.06.2012, 2]
08.12.2011	RT I, 29.12.2011, 1	01.01.2012, partly 01.01.2014 and 01.11.2014
04.04.2012	RT I, 25.04.2012, 1	01.06.2012
06.06.2012	RT I, 29.06.2012, 2	09.07.2012, partly 01.01.2013

## Chapter 1 GENERAL PROVISIONS

### § 1. Purpose and scope of application

(1) The purpose of this Act is to establish elevated requirements for gambling operators, provide measures for the protection of players, and reduce the negative consequences of gambling and its impact on the society.

(2) This Act regulates the organisation of gambling, state supervision over the organisation of gambling in the territory of Estonia and on a ship entered in the Estonian register of ships, and liability for violation of requirements deriving from this Act.

(3) The provisions of the Administrative Procedure Act apply to the administrative procedure provided for in this Act, taking into account the specifications arising from this Act.

## **§ 2. Gambling**

(1) Gambling is a game that meets all the following criteria:

- 1) it is a precondition for participating in a game that the player makes a bet;
- 2) the player may win a prize as a result of the game;
- 3) the outcome of the game is partly or fully determined by an activity based on chance or depends on the occurrence of a previously unknown event.

(2) A bet within the meaning of this Act is a sum of money paid for participating in a game or a monetarily appraisable obligation undertaken for obtaining the right to participate in gambling. A bet is not a fee for using means of distance communication if it is not received by a gambling operator and does not exceed the amount usually paid for the use of such means of distance communication.

(3) A prize within the meaning of this Act is the right of a player, obtained as a result of gambling, to acquire money or another benefit with a monetarily appraisable value.

(4) A prize pool is the total amount of monetary values of potential prizes distributed to players as a result of gambling. If a prize pool includes an object or a proprietary right, the prize pool is calculated on the basis of the usual value of the object or proprietary right.

(5) The requirements provided by this Act are not applied to the following types of gambling:

- 1) games of skill, the only possible prize of which is getting the opportunity to take part in the same game again;
- 2) sports competitions;
- 3) lotteries with the value of the prize pool of up to 1000 euros;
- 4) commercial lotteries with the value of the prize pool of up to 10 000 euros.

(6) The provisions of clause 4 (2) 1) of the Law of Obligations Act are not applied to the lotteries referred to in clauses (5) 3) and 4) of this section.

(7) It is allowed to organise gambling only in compliance with the requirements of this Act.

(8) Organising of gambling is prohibited if the prerequisite for determining the outcome of a game is to achieve a certain number of participants or bets, and the return of the full bet to the player is not guaranteed in case the prerequisite is not achieved.

## **§ 3. Types of gambling**

The types of gambling are:

- 1) games of chance – games, the outcome of which depends on chance and which are played by means of a mechanical or electronic device or by mediation of the organiser of the game;
- 2) lotteries – games, the outcome of which depends on chance, whereas the prize pool constitutes up to 80 percent of the selling price of the circulation of the lottery tickets, and the outcome of the game is not determined more than three times per twenty-four hours or it is determined by opening the ticket field on the lottery ticket;
- 3) topos – games, the outcome of which depends on whether an event bet on by the player occurs or does not occur or how it occurs, whereas the event bet on by the player is beyond the control of the gambling operator, the winning of a prize depends on whether the bet turns out to be true or not and the amount of the prize depends on the amount of the bet and the winning coefficient determined before the making of the bet (betting) or percentage of the total amount of the bets as determined by the gambling operator, the number of people who bet correctly and the amount of their bets (totaliser);
- 4) games of skill – games, the outcome of which depends predominantly on the physical skills or abilities or knowledge of the player, and which are played by means of a mechanical or electronic device.

## **§ 4. Subtypes of gambling**

(1) The subtypes of games of chance are:

- 1) games organised on gaming tables and gaming machines – games, the outcome of which is determined by means of an electronic, mechanical or electro-mechanical device prepared or adapted for the organisation of gambling, or with the help of the organiser of the game;
- 2) additional games of chance – games which upon fulfilment of the conditions set by the rules of game grant an opportunity to the player playing on a gaming machine or gaming table to win a prize collected out of the bets of the gaming machines or gaming tables or another predetermined prize.

(2) The subtypes of lotteries are:

- 1) classical lotteries – lotteries, the outcome of which is determined by the organiser of the lottery after the opportunity to take part in the lottery is not offered anymore;
- 2) instant lotteries, the outcome of which is randomly determined among lottery tickets before the acquisition of the lottery tickets by a player and it becomes known to the player while opening the ticket field after acquisition of the lottery ticket.

## **§ 5. Remote gambling**

(1) Remote gambling is the organisation of gambling in a manner where the outcome of the game is determined by an electronic device and the player can participate in the game by electronic means of communication, including telephone, Internet and media services.

[RT I, 06.01.2011, 1 - entry into force 16.01.2011]

(2) Gambling is not considered remote gambling where electronic means of communication are used only for receiving bets, informing about the outcome of the game or transferring payments to the account of a player.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **§ 6. Commercial lottery**

The commercial lottery is a classical lottery or an instant lottery organised by a provider of goods or services for the promotion of the sales of goods or services or for advertising the goods, services or provider thereof.

## **§ 7. Tournament of game of chance**

(1) A tournament of game of chance is a competition where the participants compete with one another in a game of chance. A tournament of game of chance may take place as:

- 1) a tournament;
- 2) a ring game.

(2) In the case provided for in clause (1) 1) of this section, the total amount of the participation fees is the total amount of the fees paid to the gambling operator by the participants in the tournament, which form the prize pool of the tournament and the fee of the operator.

(3) In the case provided for in clause (1) 2) of this section, the total amount of the participation fees is the total amount of the fees received by the gambling operator out of the bets made by the players in the ring game.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

# **Chapter 2 GAMBLING OPERATOR**

## **Division 1 General requirements for gambling operator**

### **§ 8. Gambling operator and transfer of activities aimed at organising gambling**

(1) A gambling operator is a person engaged in the organisation of gambling.

(2) A gambling operator may transfer its activities aimed at organising gambling to another person only with a written consent of the Tax and Customs Board. The Tax and Customs Board shall decide on granting the consent or refusing to grant the consent within 30 working days after receipt of an application.

(2<sup>1</sup>) Subsection (2) of this section is not applied to transfer of the sale of lottery tickets unless the lottery is organised as remote gambling.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(3) The liability of a gambling operator for the organisation of gambling is non-transferable.

(4) Transfer of activities aimed at organising gambling shall not impede the internal control of the gambling operator or the ability of the Tax and Customs Board to monitor the compliance with the requirements established for the organisation of gambling by this Act.

(5) Essential activities aimed at organising gambling are such activities which, when omitted or when performed defectively, would significantly compromise the continuing compliance of the gambling operator with the requirements of this Act, its financial performance or organisation of gambling by the gambling operator. Essential activities aimed at organising gambling shall not be transferred, unless:

- 1) the obligations of the gambling operator to players do not change;
- 2) the conditions, the compliance with which was material in issuing the activity licence or operating permit for organising gambling to the gambling operator, neither change nor cease to exist.

(6) A person to whom the activities aimed at organising gambling are transferred according to the procedure set out in this section, is not considered a gambling operator.

(7) A gambling operator has the right to intermediate prizes and bets received from gambling organised by a foreign gambling operator with no activity licence or operating permit in Estonia, as well as payments to the account of the foreign gambling operator for making a bet in such gambling. In that case the intermediary of prizes, bets or payments transferred to the account of the foreign gambling operator for making bets is considered a gambling operator within the meaning of this Act, and the foreign gambling operator is considered a person to whom the activities aimed at organising gambling are transferred within the meaning of this Act. [RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **§ 9. Requirements for gambling operator**

(1) The right to organise a game of chance, toto or game of skill is granted to a trustworthy legal person that meets the requirements of this Act and has the activity licence for organising gambling and operating permit for organising gambling. The right to organise a lottery is granted to a trustworthy person that meets the requirements of this Act and has received an operating permit for organising lotteries.

(2) Organisation of gambling shall be the only field of activity of a gambling operator. The gambling operator may engage in ancillary activities relating to the organisation of gambling in gaming locations, including catering, currency exchange and organisation of recreational and cultural events.

(3) The shareholders with a qualifying holding in a gambling operator or the members of a management body of a gambling operator shall not include a person who meets any of the following criteria:

- 1) the person has a criminal record;
- 2) the person has been a member of the management body of a legal person that has organised gambling without an activity licence or operating permit or whose activity licence has been revoked on the bases set out in clauses 20 (1) 2)–4) or 7) of this Act;
- 3) a court decision made in bankruptcy proceedings indicates that the person has caused the insolvency of a company due to a grave error in management.

(4) A game of chance may be organised by a public limited company or private limited company whose share capital amounts to at least 1 000 000 euros.

(5) Lotteries may be organised by a public limited company whose share capital amounts to at least 1 000 000 euros and all of whose shares are held by the Estonian state. Such a public limited company organises the lotteries of non-profit associations and foundations according to the procedure provided for in §§ 44–46 of this Act.

(6) A game of skill may be organised by a public limited company or private limited company whose share capital amounts to at least 25 000 euros.

(7) A toto may be organised by a public limited company or private limited company whose share capital amounts to at least 130 000 euros. A toto where the event bet on by the player is the result of a horse race may be organised also by a non-profit association designated by the Government of the Republic if the only activity of such non-profit association according to its articles of association is breeding of horses or horse management and the net assets recorded in the balance sheet of its annual accounts constitute at least two-fifths of the total assets.

## **§ 10. Formation and use of additional reserve**

(1) A gambling operator, except the non-profit association referred to in subsection 9 (7) of this Act, shall form an additional reserve from annual net profit transfers or other transfers which can be entered in a reserve pursuant to law or the articles of association.

(2) The amount of an additional reserve shall not be less than one-third of the share capital.

(3) During each financial year, at least one-seventh of the net profit shall be entered in the additional reserve. When the additional reserve reaches the amount prescribed in the articles of association, the increase of the reserve shall be terminated.

(4) Upon a resolution of the general meeting, the additional reserve may be used to cover a loss if it is not possible to cover the loss from available shareholders' equity of the gambling operator out of retained earnings, accumulated surplus or the legal reserve prescribed by the articles of association. Upon a resolution of the general meeting, the additional reserve may also be used to increase the share capital.

(5) It is prohibited to make payments to founders or shareholders from the additional reserve.

(6) The provisions of this section are not applied to a gambling operator whose shareholders' equity as recorded on the balance sheet of the annual accounts constitutes at least one-half of the total assets.

## **§ 11. Qualifying holding in gambling operator**

(1) Qualifying holding in a gambling operator is any direct or indirect holding in the share capital of a company organising gambling which represents 10 per cent or more of the share capital of the company, of all rights related thereto or of the voting rights in the company or which makes it possible to exercise a significant influence over the management of the company in which that holding subsists. Holding is direct if a person holds or exercises it personally. Holding is indirect if:

- 1) a person holds or exercises it together with one or several controlled companies within the meaning of § 10 of the Securities Market Act (hereinafter *controlled company*);
- 2) it is held or exercised by one or several companies controlled by a person;
- 3) it is held or exercised by a person or a company controlled by the person upon agreement with a third party;
- 4) the voting rights arising therefrom are deemed to belong to a person.

(2) Before acquiring a qualifying holding in a gambling operator or increasing such holding so that its proportion in the share capital of the gambling operator or all rights related thereto or votes represented by shares will exceed 20, 30 or 50 per cent, a person shall submit data about the size of the holding to be acquired and the following information and documents to the Tax and Customs Board:

- 1) the name of the acquirer of a qualifying holding, place of residence or seat and registry code, if it exists, and also a copy of the articles of association, if they exist, if the acquirer is a company;
- 2) information on the members of the management board and supervisory board if the acquirer of a qualifying holding is a company, including, for each person, the forename and surname, personal identification code or date of birth in the absence of a personal identification code, and documents which prove the trustworthiness and impeccable business reputation of such persons and which the acquirer considers important to submit;
- 3) the structure of a consolidation group if the acquirer of a qualifying holding belongs to the consolidation group, and the information on the size of the holdings of the companies belonging to the consolidation group.

(3) The person referred to in subsection (2) of this section (hereinafter *acquirer of qualifying holding*) shall submit also the following information and documents at the request of the Tax and Customs Board:

- 1) the last three annual reports;
- 2) if the acquirer is a natural person, documents certifying the financial status of the person during the last three years, including a full list of the immovable property, construction works and securities belonging to the person, and authenticated copies of the person's income tax returns for the last three years;
- 3) the last three annual reports of the consolidation group, including profit distribution proposals and reports of a sworn auditor.

[RT I 2010, 9, 41 - entry into force 08.03.2010]

(4) If more than nine months have passed since the end of the last financial year, the Tax and Customs Board may request submission of an audited interim report for the first half-year of the current financial year.

## **§ 12. Notification of acquisition or increase of qualifying holding**

(1) If a person acquires a qualifying holding in a gambling operator or increases such holding so that its proportion in the share capital of the gambling operator or votes represented by shares exceeds 20, 30 or 50 per cent or if a gambling operator becomes a company controlled by a person due to an event or as a result of a transaction, in case of which it is not possible to notify the Tax and Customs Board according to the procedure provided for in subsection 11 (2) of this Act before acquiring a qualifying holding in the gambling operator, increasing such holding above such limit or gaining control over the gambling operator, the person shall notify the Tax and Customs Board immediately after becoming aware of the control gained over the gambling operator or the acquisition or increase of the qualifying holding in the gambling operator.

(2) To perform the obligation provided for in subsection (1) of this section, the person shall submit the information and documents set out in subsections 11 (2)–(4) of this Act to the Tax and Customs Board. It is not required to submit any information and documents that are available to the Tax and Customs Board through the electronic information system of the commercial register, electronic information system of the land register, the Estonian Central Register of Securities, or register of taxable persons. The Tax and Customs Board shall not request the submission of such information or documents.

## **§ 13. Conditions for acquisition of qualifying holding and bases for prohibition of acquisition**

(1) The Tax and Customs Board has the right to specify a term for the acquirer of a qualifying holding, during which the acquirer has the right to acquire the qualifying holding or increase such holding above the limit specified in subsection 11 (2) or gain control over a gambling operator. The term shall not exceed 12 months. The acquirer of a qualifying holding is required to promptly notify the Tax and Customs Board of conclusion of a transaction or a decision not to conclude a transaction by which qualifying holding is acquired or increased or control is gained over a gambling operator.

(2) A qualifying holding may be acquired or increased above the limits specified in subsection 11 (2) of this Act or control may be gained over the gambling operator if the Tax and Customs Board does not prohibit, by a

precept, the acquisition or increase of a qualifying holding or gaining control over the gambling operator upon expiry of 60 working days after receipt of the initial notification from the acquirer of the qualifying holding as specified in subsection 11 (2) of this Act.

(3) The Tax and Customs Board may prohibit, by a precept, the acquisition of a qualifying holding, increase of such holding above the limits specified in subsection 11 (2) of this Act or gaining control over a gambling operator if:

- 1) the acquirer of the qualifying holding does not have impeccable business reputation or does not meet the requirements provided for in this Act;
- 2) the acquirer of the qualifying holding has not submitted to the Tax and Customs Board the information or documents provided for in this Act or requested by the Tax and Customs Board pursuant to this Act by the prescribed date;
- 3) the information or documents submitted to the Tax and Customs Board do not meet the requirements provided for by legislation or are inaccurate, misleading or incomplete;
- 4) the gambling operator would not meet the requirements provided for in this Act as a result of the acquisition of the qualifying holding or gaining control over the gambling operator;
- 5) the acquirer of the qualifying holding has failed, irrespective of a respective request of the Tax and Customs Board, to submit documents certifying the legal origin of the monetary or non-monetary resources used for the acquisition of the qualifying holding;
- 6) the gambling operator would become a company controlled by a foreign gambling operator that is not governed by requirements which are at least equivalent to the requirements provided for in this Act or state supervision is not exercised over such foreign gambling operator or the supervisory authority of the country of location of such foreign gambling operator has no legal basis or possibility to co-operate with the Tax and Customs Board.

(4) After the acquisition or increase of a qualifying holding or gaining control over a gambling operator, the Tax and Customs Board may issue a precept according to which the acquisition of the qualifying holding or the gaining of control over the gambling operator is deemed to be contrary to this Act if:

- 1) the acquirer of the qualifying holding has submitted incorrect or misleading information or documents;
- 2) the activities of a shareholder or representative of the acquirer of the qualifying holding significantly compromise the sound and prudent management of the gambling operator or
- 3) other circumstances specified in subsection (3) of this section become evident.

(5) The Tax and Customs Board has the right to prohibit or restrict, by its precept, the acquirer or a person who owns a qualifying holding in a gambling operator or who controls a gambling operator to exercise voting rights or other rights enabling control over the gambling operator if circumstances provided in subsections (3) or (4) of this section exist. The Tax and Customs Board may issue a precept regardless of issue of a precept provided in subsection (3) or (4) of this section.

(6) Compliance with a precept of the Tax and Customs Board provided in subsections (3)–(5) of this section is also mandatory for a gambling operator, the person maintaining its share register or another person who organises the exercise of voting rights.

#### **§ 14. Consequences of illegal acquisition of holding**

(1) As a result of a transaction by which a qualifying holding is acquired or increased, the person is not entitled to exercise the voting rights determined by the holding, and the person's holding or the votes represented by the holding shall not be included in the quorum of the general meeting if:

- 1) the transaction is contrary to a precept issued by the Tax and Customs Board which has entered into force;
- 2) the Tax and Customs Board has not been notified of the transaction in accordance with the procedure provided for in subsections 11 (2)–(4) of this Act or
- 3) the transaction has been concluded after the expiry of the term specified in subsection 13 (1) of this Act or before the expiry of the term specified in subsection 13 (2) of this Act.

(2) If votes representing a holding acquired or increased by such a transaction, in the case of which any of the circumstances specified in subsection (1) of this section exist, are included in the quorum of the general meeting and influence the adoption of a resolution of the general meeting, a court may declare the resolution of the general meeting invalid on the basis of a petition of the Tax and Customs Board, a shareholder or a member of the management board or supervisory board of the company, if the petition is submitted within two months after the adoption of the resolution of the general meeting.

(3) If any of the circumstances specified in subsection (1) of this section exist with regard to a transaction, it is prohibited to exercise any rights arising from the transaction whereby control is gained over a gambling operator. Upon exercise of the rights enabling control arising from a transaction whereby control was to be gained over a gambling operator by a person and in the case of which any of the circumstances specified in subsection (1) of this section exist, a court may declare the exercise of the rights invalid on the basis of a petition of the Tax and Customs Board, a shareholder or a member of the supervisory board or management board of the company, if the petition is submitted within two months after the exercise of the rights.

## **§ 15. Notification of changes in holding**

(1) If a person intends to transfer shares in an amount which would result in the person losing a qualifying holding in a gambling operator or if the person reduces the holding thereof in such manner that it falls below any of the limits specified in subsection 11 (2) of this Act or foregoes control over the gambling operator, the person is required to inform the Tax and Customs Board of the intention immediately and indicate the number of shares which the person holds and transfers and will remain to hold after the transaction, and submit the information and documents specified in subsections 11 (2) and (3) of this Act regarding the person to whom the shares are transferred.

(2) The provisions of subsection (1) of this section also apply if a person loses control over a gambling operator or loses its qualifying holding in a gambling operator or if the holding of the person falls below any of the limits specified in subsection 11 (2) of this Act due to any other event or as a result of any other transaction. In such case, the person shall inform the Tax and Customs Board promptly after becoming aware of the loss of qualifying holding or control or the reduction of holding.

(3) Upon becoming aware of transactions specified in subsection 11 (2) and subsections (1) and (2) of this section, a gambling operator is required to promptly inform the Tax and Customs Board thereof.

## **Division 2 Activity licence for organising gambling**

### **§ 16. Activity licence**

(1) An activity licence for organising gambling (hereinafter *activity licence*) entitles a person to apply for an operating permit for organising gambling. Activity licences are issued for an unspecified term and are not transferable.

(2) Separate activity licences are issued for:

- 1) organising games of chance;
- 2) organising totos;
- 3) organising games of skill.

(3) The issue of an activity licence, refusal to issue a licence and revocation of a licence shall be decided by the Tax and Customs Board.

(4) [Repealed – RT I, 25.04.2012, 1 – entry into force 01.06.2012]

### **§ 17. Application for activity licence**

(1) An application indicating the following shall be filed with the Tax and Customs Board in order to receive an activity licence:

- 1) the name and registry code of the applicant;
- 2) the seat and contact details of the applicant;
- 3) the type of gambling to be organised;
- 4) the position, name and signature of the person completing the application;
- 5) the date of payment of the state fee.

(2) The following shall be appended to the application for an activity licence:

- 1) information and documents regarding the members of the management board and supervisory board of the applicant for an activity licence, including, for each person, the forename and surname, personal identification code or date of birth in the absence of a personal identification code, place of residence, a complete list of places of employment and positions and documents which prove the trustworthiness of the members of the management board and supervisory board of the applicant for the activity licence and their conformity to the requirements of this Act which the applicant considers important to submit, and the information and documents specified in clause 11 (3) 2) of this Act;
- 2) information on the auditor of the applicant for the activity licence, including the auditor's name, place of residence or seat, personal identification code or date of birth in the absence of a personal identification code, or registry code;
- 3) a list of the shareholders of the applicant for the activity licence, including, for each shareholder, the name, registry code or personal identification code or date of birth in the absence of a personal identification code, and information about the number of shares or size of the holding and number of votes to be acquired by or already held by each shareholder;
- 4) the information and documents specified in subsection 11 (2) of this Act regarding persons who have a qualifying holding in the applicant for the activity licence.

(3) The Tax and Customs Board may request that the following be appended to the application:

- 1) a copy of the articles of association or foundation agreement of the applicant for the activity licence;
- 2) information on companies in which the holding of the applicant or a member of its management board or supervisory board exceeds 25 per cent, also the amount of share capital, a list of the areas of activity and the size of the holding of the applicant for the activity licence and each member of the management board or supervisory board.

(4) It is not required to submit to the Tax and Customs Board any information and documents set out in subsections (2) and (3) of this section which are available through the electronic information system of the commercial register, electronic information system of the land register, the Estonian Central Register of Securities, or register of taxable persons. The Tax and Customs Board shall not request the submission of such information or documents.

#### **§ 18. Inspection of applicant for activity licence and deciding on issue of activity licence**

(1) Before deciding on the issue of an activity licence, it is verified whether the applicant for the activity licence meets the requirements established for a gambling operator, its tax behaviour during the last three years is inspected, and if necessary, additional characteristics of the applicant for the activity licence are collected to verify the documents submitted upon application for the activity licence and the trustworthiness and good reputation of the applicant for the activity licence.

(2) The Tax and Customs Board has the right to obtain information from the applicant and from state databases to verify the information submitted upon application for the activity licence or to inspect the applicant for the activity licence.

(3) Upon evaluation of what is provided for in subsection (1) of this section, the following, among other things, shall be taken into account:

- 1) the level of organisational structure and technical organisation of the activities planned by the applicant, including the clarity of the origin of amounts used to make contributions to the share capital;
- 2) the work experience, business connections, education, trustworthiness and reputation of members of the management bodies of the applicant;
- 3) whether the applicant, a person having a qualifying holding in the applicant or a member of the management body of the applicant has any tax arrears within the meaning of the Taxation Act, whether tax deadlines have been complied with and whether the applicant has intentionally evaded any taxes.

(4) The Tax and Customs Board makes a decision to issue an activity licence or refuse to issue an activity licence within four months after receipt of all the necessary documents and information but not later than within six months after receipt of an application for the activity licence.

(5) The following information is set out in a decision to issue the activity licence:

- 1) the number and date of the decision to issue the activity licence;
- 2) the start of validity of the activity licence;
- 3) the name, registry code and address of the gambling operator;
- 4) the type of gambling pursuant to subsection 16 (2) of this Act for the organisation of which the activity licence is issued;
- 5) the basis for the issue of the activity licence.

(6) The Tax and Customs Board shall enter the information set out in subsection (5) of this section in the register of economic activities within three working days after making the decision to issue an activity licence.

#### **§ 19. Refusal to issue activity licence**

(1) Issue of an activity licence may be refused if:

- 1) the applicant for the activity licence, a person that has a qualifying holding in the applicant or a member of the management body of the applicant does not meet the conditions provided for in this Act;
- 2) incorrect or incomplete information has been submitted upon application for the activity licence;
- 3) the state fee has not been paid;
- 4) the applicant for the activity licence refuses, without good reason, to provide the Tax and Customs Board with additional or essential information required by this Act;
- 5) the applicant for the activity licence has not submitted the information or documents specified in subsections 17 (1)–(3) of this Act.

(2) Issue of an activity licence shall be refused if:

- 1) upon inspection of the applicant for an activity licence, the Tax and Customs Board has become aware of information indicating that the applicant for the activity licence is not a trustworthy person;
- 2) an activity licence has been previously issued to the applicant for the activity licence or a person with a qualifying holding in the applicant, and it has been revoked on any basis specified in clauses 20 (1) 2)–4) and 7) of this Act or the person holding the activity licence has repeatedly offended against the requirements provided for in §§ 9 and 10 of this Act during the term of the previously issued activity licence.



## **§ 20. Bases for revocation of activity licence**

(1) An activity licence may be revoked if:

- 1) [repealed – RT I, 25.04.2012, 1 – entry into force 01.06.2012]
- 2) incorrect information has been knowingly submitted upon application for the activity licence;
- 3) the holder of the activity licence has repeatedly and materially violated the obligations imposed on the holder of the activity licence by this Act;
- 4) the holder of the activity licence has organised gambling without an operating permit for organising gambling;
- 5) the holder of the activity licence does not meet the requirements provided for in § 9 or § 10 of this Act;
- 6) the person to whom an activity licence for organising a game of chance, toto or game of skill has been issued, has not had a valid operating permit for organising a game of chance, toto or game of skill for over a year or has not been engaged in the organisation of a game of chance, toto or game of skill during the same period without good reason;
- 7) the holder of the operating permit has failed to implement a precept of a supervisory official by the due date and the court has not declared the precept invalid;
- 8) the holder of the activity licence has committed an intentional violation of tax law;
- 9) all operating permits issued to the gambling operator have been revoked.

(2) An activity licence shall be revoked if:

- 1) it is applied for by the holder of the activity licence;
  - 2) the holder of the activity licence has been involved in money laundering or repeatedly violated the procedure for preventing money laundering and terrorist financing established by legislation.
- [RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2<sup>1</sup>) In the event of a violation, also the previous activities of the merged companies shall be taken into account while applying subsection (1) of this section to a person holding an activity licence on the basis of subsection 21<sup>1</sup>(2) of this Act.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(3) The invalidity of an activity licence renders all the operating permits, issued to the same gambling operator for organising gambling of the same type, invalid.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **§ 21. Decision on revocation of activity licence**

(1) A decision on the revocation of an activity licence shall include the following information:

- 1) the name and registry code of the holder of the activity licence;
- 2) the number and date of the decision to issue the activity licence;
- 3) the date of the decision;
- 4) the circumstances which caused the revocation of the activity licence with a reference to the subsection and clause of § 20 of this Act, on the basis of which the activity licence is revoked.

(2) The Tax and Customs Board shall promptly give written notice of revocation of an activity licence to the holder of the revoked activity licence and to the police, and shall delete the information regarding the holder of the revoked activity licence from the register of economic activities.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(3) The person whose activity licence has been revoked shall close down all gaming locations of the same type of gambling and stop making the same type of gambling available within three days after the day of revocation of the activity licence. Distribution of prizes won earlier and not yet distributed shall take place according to the rules of the game.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **§ 21<sup>1</sup>. Expiry of activity licence**

(1) An activity licence expires:

- 1) upon entry into force of a decision on revocation of the activity licence;
- 2) upon entry of a new company in the commercial register if the gambling operator merges with another gambling operator and it brings about the foundation of a new company;
- 3) for a company being acquired when the entry regarding the merger is entered in the commercial register;
- 4) upon declaration of bankruptcy or abatement of the bankruptcy proceeding of the gambling operator;
- 5) upon dissolution of the gambling operator on any other basis.

(2) Clause (1) 2) of this section is not applicable if all the following conditions are met:

- 1) each merging company has an activity licence for organising gambling;

- 2) the merger agreement specifies one activity licence for a type of gambling that will remain valid, and revocation of the other activity licences is applied for within 30 days after the entry regarding the merger is made in the commercial register;
- 3) the new company meets the requirements provided for by this Act for obtaining an activity licence that will remain valid.

(3) Clause (1) 3) of this section is not applicable if both the acquiring company and the company being acquired have an activity licence for organising gambling and such activity licences have been issued on the basis of different clauses of subsection 16 (2) of this Act.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **Division 3**

### **Operating permit for gambling**

#### **§ 22. Operating permit**

(1) An operating permit (hereinafter *operating permit*) is issued separately:

- 1) for opening a gaming location at the address or on the ship indicated in the decision on the issue of the operating permit in order to organise one type of games of chance;
- 2) for organising a toto or for opening a gaming location at the address or on the ship indicated in the decision on the issue of the operating permit in order to organize toto;
- 3) for opening a gaming location at the address or on the ship indicated in the decision on the issue of the operating permit in order to organise a game of skill;
- 4) for organising a type or a subtype of gambling as remote gambling;
- 5) for organising a lottery, except a commercial lottery.

(2) An operating permit, except the operating permit issued for organising a lottery and for organising a toto for a non-profit association specified in subsection 9 (7) of this Act, shall be issued only to the holder of an activity licence. Operating permits are not transferable.

(3) An operating permit is issued for up to 20 years unless otherwise provided for in this Act. Upon opening of a gaming location for a game of chance, toto or game of skill, unless the gaming location is situated on a ship entered in the Estonian register of ships, an operating permit is issued for the period of time indicated in the written consent for the opening of the gaming location granted by the local rural municipality government or city government of the gaming location.

(4) The Tax and Customs Board shall decide on the issue of an operating permit or on refusal to issue an operating permit within two months after receipt of all the necessary documents and information but not later than within four months after receipt of the application for the operating permit.

#### **§ 23. Application for operating permit**

(1) In order to obtain an operating permit, an application indicating the following shall be submitted to the Tax and Customs Board:

- 1) the name and registry code of the applicant;
- 2) the seat and contact details of the applicant;
- 3) the type or subtype of gambling;
- 4) the address of the gaming location or the name and registration number of the ship for a game of chance, game of skill or toto organised in the gaming location;
- 5) the name and position of the contact person of the gambling operator;
- 6) the name, position and signature of the person completing the application;
- 7) the term of the operating permit which is applied for;
- 8) the date of payment of the state fee.

(2) The following shall be appended to the application for an operating permit:

- 1) for opening a gaming location for a game of chance, toto or game of skill at the address indicated in the application, the written consent of the rural municipality government or city government for opening the gaming location, and the plan and description of the gaming location;
- 2) information about the gaming equipment used for organising gambling;
- 3) the rules of the game;
- 4) an overview of the security measures to be applied in the gaming location and upon organising the game;
- 5) information on how the protection of the data of the persons participating in the game will be secured in accordance with the Personal Data Protection Act;
- 6) if bets of a lottery or toto are accepted or if prizes are distributed by means of distance communication, then the telephone numbers, website addresses and other contact details enabling the making and accepting of bets, and information on the current accounts used for intermediation of payments between the operator and players.

(3) The Tax and Customs Board may carry out expert assessment for ascertaining the facts of significant importance for the issue of an operating permit. The term for the review of an application for an operating permit shall be extended by the duration of the expert assessment but not over two months. The Tax and

Customs Board shall inform the applicant in writing about an extension of the term. If the facts of significant importance for the issue of an operating permit do not meet the requirements of this Act according to the expert assessment, the applicant for the operating permit shall compensate for the invoiced expense of the ordered expert assessment.

#### **§ 24. Application of operating permit for organising instant lottery**

(1) An operating permit for an instant lottery is issued for up to five years.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) Application for an operating permit for organising an instant lottery is governed by the provisions of § 23 of this Act with the following specifications:

- 1) the dates of the beginning and end of organising an instant lottery are set out as the term of the operating permit in the application referred to in subsection 23 (1) of this Act;
- 2) clauses 3) and 5) out of subsection 23 (2) are applied;
- 3) the design of a ticket of the instant lottery with a specified description of the security features of the lottery tickets is appended to the application.

#### **§ 25. Application for operating permit for organising additional game of chance**

Application for an operating permit for organising an additional game of chance is governed by the provisions of § 23 of this Act with the following specifications:

- 1) upon application of clause 23 (1) 4) of this Act, all the gaming locations where the additional game of chance will be organised, shall be set out;
- 2) clause 3) out of subsection 23 (2) is applied.

#### **§ 26. Application for operating permit for organising remote gambling**

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(1) An operating permit for remote gambling is issued for up to five years. Application for an operating permit for organising remote gambling is governed by the provisions of § 23 of this Act with the following specifications:

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

- 1) instead of what is specified in clause 23 (1) 4) of this Act, the application for an operating permit shall set out the address of the location of the server containing the software used for organising remote gambling;

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

- 2) clauses 2)–5) out of subsection 23 (2) are applied.

(2) The following shall be appended to the application for an operating permit:

- 1) information regarding the software used for organising remote gambling;

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

- 2) independent expert assessment on the compliance of the software used for organising remote gambling with the requirements provided for in § 54 of this Act;
- 3) telephone numbers, website addresses and other contact details enabling to participate in gambling;
- 4) information on the current accounts used for intermediation of payments between the operator and players.
- 5) evidence regarding the legal basis and possibilities of the supervisory authority for gambling and of the authority dealing with prevention of money laundering in the country of location of the server to co-operate with the Tax and Customs Board and Financial Intelligence Unit if the server is not located in Estonia or in a state that is a party to the Convention on Cybercrime, and the Tax and Customs Board and the Financial Intelligence Unit do not have a cooperation agreement with the competent authorities of the country of location of the server regarding exchange of information on gambling supervision.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

#### **§ 27. Consent for opening of gaming location**

(1) A gaming location for a game of chance, toto or game of skill may be opened only at an address, for which the local rural municipality government or city government has granted a written consent before the operating permit is applied for. The rural municipality government or city government shall decide on the grant or refusal to grant the consent within one month after receipt of a respective application. The consent for opening a gaming location for a game of skill is granted for up to 20 years, and the consent for opening a gaming location for a game of chance or toto is granted for 5 to 20 years. A rural municipality government or a city government may grant the written consent for a shorter term than the one set out in the application.

(2) The person applying for a consent for opening a gaming location (hereinafter *applicant for consent*) shall submit the following while applying for the written consent of a rural municipality government or city government:

- 1) an application indicating the position, name and signature of the person completing the application, the number and date of the decision on the issue of an activity licence to the applicant, and the term of the operating permit which is applied for;
- 2) information about the location and opening hours of the planned gaming location;
- 3) a document regarding the building or the part of a building planned as the gaming location, indicating that the applicant for the consent may use the building or a part thereof on legal basis.

(3) At the request of a rural municipality government or city government, the applicant for consent shall provide, within one week, additional information on the gambling that the applicant intends to organise, the conditions of organising such gambling and the gaming equipment to be used.

(4) A rural municipality government or city government refuses to grant the consent if the gaming location that is applied for would be situated on an immovable set out in subsection 37 (2) of this Act, in a district set out in subsection 37 (3) of this Act or in a district specified under clause 37 (4) 3) of this Act. A rural municipality government or city government may refuse to grant the consent if the gambling operator does not perform the obligation set out in subsection (3) of this section.

(5) If a rural municipality government or city government has refused to issue a permit, the applicant for consent or another person shall not submit an application for opening a gaming location at the same address before expiry of 12 months after the submission of the application unless the district set out in subsection (4) of this section has been specified within such period of time.

(6) This section is not applied to gaming locations which are situated on ships entered in the Estonian register of ships.

### **§ 28. Making of decision on issue of operating permit**

(1) The Tax and Customs Board has the right to obtain information from the applicant for an activity licence and from state databases in order to verify the information submitted while applying for the operating permit.

(2) The following information shall be set out in a decision on the issue of an operating permit:

- 1) the number and date of the decision on the issue of the operating permit;
- 2) the term of the operating permit;
- 3) the name, registry code and address of the gambling operator;
- 4) the type or subtype of gambling and whether gambling is to be organised as remote gambling;
- 5) the name and position of the person set out in clause 23 (1) 5) of this Act;
- 6) the basis for the issue of the operating permit.

(3) A decision on the issue of an operating permit for opening of a gaming location for a toto, game of chance or game of skill shall indicate also the address of the gaming location and hourly restrictions regarding the organisation of gambling, valid at the time of making the decision. A decision regarding an operating permit for an additional game of chance shall indicate all the gaming locations where it is permitted to organise the additional game of chance.

(4) The Tax and Customs Board shall enter the information set out in subsection (2) of this section, and the information set out in subsection (3) of this section in case a gaming location is opened for a toto, game of chance or game of skill, in the register of economic activities within three working days after making a decision on the issue of an operating permit.

### **§ 29. Refusal to issue operating permit**

(1) The issue of an operating permit shall be refused if the applicant for the operating permit fails to eliminate even one of the following deficiencies within 30 days after the Tax and Customs Board sent a respective notice:

- 1) the applicant for the operating permit does not hold a valid activity licence meeting the requirements of this Act;
- 2) the applicant has not paid the state fee;
- 3) the gaming location or gaming equipment does not meet the requirements provided for in this Act;
- 4) the rules of game apparently infringe the rights of players and do not meet the requirements of this Act;
- 5) the person applying for the operating permit refuses, without basis, to provide the Tax and Customs Board with additional or essential information requested on the basis of this Act;
- 6) incorrect or incomplete information has been submitted upon application for the operating permit;
- 7) there is no consent of the rural municipality government or city government for opening a gaming location for a game of chance, toto or game of skill.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) The issue of an operating permit may be refused if the operating permit is applied for organising remote gambling and the server containing the software to be used for organising remote gambling is located outside Estonia, states that are parties to the Convention on Cybercrime, and states whose competent authorities have entered into a cooperation agreement with the Tax and Customs Board and the Financial Intelligence Unit on exchange of information on gambling supervision.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

### **§ 30. Bases for revocation of operating permit**

- (1) An operating permit can be revoked if:
- 1) the gambling operator submits an application for revocation of the operating permit issued to the gambling operator;
  - 2) any of the circumstances set out in clauses 29 1), 3) or 6) has become evident;
  - 3) the gambling operator has not engaged in organising gambling at the location indicated in the decision on the issue of the operating permit or has not engaged in organising the gambling set out in the decision on the issue of the operating permit for over a whole running year without good reason;
  - 4) the gambling operator has failed to implement a precept of a supervisory official by the due date and the court has not declared the precept invalid;
  - 5) the gambling operator has repeatedly violated the regulation governing the advertising of gambling or gaming location;
  - 6) the gambling operator has committed a misdemeanour set out in §§ 74, 75 or 82–86 of this Act;
  - 7) the gambling operator has not performed the obligations imposed on the gambling operator by this Act or has violated the requirements deriving from this Act.

(2) The proposal for revocation of an operating permit is made by the Consumer Protection Board or Police and Border Guard Board on the basis of clause (1) 5) of this section.

[RT I, 29.12.2011, 1 - entry into force 01.01.2012]

### **§ 31. Decision on revocation of operating permit**

- (1) A decision on the revocation of an operating permit shall include the following information:
- 1) the name and registry code of the gambling operator, the number and date of the decision on the issue of the operating permit;
  - 2) the date of the decision;
  - 3) the circumstances which caused the revocation of the operating permit with a reference to the subsection and clause of § 30 of this Act, on which basis the operating permit is revoked.

(2) The Tax and Customs Board shall promptly give written notice of revocation of an operating permit to the holder of the revoked operating permit and to the Police and Border Guard Board, and shall delete the information regarding the gambling operator from the register of economic activities.

[RT I, 29.12.2011, 1 - entry into force 01.01.2012]

### **§ 32. Expiry of operating permit**

(1) Upon expiry of an operating permit the gambling operator shall close down the gaming location or discontinue making gambling available by the due date indicated in the decision on revocation of the operating permit or by the date of expiry of the operating permit.

(2) If the operator of an instant lottery has not sold all lottery tickets by the expiry of the operating permit, the remaining lottery tickets shall be withdrawn from circulation and destructed within 60 calendar days after the expiry of the operating permit unless the Tax and Customs Board has requested the delivery of such lottery tickets. After the expiry of an operating permit for an instant lottery, the prizes won shall be distributed in accordance with the rules of the game.

## **Chapter 3 ORGANISATION OF GAMBLING**

### **Division 1 General requirements for organisation of gambling**

#### **§ 33. General obligations of gambling operator upon organisation of gambling**

- (1) Upon organisation of gambling, a gambling operator is required to:
- 1) ensure public order and safety of players in a gaming location;
  - 2) ensure that a person who has no right to participate in a game or be present in a gaming location on the basis of § 34 of this Act, does not gamble and is not present in a gaming location;
  - 3) ensure that a person who has been punished for a criminal offence is not tasked with organising gambling, making decisions on the right to participate in gambling or carrying out supervision of gambling;
  - 4) ensure that a person under 21 years of age is not tasked with conducting a game of chance, lottery or toto, make decisions on the right to participate in a game of chance, lottery or toto or carry out supervision of a game of chance, lottery or toto;

- 5) ensure that a clear warning is presented to a player regarding the addictive nature of gambling and that a reference is made to the contact details of organisations that assist gambling addicts;
  - 6) ensure sufficient measures to identify persons who use technical aids, which enable creating an advantage for themselves or others in gambling and to impede the randomness of determining the outcome of a game, and exclude the participation of such persons in gambling;
  - 7) ensure that a gaming machine used for organising a game of chance does not give out more cash than equivalent of 2000 euros at a time.
- [RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) Clause (1) 1) of this section is not applied to lottery organisers. The provisions of clause (1) 2) of this section apply to a lottery organiser only as far as the obligation not to allow a person to gamble if such person does not have the right to participate in gambling on the basis of § 34 of this Act. The provisions of clause (1) 3) of this section are not applied to the organiser of a toto if the duty of the person is only accepting bets for the toto or distribution of prizes with the value of up to 640 euros.

(3) The Minister of Finance may establish by a regulation:

- 1) a list of organisations to whom reference shall be made pursuant to clause (1) 5) of this section;
- 2) specified requirements regarding the manner, contents and design of the warning set out in clause (1) 5) of this section.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

### **§ 34. Restrictions on participation in gambling**

(1) A player shall be a natural person. A gambling operator shall not enter into a credit agreement with a player for enabling him or her to make a bet, and shall not enable a player to enter into a credit agreement with another person in the gaming location.

(2) A person under 21 years of age shall not play a game of chance, a game of chance organised as remote gambling or a game of skill organised as remote gambling. It is also prohibited for a person under 21 years of age to be present in a gaming location for games of chance. A person under 21 years of age may only be present in a gaming location for games of chance located on a ship that is entered in the Estonian register of ships and carries out passenger transport, if the highest possible bet for obtaining the right to participate in a game of chance on a gaming machine or gaming table located there does not exceed 10 euros and the biggest possible prize that can be won as a result of a game of chance does not exceed 2000 euros.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(3) Persons under 18 years of age shall not play a toto.

(4) Persons under 16 years of age shall not play a lottery.

(5) It is prohibited to take along to a gaming location for a game of chance or use while paying a game of chance any technical aid which enables to create an advantage for oneself or others in gambling and to impede the random nature of determining the outcome of a game.

(6) Making a bet in a toto is prohibited for a person who influences or may influence the occurrence or non-occurrence, manner or outcome of the event that is bet on.

### **§ 35. Rules of game**

(1) Gambling is organised in accordance with the rules of the game approved by a resolution of the management board of the gambling operator, and such rules shall include:

- 1) the business name and registry code of the gambling operator if the registry code exists;
- 2) a description of the game, including the conditions of and procedure for participating in the game;
- 3) the probability of winning a prize, and if it is impossible to express in numerically, the rules of determining the winner and the amount of the prize;
- 4) the location of, procedure for and final date of distribution of prizes;
- 5) the procedure and term for settlements of complaints filed by players.

(2) The rules of a game of gambling can be altered only with the written consent of the Tax and Customs Board. The Tax and Customs Board shall decide on the grant of the consent within 15 working days after receipt of the rules of the game. The Tax and Customs Board refuses to grant the consent on the bases set out in clause 29 4) of this Act.

(3) The rules of the game shall be visible in a gaming location or shall be presented immediately at the request of a player.

(4) The rules of the game may establish reasonable, uniform and non-discriminatory restrictions for the protection of players.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(5) A gambling operator is not liable for damage deriving from non-conclusion or non-timely conclusion of a transaction, or from restriction on provision of services if such non-conclusion or non-timely conclusion of a

transaction or restriction on provision of services is caused by a restriction established pursuant to subsection (4) of this section.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

### **§ 36. Gaming equipment**

(1) Gaming equipment is any device, equipment, hardware or software used for the organisation of gambling by a gambling operator.

(2) A gaming machine is electronic, mechanical or electro-mechanical gaming equipment prepared for determining the outcome of a game or for organising a game of gambling.

(3) A gaming table is gaming equipment which, being a table prepared for organising gambling, enables to determine the outcome of a game mechanically or via a croupier or dealer who is an employee of the gambling operator.

(4) Software and hardware, used for organisation of games of chance on a gaming machine or by remote gambling, shall ensure that the average amount distributed to players as a result of a game shall exceed 80 percent of the total amount of all bets.

(5) Before starting to organise gambling on a gaming machine used for games of chance or games of skill, the information regarding such gaming machine and its software shall be submitted to the Tax and Customs Board in order to enable identification of the gaming machine and software and verification of their compliance with the requirements of law. The specification of and procedure for submission of the required information shall be established by a regulation of the Minister of Finance.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(6) If a gaming machine used for organising games of chance or games of skill enables several players to make bets or play simultaneously, it is considered as several gaming machines in accordance with the potential number of players.

### **§ 37. Requirements for gaming location**

(1) A gaming location for games of chance may be situated only in:

- 1) a separate building;
- 2) a hotel, conference centre or recreational establishment;
- 3) a business building or shopping centre if it is not possible to enter the gaming location for games of chance through other premises of the business building or shopping centre and if there are no living quarters in the same building.

(2) The gaming location for games of chance, toto or games of skill may not be situated on an immovable that is in use of a pre-school child care institution, basic school, upper secondary school, vocational educational institution, hobby school, permanent youth camp, child welfare institution or youth work agency.

[RT I 2010, 44, 262 - entry into force 01.09.2010]

(3) A comprehensive plan or detailed plan may specify a district where no gaming location for a game of chance may be situated.

(4) A regulation of the council of a rural municipality or city council:

- 1) may establish a uniform restriction on the opening hours of the gaming locations for games of chance situated in the territory of the rural municipality or city government;
- 2) may prohibit the opening of a gaming location for games of chance situated in a separate building if the gaming location would be situated in the immediate vicinity of the immovable specified in subsection (2) of this section;
- 3) specifies the district which shall be deemed as in the immediate vicinity of the immovable specified in subsection (2) of this section.

(5) In the gaming location for games of chance or toto, it is permitted to engage only in the ancillary activities related to the organisation of the games of chance or toto, including catering, currency exchange and organisation of recreational and cultural events.

(6) The gaming location for games of chance shall have at least 40 gaming machines, for which the information set out in subsection 36 (5) of this Act has been submitted to the Tax and Customs Board, or at least five gaming tables. Only those gaming machines and gaming tables, on which the gambling tax has been paid, are taken into account.

(7) A warning in Estonian, presented in reasonable size, regarding the addictive nature of gambling and the contact details of the organisations that assist gambling addicts shall be in a visible place in the gaming location for games of chance or toto.

(8) The organiser of a game of chance shall identify the persons entering the gaming location for games of chance. The following data shall be registered upon identification:

- 1) forename and surname;
- 2) personal identification code or date of birth in the absence of a personal identification code;
- 3) the name, serial number, date and place of issue of the identification document;
- 4) the time and date of arrival in the gaming location for games of chance.

(9) A person intending to enter a gaming location for games of chance shall present an identification document for registration of the data set out in clauses (8) 1)–3) of this section. A copy shall be made of the page of the identification document containing personal data and the data set out in subsection (8) of this section shall be entered in an electronically maintained database.

(10) Before a person enters a gaming location for games of chance, the organiser of the games of chance shall verify the data in the electronically maintained database regarding the persons who have visited the gaming location for games of chance on the basis of the identification document presented for identification and shall register the time and date of the person's arrival in the gaming location for games of chance in the database.

(11) The data can be examined, extracts can be received and enquiries can be made about the data using a system for exchange of data based on the data security measures and computer network agreed with the organiser of the game of chance only by:

- 1) a supervisory authority upon exercising state supervision;
  - 2) a court in a judicial proceeding;
  - 3) an authority conducting preliminary investigation in a criminal matter;
  - 4) the Tax and Customs Board in relation to the conduction of proceedings in a tax matter;
  - 5) the Financial Intelligence Unit;
  - 6) a security authority for performing the functions provided for in the Security Authorities Act;
- [RT I, 08.11.2010, 3 - entry into force 18.11.2010]
- 7) the person himself or herself with regard to the data relating to him or her.

(12) A person has the right to examine also the following data relating to him or her:

- 1) the information on the authority that receives his or her data;
- 2) a reference to the data to which access was allowed;
- 3) the manner of access to the data;
- 4) the legal basis of access to the data and the time of issue of the data.

(13) Database entries regarding a person shall be stored for at least five years after the person's last visit to the gaming location for games of chance.

(14) The organiser of a game of chance or toto shall ensure video surveillance inside and outside the gaming location for games of chance or toto in order to perform the obligations specified in subsection 33 (1) of this Act. Recordings shall be stored for at least 14 days after the moment of recording. Recordings can be examined, extracts can be received and enquiries can be made about them using a system for exchange of data based on the data security measures and computer network agreed with the organiser of the game of chance only by an authority specified in clauses (11) 1)–6) of this section.

(15) The provisions of subsections (1)–(4) and (6) of this section are not applied to a gaming location for games of chance situated on a ship that is entered in the Estonian register of ships and carries out passenger transport. The provisions of subsections (8)–(13) of this section are not applied to a gaming location for games of chance situated on a ship that is entered in the Estonian register of ships and carries out passenger transport where the highest possible bet for obtaining the right to participate in one game of chance does not exceed 10 euros and the highest possible prize that can be won as a result of one game of chance does not exceed 2000 euros.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

## **Division 2**

### **Specifications for organisation of gambling of different types**

#### **Subdivision 1**

#### **Special requirements for organisation of games of chance, games of skill and lotteries**

#### **§ 38. Requirements for gaming machines of games of chance**

(1) A gaming machine used for organisation of games of chance is required to:

- 1) use a random number generator to determine the outcome of games;



- 2) ensure the storage of data in the event of a power failure;
  - 3) be secure against outside impact, including electromagnetic, electrostatic and radio wave impact.
- (2) The electronic connection of a gaming table or gaming machine with other systems shall not have any impact on the randomness of determining the outcome of games.
- (3) Upon organisation of games of chance on a gaming machine, the diagnostic system of the gaming machine shall examine all the systems of the gaming machine and whether such systems are in good technical condition.
- (4) If the diagnostic system finds an error in the organisation of a game which may affect the outcome of the game, calculation of turnover or recording of data by an electronic recordkeeping and control system, the diagnostic system shall enable the electronic recordkeeping and control system to promptly record the information regarding the error in the gaming machine or in the software used for organising the game and the time of the error and stop the organisation of games of chance on the gaming machine.
- (5) The diagnostic system shall register and record the outcome of at least five last games and the operations during the game.
- (6) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

### **§ 39. List of persons with restrictions on playing games of chance**

- (1) The list of persons with restrictions on playing games of chance (hereinafter *list*) is a database, the chief processor of which is the Tax and Customs Board. The database shall be established and its statutes shall be approved by a regulation of the Minister of Finance.
- (2) A person is entered in the list on the basis of his or her written request for six months to three years. The submission of a request is deemed to constitute the consent of the data subject for processing of personal data by the Tax and Customs Board and by the organisers of games of chance. A request that has been submitted cannot be withdrawn. The data of a person are deleted from the list upon expiry of the term set out in the request.
- (3) The request is submitted to the Tax and Customs Board or to the organiser of a game of chance who shall immediately forward it to the Tax and Customs Board. A copy of the identification document of the person submitting the request is appended to the request. The following data concerning the person are entered in the list:  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]
- 1) forename and surname;
  - 2) personal identification code or date of birth in the absence of a personal identification code;
  - 3) [repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]
- (4) The data entered in the list can be examined by a supervisory official, by an employee of the organiser of a game of chance who holds an operating permit if it is necessary for performance of the duties of such employee, and by the person himself or herself with regard to the data relating to him or her. The organiser of a game of chance is prohibited to process the data entered in the list for the purposes of research of consumer habits or direct marketing, and to transfer the data to third persons
- (5) The request of a person for entry in the list does not have retroactive effect.
- (6) The organiser of a game of chance shall establish a system of measures which ensures that a person entered in the list shall not be allowed to play games of chance.
- (7) When personal data are deleted from the list pursuant to subsection (2) of this section, the Tax and Customs Board shall store the request, on which basis the person was entered in the list, the documents appended to the request, and the log file for seven years after the submission of the request.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

### **§ 40. Organisation of tournament of game of chance**

- (1) The right to organise a tournament of game of chance is granted to a person who has received an activity licence for organising games of chance. A tournament of game of chance may be organised on a gaming table of games of chance, on a gaming machine of games of chance or as remote gambling. If a tournament of game of chance is organised on a gaming machine of games of chance, the total amount of the prize pool of the tournament of game of chance shall not exceed the total amount of bets.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]
- (2) Before organising a tournament of game of chance, the organiser shall submit a notice in a format which can be reproduced in writing to the Tax and Customs Board, indicating the following:  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

- 1) the date and place of organising the tournament of game of chance;
- 2) the game of chance in which the participants in the tournament of game of chance are going to compete;
- 3) the rules of the tournament of game of chance and the procedure for determining the winner;
- 4) the amount of the participation fee;
- 5) the amount of the prize pool, and if it is impossible to express in numerically, the rules of determining the prize pool.

#### **§ 41. Organisation of game of skill**

(1) The prize of a game of skill organised by a gaming machine of games of skill shall be an object which is not money and its value shall not exceed 50 euros. The prize of a game of skill may be distributed only by a gaming machine of games of skill and the organiser of the game of skill shall not exchange a prize of a game of skill for money or services, and shall not enter into agreements with other persons, whereby the prize of the game of skill will be exchanged for money or services.

(2) The value of a prize of a game of skill organised as remote gambling shall not exceed 50 euros.

(3) The organiser of a game of skill shall ensure in organisation of the game of skill that:

- 1) the players with skills generally obtain bigger prizes than the players without skills;
- 2) a player shall not obtain a significant prize without active involvement in the game;
- 3) the player who decides to play passively shall not obtain a prize or shall only obtain an insignificant prize.

#### **§ 42. Lottery ticket**

(1) A lottery ticket is an object that certifies the right to participate in the lottery.

(2) A lottery ticket shall contain the following information:

- 1) the name of the lottery, the number of the operating permit and the name, address and telephone number of the organiser of the lottery;
- 2) the place(s) and due date of distribution of lottery prizes;
- 3) the total bet made by the lottery player in a currency valid in Estonia;
- 4) the procedure for settlement of complaints filed by players, including a reference to the website address containing the rules of the game of lottery;
- 5) a clear warning regarding the addictive nature of participating in a lottery and the contact details of the organisations that assist gambling addicts.

(3) The ticket of a classical lottery shall contain, in addition to the information set out in subsection (1) of this section:

- 1) the time when the winners of the lottery are to be determined;
- 2) the non-recurrent code of the lottery ticket or the numbers bet on by the lottery player.

(4) Every ticket of an instant lottery shall bear a unique number. The ticket of an instant lottery shall contain, in addition to the information set out in subsection (1) of this section:

- 1) the total number of lottery tickets in the given lottery;
- 2) the number of winning tickets specified by prizes.

(5) All tickets of an instant lottery shall have the security features approved by the Tax and Customs Board in correspondence with the description submitted with the design of the lottery ticket upon applying for an operating permit for the instant lottery.

(6) Winning tickets in the circulation of the instant lottery tickets shall be randomly distributed before delivery to the organiser of the lottery. The organiser of the lottery shall not influence the setting of winning tickets in the circulation.

#### **§ 43. Rules of game of lottery**

In addition to what is specified in subsection 35 (1) of this Act, the rules of a game of lottery shall indicate:

- 1) the selling price of a lottery ticket in a currency valid in Estonia, except in the case of a commercial lottery, and the procedure for declaring a lottery ticket to be damaged;
- 2) the time and place of, and procedure for determination and disclosure of the results of a classical lottery;
- 3) the circulation of tickets of an instant lottery;
- 4) the date of beginning and end of an instant lottery.

#### **§ 44. Application for organisation of lottery for support of non-profit association and foundation**

(1) A company referred to in subsection 9 (5) of this Act may organise a lottery to collect financial resources for the support of an objective specified in the articles of association of a non-profit association or foundation.

(2) A non-profit association or foundation that wishes to obtain financial resources for the support of an objective specified in its articles of association from the organisation of a lottery (hereinafter *support*), shall submit an application for organisation of a lottery to the Ministry of Finance, indicating the following:

- 1) the name and registry code of the non-profit association or foundation;

- 2) the seat and contact details of the non-profit association or foundation;
- 3) the objective specified in the articles of association, for the support of which it is intended to organise the lottery.

(3) The following shall be appended to the application set out in subsection (2) of this section:

- 1) the last three annual reports of the non-profit association or foundation if the non-profit association or foundation has operated for so long and if the annual reports are not available through the electronic information system of the commercial register;
- 2) the confirmation of the non-profit association or foundation that the support will be used only for the support of the objective specified in the articles of association referred to in clause (2) 3) of this section;
- 3) a description of how the non-profit association or foundation undertakes to distribute the support between the activities securing the achievement of the objective specified in the articles of association (hereinafter *support usage plan*);
- 4) a description of the planned lottery, including a description of the planned sales network for the lottery tickets.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(4) Additional materials and explanations regarding the activities, objectives and reputation of the non-profit association or foundation may be appended to the application.

(5) The application specified in subsection (2) of this section may be submitted by a non-profit association or foundation which has been entered in the list of non-profit associations and foundations benefiting from income tax incentives as provided for in the Income Tax Act and which meets the requirements established with regard to the non-profit associations and foundations entered in the list.

#### **§ 45. Organisation of lottery for support of non-profit association and foundation**

(1) If a non-profit association or foundation meets the requirements specified in subsection 44 (5) of this Act, the Ministry of Finance shall submit the application for the organisation of a lottery to the company specified in subsection 9 (5) of this Act for its opinion.

(2) The company specified in subsection 9 (5) of this Act shall prepare, within one month after receipt of the application set out in subsection (1) of this section, a written opinion containing an estimate of at least the following circumstances:

- 1) whether the organisation of the lottery is in compliance with the principles of responsible lottery playing and with the objective of preventing excessive playing;
- 2) economic expediency of the organisation of the lottery.

(3) The opinion shall be submitted to the Ministry of Finance and to the non-profit association or foundation specified in subsection 44 (2) of this Act that submitted the application, in a format which can be reproduced in writing.

(4) The support transferred to a non-profit association or foundation shall constitute at least 55 percent of the sales revenue minus expenses of the organisation of the lottery. Direct expenses of organising the lottery and indirect expenses related to organising the lottery shall be considered as expenses.

(5) The company specified in subsection 9 (5) of this Act shall not transfer the support to the non-profit association or foundation, or it shall be transferred back to the company specified in subsection 9 (5) of this Act if during the organisation of the lottery:

- 1) the non-profit organisation or foundation submits a request for waiver of the support to the company specified in subsection 9 (5) of this Act;
- 2) the non-profit association or foundation is deprived of the right to receive support by an order of the Government of the Republic;
- 3) the non-profit association or foundation is deleted from the non-profit associations and foundations register;
- 4) the Government of the Republic has decided to delete the non-profit association or foundation from the list of non-profit associations and foundations benefiting from income tax incentives as provided for in the Income Tax Act.

(6) The non-profit association or foundation shall provide the company specified in subsection 9 (5) of this Act with a guarantee of a credit institution operating in Estonia in the amount of the foreseeable expenses of the organisation of the lottery.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(7) The non-profit association or foundation is not entitled to request the right to use the sales network of the company specified in subsection 9 (5) of this Act from such company.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

#### **§ 46. Decision of the Government of the Republic for organisation of lottery**

(1) Within three months after receipt of the information and documents specified in subsections 44 (2) and (3) of this Act, the Ministry of Finance shall submit the materials to a session of the Government of the Republic that shall decide on the grant of a permit to the non-profit association or foundation to receive support from the organisation of the lottery, or on refusal to grant such permit.

(2) The company specified in subsection 9 (5) of this Act shall submit the application for an operating permit for the lottery in accordance with the procedure provided for in Division 3 of Chapter 2 of this Act and the decision of the Government of the Republic.

(3) If the non-profit association or foundation violates the support usage plan or does not use the support for supporting the objective specified in its articles of association as set out in clause 44 (1) 3) of this Act, the non-profit association or foundation may be deprived of the right to receive the support by an order of the Government of the Republic.

(4) The non-profit association or foundation that has been deprived of the right to receive support on the basis set out in subsection (3) of this section, shall not apply for receipt of support for three years after the entry into force of the order of the Government of the Republic referred to in subsection (3) of this section.

## **Subdivision 2 Organisation of commercial lottery**

#### **§ 47. Commercial lottery**

(1) The right to participate in a commercial lottery is acquired with the acquisition of goods or services. It is prohibited to request that a participant in a commercial lottery assume any additional proprietary obligations.

(2) Chapter 2 or the requirements specified in § 33, subsection 34 (4), clauses 42 (2) 3)–5) and subsection 42 (5) of this Act do not extend to the organisation of a commercial lottery.

(3) The rules of the game of a commercial lottery shall contain information regarding the prizes to be distributed, including the monetary value of a prize, in addition to the information specified in subsection 35 (1) and clauses 43 2)–4) of this Act.

(4) The Tax and Customs Board has the right to verify the randomness of determining the outcome of a commercial lottery and its compliance with the rules of the game.

(5) The prize pool of a commercial lottery may be up to 100 000 euros.

#### **§ 48. Registration of organiser of commercial lottery**

(1) Before starting to organise a commercial lottery, the organiser of the commercial lottery shall register the commercial lottery in the register of economic activities.

(2) The registration procedure is governed by the provisions of the Register of Economic Activities Act with the specifications arising from this Act.

#### **§ 49. Registration application**

(1) The person who intends to organise a commercial lottery shall submit a registration application which contains at least the following information to the Tax and Customs Board:

- 1) the name, address and contact details of the person;
- 2) the registry code for a legal person, the personal identification code or date of birth for a natural person or the commercial register code of a sole proprietor that has been entered in the commercial register;
- 3) the date of beginning and end of participation in the commercial lottery, the place, manner and date of determination and disclosure of the results, and the place, manner and period of time of distribution of prizes;
- 4) the value of the prize pool of the commercial lottery;
- 5) the name and contact details of the person responsible for the organisation of the commercial lottery;
- 6) the date of submission of the application and signature;
- 7) the name, official title and contact details of the person signing the application;
- 8) the date of payment of the state fee.

(2) The rules of the game of the commercial lottery shall be appended to the application.

#### **§ 50. Registration**

(1) The registration shall be made on the basis of the data contained in the application submitted by a person within five working days after receipt of the application specified in § 49 of this Act.

(2) In addition to what is required by the Register of Economic Activities Act, the following shall be entered in the register:

- 1) the rules of the game of the commercial lottery;
- 2) the name and contact details of the person responsible for the organisation of the commercial lottery;
- 3) the date of beginning and end of participation in the commercial lottery, and the place, manner and date of determination and disclosure of the results;
- 4) the value of the prize pool of the commercial lottery.

#### **§ 51. Deletion of registration**

(1) The Tax and Customs Board shall delete a registration on the day following the last date of distribution of the prizes of the commercial lottery.

(2) The registration shall be deleted, in addition to as provided for in the Register of Economic Activities Act, on the basis of a precept of the Tax and Customs Board or Consumer Protection Board if the organiser of the commercial lottery has violated the requirements specified in § 47 of this Act.

### **Subdivision 3**

## **Specifications for organisation of gambling as remote gambling**

#### **§ 52. Organisation of remote gambling**

(1) A server containing the software used for the organisation of remote gambling shall store data regarding the registration, identification and verification of the identity of a player, verification of the compliance with the age limit, verification of restrictions on playing games of chance, start of a gaming session, and logging in and out pursuant to subsection 53 (3) of this Act.

(2) The possessor of a server containing the software used for the organisation of remote gambling and the organiser of remote gambling shall ensure unrestricted access for supervisory officials to the data referred to in subsection (1) of this section.

(3) If the server is not located in Estonia, the organiser of remote gambling shall, before starting to use the server for the organisation of remote gambling, provide the Tax and Customs Board with evidence that the gambling supervisory authority and the authority dealing with prevention of money laundering in the country of location of the server have a legal basis and possibilities to co-operate with the Tax and Customs Board and Financial Intelligence Unit.

(4) It is not required to submit the evidence regarding the legal basis and possibilities to co-operate as specified in subsection (3) of this section if the server is located in a state that is a party to the Convention on Cybercrime, or whose competent authorities have entered into cooperation agreement Tax and Customs Board and the Financial Intelligence Unit regarding exchange of information on gambling supervision.

(5) The provisions of this subdivision, except subsections (1)–(4) of this section, are applied also to the organisation of a toto if the acceptance of bets for the toto from players and distribution of bets take place by means of distance communication.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

#### **§ 53. Obligations of gambling operator upon organisation of gambling as remote gambling**

(1) For organising remote gambling, the gambling operator shall ensure:

- 1) measures to avoid providing any gambling opportunities to persons who are younger than the age set out in subsections 34 (2)–(4) of this Act and who play by remote gambling in Estonia;
- 2) the identification of every player;
- 3) the registration of every player's forename and surname, personal identification code or date of birth in the absence of a personal identification code, and the time and date of entering and exiting the gaming environment;
- 4) the keeping of record of the bets made by every player, payments transferred to the account of the gambling operator for the making of bets, refunds made and prizes distributed to players;
- 5) the acceptance of bets and payments transferred to the account of the gambling operator for the making of bets only from the settlement account of the same player or from a player in the gaming location of the same gambling operator;
- 6) the making of distributions only to the same settlement account, from which the player has transferred a payment to the account of the gambling operator for the making of bets in gambling;
- 7) an unrestricted access for supervisory officials to the gaming equipment used for the organisation of remote gambling.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) While organising gambling as remote gambling, the gambling operator shall disclose to every player:

- 1) the name and address of the gambling operator, and the numbers of the decisions on the issue of the activity licence and operating permit;
- 2) the rules of the game or a reference to the website address where the rules are available;
- 3) a reference to the requirements deriving from § 34 of this Act;
- 4) an attention-drawing warning regarding the addictive nature of gambling and the contact details of the organisations that assist gambling addicts;
- 5) information on all the expenses deriving from the making of bets, keeping record of the payments transferred to the account of the gambling operator for the making of bets or distribution of prizes, which shall be incurred by the player or which shall be set off against a prize won by the player or against the payments transferred to the account of the gambling operator for the making of bets.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(3) The information specified in clauses (1) 2)–4) of this section shall be stored for at least five years in a manner enabling to produce such information while responding to an inquiry from the Tax and Customs Board, police or Financial Intelligence Unit.

#### **§ 54. Requirements for gaming equipment used for organisation of remote gambling**

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(1) The gaming equipment used for the organisation of gambling as remote gambling shall ensure with sufficient certainty that:

- 1) the randomness of determining the outcome of a game of gambling cannot be influenced by the gambling operator or any other person;
- 2) the data of significant importance in playing a game of gambling shall be stored if the game is interrupted, irrespective of the reason for such interruption;
- 3) the interruptions of a game, the results of a game and any alterations made in the gaming system shall be recorded.

(2) If gambling is organised as remote gambling, the Tax and Customs Board may require at any time the submission of an independent expert assessment regarding the compliance of the used software with the requirements provided for in subsection (1) of this section.

(3) The information specified in clauses (1) 2) and 3) of this section shall be stored for at least five years in a manner enabling to produce such information while responding to an inquiry from the Tax and Customs Board, police or Financial Intelligence Unit.

#### **§ 55. Protection of players in remote gambling**

(1) A player is entitled to set with regard to himself or herself, by a notice sent to the gambling operator in a format which can be reproduced in writing:

- 1) [repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]
- 2) the upper limit of the total amount of bets to be made within a specified time period;
- 3) [repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]
- 4) the prohibition to participate in a game for a period of six months to three years.

(2) If a person wishes to increase the restrictions established with regard to him or her by a notice referred to in subsection (1) of this section, the operator shall immediately apply such notice.

(3) A person cannot withdraw the notice referred to in subsection (1) of this section. The operator shall not accept bets from the player if such bets are in conflict with the restrictions set by the player with regard to himself or herself.

(4) Clear information on for how long a player has been playing shall be continuously displayed to the player, and the player shall be enabled to access the data regarding the bets made and prizes won by him or her.

#### **§ 56. Restricting access to illegal remote gambling**

(1) The provider of data storing service shall eliminate the information used for the provision of illegal remote gambling which is stored by a user of the data storing service, or prevent access of such information on the basis of a precept of the Tax and Customs Board by the due date set out in such precept.

(2) The provider of publicly available electronic communication service providing Internet access shall, on the basis of a precept of the Tax and Customs Board and by the due date set out in such precept, block the domain name of illegal remote gambling specified in the precept in the domain name servers belonging to such service provider.

(3) The holder of a number permit whose number included in the Estonian numbering plan is used for organising illegal remote gambling shall, on the basis of a precept of the Tax and Customs Board and by the due date set out in such precept, stop enabling the use of such number for the organisation of the illegal remote gambling specified in the precept.

(4) The provider of media service shall, on the basis of a precept of the Tax and Customs Board by the due date set out in such precept, stop the transmission of the programme or programme service specified in the precept in the part in which such programme or programme service is used for providing illegal remote gambling.  
[RT I, 06.01.2011, 1 - entry into force 16.01.2011]

(5) The provider of the service specified in subsections (1)–(4) of this section, the holder of the number permit or the provider of media service is not liable for damage caused by non-conclusion or non-timely conclusion of a transaction, or from restriction on provision of service, use of number or transmission of programme or programme service upon performance of an obligation deriving from this section. An agreement diverging from this provision is void.  
[RT I, 06.01.2011, 1 - entry into force 16.01.2011]

### **§ 56<sup>1</sup>. Activities of payment service provider in prevention of organisation of illegal remote gambling**

(1) A payment service provider shall, on the basis of a precept of the Tax and Customs Board, stop the debiting and crediting of the account used for organising illegal remote gambling immediately after receipt of the respective precept.  
[RT I 2009, 61, 401 - entry into force 01.01.2011]

(2) A payment service provider shall, on the basis of a precept of the Tax and Customs Board, make available information regarding the funds in the account specified in subsection (1) and moneys received and paid during the period specified in the precept.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(3) If the account specified in subsection (1) of this section holds any funds, the Tax and Customs Board shall publish information on its website regarding the restrictions established with regard to the account, and shall set a term, within which a person who has made a payment to the account used for organising illegal remote gambling will be able to submit an application to the Tax and Customs Board for refund of an amount from the funds in the account specified in subsection (1) of this section to the extent of the payment made by such person.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(4) The Tax and Customs Board shall make a decision on the refund of the funds in the account on the basis of the application of the person who made the payment and the information and documents appended to such application within 30 calendar days after the expiry of the term specified in subsection (3) of this section, and shall issue a precept to the payment service provider for debiting the account specified in subsection (1) of this section with the refundable amount.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(5) If after the expiry of the term the account specified in subsection (1) of this section still holds funds, the refund of which is not applied for or with regard to which the existence of a claim for refund is not proved, the Tax and Customs Board shall issue a precept to the payment service provider for debiting the account specified in subsection (1) of this section with such amount, transferring the funds to state revenues.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(6) A payment service provider is entitled to refuse to create a business relationship, conclude a transaction or provide a service if the person participating in the transaction or the client has been described as an organiser of illegal remote gambling in a precept of the Tax and Customs Board which has been made on the basis of subsection (1) of this section.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(7) A payment service provider is not liable for damage caused by non-conclusion or non-timely conclusion of a transaction, or from restriction on provision of service while performing the obligations deriving from this section.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

(8) The Minister of Finance shall establish the procedure for application for the refund of the funds in an account or transfer of such funds to state revenues pursuant to subsections (1)–(5) of this section by a regulation.  
[RT I 2009, 61, 401 - entry into force 01.01.2010]

## **Chapter 4**

# **REPORTING OF GAMBLING OPERATOR AND STATE SUPERVISION OVER ORGANISATION OF GAMBLING**

## **Division 1**

# Reporting of gambling operator

## § 57. Reporting of gambling operator

(1) A gambling operator shall submit a report on the organisation of gambling, except of a tournament of game of chance, to the Tax and Customs Board for the past three months (hereinafter *reporting period*) by January 15, April 15, July 15 and October 15. The report shall be submitted electronically.

(2) It is not required to submit a report on the organisation of gambling if:

- 1) the electronic recordkeeping and control system of the gambling operator and the information system of the Tax and Customs Board are connected pursuant to subsection 58 (10) of this Act;
- 2) a commercial lottery was organised.

(3) The gambling operator shall immediately inform the Tax and Customs Board about all changes in the information submitted for obtaining the activity licence or operating permit.

## § 58. Electronic recordkeeping and control system

(1) The electronic recordkeeping and control system is an electronic communications network connecting the gaming machines of the gambling operator or additional games of chance with other electronic gaming equipment used for the organisation of gambling or gaming equipment used for the organisation of remote gambling. A gaming table shall be connected with the electronic recordkeeping and control system if settlements are performed at the gaming table or if the game is fully or partially organised by electronic means.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) The electronic recordkeeping and control system shall ensure registration and recording of data in a manner which enables to calculate the turnover of the gambling operator and the percentage of the distributions made to players in the total amount of all bets for each gaming machine, each gaming table connected with the system and remote gambling at any moment of time.

(3) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

(4) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

(5) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

(6) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

(7) [Repealed - RT I, 25.04.2012, 1 – entry into force 01.06.2012]

(8) The data recorded in the electronic recordkeeping and control system shall be stored for at least five years.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(9) The electronic recordkeeping and control system shall record in a log file the entry into the system and exit from the system and the making of alterations and maker of alterations to the system.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(10) The gambling operator shall ensure the possibility of connecting the electronic recordkeeping and control system with the information system of the Tax and Customs Board in order to enable access to the data required pursuant to this section.

The Minister of Finance shall establish by a regulation:

- 1) a list of the data which shall be registered in the electronic recordkeeping and control system for each gaming machine, gaming table, software enabling to play on a gaming machine or gaming table, remote gambling, additional game of chance and tournament of game of chance;
- 2) the procedure for entering data in the electronic recordkeeping and control system regarding gaming tables and tournaments of games of chance and additional games of chance which are not connected with the electronic recordkeeping and control system;
- 3) the procedure for connecting the electronic recordkeeping and control system with the information system of the Tax and Customs Board;
- 4) the technical requirements for the manner of connecting the electronic recordkeeping and control system with the information system of the Tax and Customs Board, and the terms of and procedure for the exchange of data via such connection.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(11) The Tax and Customs Board may require at any time that the gambling operator submit an independent expert assessment regarding the compliance of the electronic recordkeeping and control system with the requirements provided for in this section.



### **§ 59. Report on organisation of game of chance**

(1) The organiser of a game of chance shall submit a report on the organisation of games of chance on gaming machines during the reporting period, indicating the following:

- 1) the total amount of the money or substitutes for money (for example chips, cheques) inserted into the gaming machines of the game of chance;
- 2) the total amount of the prizes won by players in the games organised on the gaming machines of the game of chance;
- 3) the amount of distributions made to players as a result of the games organised on the gaming machines of the game of chance as a percentage of the total amount of all bets.

(2) The organiser of a game of chance shall submit a report on the additional games of chance organised in the reporting period, indicating the following:

- 1) the number of the players who have played the additional game of chance;
- 2) the amount remitted to the prize pool of the additional game of chance;
- 3) the date and time of determining the prize of the additional game of chance, and the game of chance which was played and which resulted in the additional prize if the prize of the game of chance was determined in the reporting period.

(3) The organiser of a game of chance shall indicate the total amount of the bets accepted at each gaming table in cash and by non-cash settlement with regard to the organisation of games of chance during the reporting period.

### **§ 60. Report on organisation of tournament of game of chance**

(1) The organiser of a tournament of game of chance shall submit a report on the organisation of the tournament of game of chance to the Tax and Customs Board not later than within one month after the organisation of the tournament of game of chance, indicating the following:

- 1) the time and place when and where the tournament of game of chance was organised;
- 2) the number of participants, the amount of the participation fee and the amount received from participation fees;
- 3) the amount of the prize pool and the amounts distributed as prizes.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) It is not required to submit the report specified in subsection (1) of this section if the electronic recordkeeping and control system of the gambling operator and the information system of the Tax and Customs Board are connected in accordance with subsection 58 (10) of this Act.

[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

### **§ 61. Report on organisation of lottery**

(1) The organiser of a lottery shall submit a report on the organisation of each classical lottery organised during the reporting period, indicating the following:

- 1) the total amount of prizes distributed;
- 2) the total amount of bets made by the lottery players.

(2) The organiser of a lottery shall submit a report on the organisation of each instant lottery during the reporting period, indicating the following:

- 1) the total amount of the prizes distributed;
- 2) the total amount received for the lottery tickets sold with a respective indication of tickets which were sold to retailers at a lower price than the selling price of the lottery tickets;
- 3) the residual value of prizes not distributed in the circulation of instant lottery tickets and the number of the unsold tickets.

### **§ 62. Report on organisation of toto**

The organiser of a toto shall submit a report on each toto and if tolos are organised in a gaming location then also on each gaming location for a toto during the reporting period, indicating the following:

- 1) the total amount of bets accepted from players;
- 2) the number of players and the number of tolos organised;
- 3) the amounts distributed as prizes.

### **§ 63. Report on organisation of game of skill**

The organiser of a game of skill shall submit a report on the organisation of games of skill during the reporting period, indicating the following:

- 1) information on the mechanical or electronic gaming equipment used upon organisation of the games of skill;
- 2) the total amount of bets accepted from players.

**§ 64. Report on organisation of remote gambling**  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

The gambling operator that has organised gambling as remote gambling during the reporting period, shall submit a report, indicating separately for each type of gambling:

- 1) the total amount of bets (credits) used in games;
- 2) the total amount of prizes won in games;
- 3) the number of games played;
- 4) the amounts transferred to the settlement account of the gambling operator by players.

**§ 65. Additional requirements for accounting of gambling operator**

(1) Income and expense are not balanced with one another in the income statement of a gambling operator. Only such income and expense can be balanced which do not derive from the principal activity of the gambling operator and which derive from one transaction or several transactions of the same type which, taken separately, do not have a significant impact on the financial performance of the gambling operator.

(2) The total amount of bets recorded under income, the total amount of distributions to players recorded under expense, and the difference between the total amount of bets recorded under income, and the total amount of distributions to players recorded under expense are disclosed in the note "Bets and Distributed Prizes" to the annual accounts which shall be prepared by the gambling operator, broken down as follows:

- 1) games of chance, separately for each subtype;
- 2) lotteries, separately for each subtype;
- 3) to-tos;
- 4) games of skill.

(3) The subdivisions specified in clauses (2) 1)–4) of this section shall be disclosed separately for every rural municipality or city where the gambling operator holds an operating permit for organising gambling in a gaming location.

(4) The gambling operator that organises gambling as remote gambling or tournament of game of chance, shall disclose the amounts specified in subsection (2) of this section separately for gambling organised as remote gambling and tournament of game of chance in the note "Bets and Distributed Prizes".

(5) The gambling operator shall submit, as a note to the annual report, information concerning the persons who had a qualifying holding in the gambling operator as of the end of the financial year, indicating the size of the holding of each person and the circumstances concerning such holding pursuant to subsection 11 (2) of this Act and subsection 10 (1) of the Securities Market Act.

(6) The Minister of Finance shall establish the format for the note "Bets and Distributed Prizes" and a standard for completing the note by a regulation.

## **Division 2**

### **State supervision over organisation of gambling**

**§ 66. Exercise of state supervision over organisation of gambling**

(1) State supervision over the organisation of gambling is exercised by police officers and officials of the Tax and Customs Board (hereinafter *supervisory officials*) who are entitled to involve experts in the exercise of state supervision.

(2) If the Tax and Customs Board discovers elements of a criminal offence while exercising state supervision over the organisation of gambling, the notice and materials collected shall be forwarded to an investigative body.

(3) The Tax and Customs Board is entitled to issue standards for uniform performance of the obligations related to the organisation of gambling.

**§ 67. Rights of supervisory official upon inspection of organisation of gambling**

(1) A supervisory official is entitled to carry out on-site inspection at the seat or place of business of a gambling operator to verify the legality of the organisation of gambling. To carry out on-site inspection, the supervisory official has the right to enter a plot of land, buildings, premises, ships and vehicles where gambling is organised or with regard to which there is a doubt that gambling is organised there.

(2) During on-site inspection, the supervisory official has the right to:

1) inspect, without restrictions, the gaming equipment, necessary documents and data media, including the sworn auditor's reports prepared by an auditor with regard to the reports of the inspected gambling operator and auditor's reports for specific purposes, make extracts, copies and transcripts thereof, demand necessary explanations with regard thereto, and monitor work processes;

[RT I 2010, 9, 41 - entry into force 08.03.2010]

- 2) demand oral and written explanations from the members of a management body and employees of the inspected gambling operator;
- 3) if there is a suspicion of a violation of this Act, legislation enacted on the basis of this Act or rules of the game, to restrict, including with a seal or stamp, the use of the gaming equipment upon the organisation of gambling until the results of inspection are determined;
- 4) remove gaming equipment or an element thereof for the purpose of inspection or expert assessment.

(3) The supervisory official carrying out inspection is entitled to play the inspected game for the purpose of determining the compliance of the organisation of gambling with law or rules of the game, and the prize won in such game is transferred to state revenues. If the prize is not monetary, the Tax and Customs Board shall transfer it according to the procedure provided for in the State Assets Act and legislation enacted on the basis of said Act, and the proceeds from such transfer shall be transferred to the state revenues.

(4) The gaming equipment or an element thereof which has been removed for inspection or expert assessment pursuant to clause (2) 4) of this section shall be returned to the gambling operator. If the removed gaming equipment or an element thereof is partially or fully destructed or becomes unserviceable during inspection or expert assessment, the Tax and Customs Board shall compensate the gambling operator for the damage caused by the partial or full destruction or becoming unserviceable unless the gaming equipment or an element thereof is not in compliance with the requirements.

(5) The Tax and Customs Board shall pay the expenses of the expert assessment ordered for evaluation of the compliance of gaming equipment or an element thereof, which was removed pursuant to clause (2) 4) of this section, with the requirements deriving from this Act, legislation enacted on the basis of this Act or rules of the game, if the removed gaming equipment or an element thereof is in compliance with the requirements according to expert opinion. If the removed gaming equipment or an element thereof is not in compliance with the requirements according to expert opinion, the gambling operator shall compensate for the invoiced expense of the ordered expert assessment.

#### **§ 68. Rights of supervisory official upon inspection of lottery tickets**

(1) The supervisory official has the right to remove lottery tickets from points of sale and from the organiser of the lottery for inspecting the lottery tickets if:

- 1) no operating permit has been issued for organising the lottery or if an operating permit has been revoked;
- 2) there is a suspicion regarding the compliance of the lottery tickets with the requirements of this Act or with the lottery ticket design or with the description of the security features submitted to the Tax and Customs Board.

(2) The Tax and Customs Board or the Police and Border Guard Board shall transfer the price of the lottery tickets that meet the requirements, are authentic and have been issued on the basis of a valid operating permit, to the settlement account of the organiser of the lottery within 30 working days after the removal of the lottery tickets. No payment is made for the lottery tickets that can be sold after the inspection, and such tickets are returned to the organiser of the lottery by registered post with advice of delivery within 15 working days after the supervisory official prepares an inspection report.

[RT I, 29.12.2011, 1 - entry into force 01.01.2012]

(3) If a prize is won with a lottery ticket removed by the supervisory official, for which the person carrying out the inspection has paid, the prize shall be transferred to state revenues. If the prize is not monetary, it shall be transferred according to the procedure provided for in the State Assets Act and legislation enacted on the basis of said Act, and the proceeds from such transfer shall be transferred to the state revenues.

#### **§ 69. Right to obtain information from gambling operator**

(1) On the basis of an order of the supervisory official, the gambling operator shall:

- 1) give explanations regarding the organisation of gambling to the supervisory official;
- 2) provide the supervisory official with an object, information and document which is in the possession of the gambling operator and is related to the organisation of gambling.

(2) An order shall contain the following information:

- 1) the activity which the gambling operator or its representative is required to perform;
- 2) the official title, forename and surname and contact details of the person preparing the order;
- 3) the date and place of preparing the order;
- 4) a reference to the provision constituting the basis for the order;
- 5) the time and terms of performing the order in required detail.

#### **§ 69<sup>1</sup>. Right to obtain information from third person**

(1) Upon verification of the legality of the organisation of gambling, the supervisory official has the right to request information from third persons, including the provider of data storing service, provider of publicly available electronic communication service providing Internet access, holder of number permit, provider of

media service and payment service provider, for establishing the facts necessary for exercising state supervision if there is a breach of public order or a danger of such breach. If necessary, the supervisory official may require that a third person appear at the offices of the supervisory official at the designated time in order to provide information.

(2) Before requesting information from a third person, first the gambling operator shall be contacted for obtaining the information unless the supervisory official has no data regarding the seat of the gambling operator, the gambling operator is not available at the address known to the supervisory official or hinders the establishment of the facts related to the organisation of gambling.

(3) In order to request information from a third person, the supervisory official shall issue an order indicating the data specified in clauses 69 (2) 2)–5) of this Act and the name of the gambling operator about whose gambling the information is collected, as well as the reason for addressing the third person and the basis deriving from subsection (2) of this section. If a person is required to appear to the supervisory official for giving testimony, the order shall indicate also the time and place for such appearance. A person may apply for extension of the term for the performance of the obligation imposed by the order.

(4) The oral testimony of a third person is recorded in the minutes and the minutes shall be signed by the person who gives the testimony. Upon refusal to sign, the respective note is made in the minutes.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

#### **§ 70. Temporary closure of gaming location**

(1) On the basis of a precept of the supervisory official, the gambling operator shall close down a gaming location where a violation of the requirements provided for by this Act or other legislation regulating the organisation of gambling has been established, and it cannot be eliminated immediately and as a result of such violation the players have been placed in a worse situation than as prescribed by legislation or the rules of the game, or shall discontinue providing remote gambling until the violation is eliminated.

(2) The Tax and Customs Board shall enter the data of the precept in the register of economic activities as a notation according to the procedure provided for in the Register of Economic Activities Act immediately but not later than within three working days after the precept is issued.

#### **§ 71. Record of inspection**

(1) The supervisory official shall prepare a record of the on-site inspection of a gambling operator, indicating the date and place of carrying of the inspection and the results of observation. The record shall be prepared in two counterparts, one whereof shall remain with the supervisory official and the other shall immediately be given to the person inspected or to a representative of such person.

(2) The supervisory official shall prepare a record regarding the removal of gaming equipment, an element thereof or lottery tickets, indicating the description of the removed gaming equipment, an element thereof or lottery tickets, the number of the removed gaming equipment, elements thereof or lottery tickets, and the time and place of removal. The record shall be prepared in two counterparts, one whereof shall remain with the supervisory official and the other shall immediately be given to the person inspected or to a representative of such person.

#### **§ 72. Inspection report**

(1) The supervisory official who has carried out inspection shall prepare a report on the results of inspection which shall be communicated to the inspected person within one week after the inspection takes place or after the lottery tickets are removed. The inspection report shall contain the following data:

- 1) the description of the inspection activity;
- 2) the official title, forename and surname of the person preparing the inspection report;
- 3) the place and date of preparing the inspection report;
- 4) a reference to the provision constituting the basis for the inspection;
- 5) the forename, surname and official title of the representative of the inspected person or representative of the possessor of the building or premises who was present at the inspection;
- 6) the forename, surname and official title of another person who was present at the inspection;
- 7) the time of the beginning and end of the inspection and its conditions;
- 8) the course and results of the inspection in required detail.

(2) The inspection report shall be signed by the person preparing it. The inspection report shall remain with the supervisory official, and a copy thereof shall remain with the inspected person or its representative.

(3) The inspected person has the right to submit written explanations within two weeks after receipt of the inspection report. Explanations that are submitted later shall not be accepted.

### **§ 73. Precept**

(1) Upon inspection of the organisation of gambling, the supervisory official has the right to issue mandatory precepts for termination of a violation of this Act, legislation enacted on the basis thereof or the conditions of an operating permit. The precept shall contain the following information:

- 1) the forename, surname and official title of the person preparing the precept;
- 2) the date of issue of the precept;
- 3) the name and seat or place of residence of the recipient of the precept;
- 4) the address of the gaming location if the precept is issued with regard to a specific gaming location;
- 5) the facts causing the issue of the precept with a reference to the provisions of this Act or other legislation;
- 6) the term for the performance of the precept;
- 7) the sanctions to be imposed upon failure to observe the precept with a reference to the provisions of this Act or other legislation;
- 8) reference to challenge.

(1<sup>1</sup>) A precept issued on the basis of subsection 56 (1) or (2) of this Act shall specify also the following information:

- 1) the website address (URL – Uniform Resource Locator) of illegal remote gambling if the data necessary for providing illegal remote gambling are stored in a server located in Estonia;
- 2) the domain name of illegal remote gambling if illegal remote gambling is provided via servers that are located abroad.

[RT I 2009, 61, 401 - entry into force 26.12.2009]

(2) The precept is communicated to the recipient of the precept against signature with an indication of the date and, if necessary, with an indication of the time or shall be sent by registered post with advice of delivery.

(3) If the precept is not observed, substitutive enforcement or penalty payment can be imposed in accordance with the procedure provided for in the Substitutive Enforcement and Penalty Payment Act. The upper limit of penalty payment is 3200 euros. The upper limit of penalty payment imposed by a precept issued to a provider of data storing service, provider of publicly available electronic communication service providing Internet access, holder of number permit, provider of media service, provider of the telephone service, provider of the mobile telephone service and payment service provider is 320 euros. The upper limit of penalty payment imposed on a person providing the service of transmission of information via a public data communication network or person providing the service of access to a public data communication network or payment intermediary is 320 euros. [RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(4) The person issuing the precept shall enter the information of the precept specified in subsection (1) of this section in the register of economic activities pursuant to subsections 9 (1) and (2) of the Register of Economic Activities Act.

## **Chapter 5 LIABILITY FOR VIOLATION OF GAMBLING ACT**

### **§ 74. Organisation of prohibited gambling**

(1) Organisation of gambling prohibited by this Act is punishable by a fine of up to 200 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 75. Violation of requirements for organisation of gambling**

(1) Organisation of gambling by a gambling operator holding an activity licence without an operating permit or at a location not indicated in the decision on the issue of the operating permit, as well as organisation of gambling not indicated in the decision on the issue of the operating permit are punishable by a fine of up to 300 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 76. Violation of procedure for transfer of activities aimed at organising gambling**

(1) Transfer of activities aimed at organising gambling by a gambling operator if activities were transferred without the written consent of the Tax and Customs Board, or transfer of essential activities aimed at organising gambling if it changed the obligations of the gambling operator to players or if it changed the conditions, the

compliance with which was material in issuing the activity licence or operating permit to the gambling operator is punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 77. Violation of requirements for formation and use of additional reserve**

(1) Violation of the requirements for the formation or use of additional reserve by a gambling operator is punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 78. Failure to submit report on organisation of gambling by gambling operator**

(1) Failure to submit the report on the organisation of gambling to the Tax and Customs Board by the due date by a gambling operator, as well as violation of the requirements for the accounting of a gambling operator as provided for in this Act are punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 79. Violation of procedure for acquisition of qualifying holding in gambling operator**

(1) Failure to give prior notice to the Tax and Customs Board regarding acquisition of holding in a gambling operator, or acquisition of holding in a gambling operator, transfer of such holding or gaining control over a gambling operator, as well as exercising a voting right in a gambling operator or other rights enabling control over the gambling operator at variance with the requirements, are punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 80. Violation of requirements for use of income from toto organised on results of horse race by non-profit association**

(1) Use of income received upon organisation of a toto, where the event bet on by a player is the result of a horse race, by a non-profit association designated by the Government of the Republic, for a purpose which is not directly aimed at the promotion of breeding of horses or horse management, is punishable by a fine of up to 100 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 81. Violation of requirements for use of funds received from organisation of lottery by non-profit association and foundation**

(1) Use of support received from the organisation of a lottery by a non-profit association or foundation designated by the Government of the Republic for a purpose which does not support the achievement of an objective specified in the articles of association of the non-profit association or foundation, or violation of a support usage plan is punishable by a fine of up to 100 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 82. Violation of rules of game and deceit of player**

(1) Violation of the established rules of the game or deceit of a player, as well as failure to submit the rules of the game to a player at the player's request are punishable by a fine of up to 200 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 83. Violation of age limit established to players of gambling games**

(1) A person under 21 years of age being present in a gaming location for games of chance or enabling a person under 21 years of age to play a game of chance or a game of skill organised as remote gambling or enabling a person under 18 years of age to be present in a gaming location for a toto or enabling such person to play a toto or enabling a person under 16 years of age to play lottery is punishable by a fine of up to 200 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 84. Violation of prohibition of entry into credit agreement**

(1) Entry into a credit agreement with a player in a gaming location for the purpose of enabling the player to make a bet in gambling is punishable by a fine of up to 100 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 85. Failure to give warning of addictive nature of gambling**

(1) Failure to give a clear warning to a player by the gambling operator regarding the addictive nature of gambling or to provide the contact details of organisations that assist gambling addicts is punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 86. Failure to observe list of persons with restrictions on playing games of chance**

(1) Failure to observe the list of persons with restrictions on playing games of chance, as well as processing of the data of the persons entered in the list for the purposes of research of consumer habits or direct marketing, or communication of data to third persons or failure to establish a system of measures ensuring that a person entered in the list shall not be allowed to play games of chance, are punishable by a fine of up to 100 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 87. Violation of requirements for gaming equipment**

(1) Hindering the randomness of gambling or violation of the requirements provided for in this Act for gaming equipment used for the organisation of gambling by a gambling operator is punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 88. Violation of requirements for gaming location**

(1) Prohibited economic activities in a gaming location for games of chance or toto, violation of the requirements for video surveillance of a gaming location, as well as violation of other requirements provided for in § 37 of this Act for a gaming location by a gambling operator are punishable by a fine of up to 200 fine units or detention.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 89. Violation of requirement for identification and registration of persons entering gaming location**

(1) Failure to identify or register the persons entering a gaming location for games of chance by the organiser of the game of chance or violation of the requirements established for registration is punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

#### **§ 90. Violation of requirements for organisation of tournament of game of chance**

(1) Organisation of a tournament of game of chance by a person not entitled to it under this Act, as well as failure to give written notice of a tournament of game of chance to the Tax and Customs Board, are punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.

[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 91. Violation of requirements established for games of skill**

(1) Distribution of money as a prize for a game of skill organised by a gaming machine of a game of skill, also exchange of a non-monetary prize for money or services, distribution of a prize in any other manner than by a gaming machine of the game of skill, violation of the restrictions established with regard to the value of a prize of a game of skill and violation of the requirements established with regard to the organisation of games of skill, are punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 92. Enabling participation in remote gambling**

(1) Providing access to illegal remote gambling by a provider of publicly available electronic communication service or provider of the data storing service, or crediting or debiting an account used for organising illegal remote gambling by a payment service provider in conflict with a precept of the Tax and Customs Board, as well as provision of services used for organising illegal remote gambling by a provider of media service, operator, provider of telephone service or provider of mobile telephone service, are punishable by a fine of up to 200 fine units.

[RT I, 06.01.2011, 1 - entry into force 16.01.2011]

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 93. Intermediation of bets and prizes in remote gambling**

(1) Intermediation of bets or prizes in games organised by gambling operators that do not hold an activity licence or operating permit in Estonia, if there is no written consent therefore from the Tax and Customs Board or if the obligations of the gambling operator to players changed thereby, is punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]

### **§ 94. Violation of obligations upon organisation of remote gambling**

(1) Failure to perform the obligations specified in § 53 of this Act upon organisation of remote gambling by a gambling operator is punishable by a fine of up to 200 fine units.  
[RT I, 25.04.2012, 1 - entry into force 01.06.2012]

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros. [RT I 2010, 22, 108 – entry into force 01.01.2011]

### **§ 95. Violation of requirements for organisation of lottery**

(1) Release for circulation of non-conforming lottery tickets, hindering the randomness of a lottery prize or violation of the requirements provided for in this Act with regard to the organisation of a lottery is punishable by a fine of up to 200 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2600 euros. [RT I 2010, 22, 108 – entry into force 01.01.2011]

### **§ 96. Organisation of prohibited commercial lottery**

(1) Organisation of a commercial lottery which is not registered in the register of economic activities, as well as organisation of a commercial lottery for any other purpose than promotion of the sales of goods or services or for advertising the goods or services or the provider thereof, are punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros. [RT I 2010, 22, 108 – entry into force 01.01.2011]

### **§ 97. Violation of requirements for commercial lottery**

(1) Violation of a restriction established with regard to the prize pool of a commercial lottery or charging a separate fee for the right to participate in a commercial lottery is punishable by a fine of up to 100 fine units.

(2) The same act, if committed by a legal person, is punishable by a fine of up to 2000 euros.  
[RT I 2010, 22, 108 - entry into force 01.01.2011]



### **§ 98. Violation of restrictions on participation of person under 21 years of age in gambling**

A person under 21 years of age is punished for playing a game of chance or a game of skill organised as remote gambling or for being present in a gaming location for games of chance by a fine of up to 10 fine units.

### **§ 99. Violation of prohibition of use of technical aid hindering the randomness of gambling**

Taking along technical aid enabling to create an advantage to oneself or to others in a game of chance or to hinder the randomness of determining the outcome of a game to a gaming location for games of chance or using such technical aid in playing a game of chance is punishable by a fine of up to 20 fine units.

### **§ 100. Violation of prohibition of playing toto**

Playing a toto by a person who influenced or had the opportunity to influence the occurrence, non-occurrence or manner of occurrence of the event which was bet on is punishable by a fine of up to 20 fine units.

### **§ 101. Proceedings**

(1) The Tax and Customs Board is the body conducting extra-judicial proceedings of the misdemeanours provided in §§ 74–100 of this Act.

(2) The Police and Border Guard Board is also the body conducting extra-judicial proceedings of the misdemeanours provided in § 74, §§ 82–91 and 98–100 of this Act.  
[RT I, 29.12.2011, 1 - entry into force 01.01.2012]

(3) The Consumer Protection Board is also the body conducting extra-judicial proceedings of the misdemeanours provided in § 96 of this Act.

(4) The Tax and Customs Board or a court may confiscate the object which was a direct object of the commission of an offence provided in §§ 74–100 of this Act pursuant to the Penal Code.

(5) The Police and Border Guard Board may confiscate the object which was a direct object of the commission of an offence provided in § 74 and §§ 82–91 and 98–100 of this Act pursuant to the Penal Code.  
[RT I, 29.12.2011, 1 - entry into force 01.01.2012]

## **Chapter 6 IMPLEMENTING PROVISIONS**

### **§ 102. Valid activity licences and operating permits**

(1) On the basis of an operating permit or on the basis of a written consent of a city government or rural municipality government for opening of a gaming location for games of skill, issued before the entry into force of this Act, gambling can be organised until the expiry of the term indicated in such operating permit or consent. Subsection 37 (1) of this Act is not applied to a gaming location for games of chance or toto operating on the basis of the said operating permit.

(2) An activity licence issued before the entry into force of this Act shall be valid until the expiry of the term indicated in the activity licence. The holder of an activity licence may submit documents proving the holder's compliance with the requirements established for a gambling operator by this Act to the Tax and Customs Board before 1 January 2010. If the gambling operator meets the requirements deriving from this Act, the gambling operator shall be issued the activity licence for organising gambling as specified in § 16 of this Act, without the obligation to pay a state fee payable for an activity licence for organising gambling as specified in the State Fees Act.

(3) A lottery organised on the basis of an operating permit issued before the entry into force of this Act may be organised until the expiry of the term set out in the operating permit. The operating permit for the said lottery shall not be renewed.

(4) The share capital of the gambling operators operating on the basis of activity licences issued before the entry into force of this Act shall be brought into compliance with the requirements provided for in subsections 9 (4)–(6) of this Act not later than by 1 January 2015.

### **§ 103. Specification of requirements for gaming location**

Until 31 December 2009, a gaming location where games of chance are organised shall contain at least 20 gaming machines registered with the Tax and Customs Board or at least five gaming tables for which

the gambling tax has been paid. The gaming machines located in the gaming locations which meet such requirements shall not be registered with the Tax and Customs Board during the specified period, and the Tax and Customs Board shall also not request the submission of an expert opinion regarding the gaming machines in such gaming locations before 1 January 2010.

**§ 104. [Repealed - RT I 2010, 22, 108 – entry into force 01.01.2011]**

**§ 105.–§ 110.**[Omitted from this text.]

**§ 111. Entry into force of Act**

- (1) This Act enters into force on 1 January 2009.
- (2) Clause 22 (1) 4) and §§ 26, 39, 52–56 and 92–94 enter into force on 1 January 2010.
- (3) Subsection 37 (1) of this Act enters into force on 1 January 2010.
- (4) Subsection 38 (4), clause 57 (2) 1) and § 58 enter into force on 1 January 2012.  
[RT I, 17.12.2010, 22 - entry into force 27.12.2010]