

Table of Contents

Preface	v
About the Contributors	vii
Index.....	265

Chapter 1

Gaming and Betting in the 1999 Macau Civil Code and Enforceability of Obligations

Manuel Marcelino Escovar Trigo

A. Introduction	1
B. Gaming and Betting Contracts in Light of the 1966 Macau Civil Code ...	2
C. Gaming and Betting Contracts in Light of the 1999 Macau Civil Code ...	5
1. Nullity, validity and enforceability.....	5
2. General and special gaming and betting regulations.....	7
3. Enforceability of obligations resulting from authorised gaming and betting contracts in accordance with special legislation.....	11
D. Brief Reference to The Law and Special Regulations on Games Carried Out in Macau	20

Chapter 2

The Legal Regime of Gaming and Betting Contracts in Macau

Teresa Albuquerque e Sousa

A. Contracts in Special	23
B. Gaming and Betting Contracts	23
1. Gaming and betting contracts in the Portuguese legal system	23
2. The legal regime of natural obligations in the Portuguese legal system	26
3. Gaming and betting contracts in the Macau legal system.....	28
4. The problem of incapacity due to age (or due to another cause)	33
C. Concession of Credit for Gaming and Betting in Casinos.....	36
D. Conclusion	44

Chapter 3

Gaming Concessions in Macau

Luis Pessanha

A. Introduction	47
-----------------------	----

B.	History of Gaming in Macau	47
C.	Gaming in the Macau SAR	54
1.	Background	54
2.	Gaming as a privileged activity	56
3.	Constitutional framework	58
4.	Aims of Macau's gaming regulation	59
5.	Macau's gaming legal framework	61
6.	Public authorisations	62
7.	Administrative concession contracts	65
8.	Gaming concession contracts	67
D.	Access to Casino Gaming	69
1.	Background	69
2.	The 2001/2002 tender process	70
i.	Tender requirements	72
ii.	Evaluation committee	75
iii.	Number of concessions	76
iv.	The Galaxy/Venetian split	78
v.	Sub-concessions for everybody	80
E.	Casino Gaming Sub/Concessions	82
1.	Background	82
2.	Casino gaming sub/concessions	83
3.	Duration of sub/concessions	86
4.	Operation of sub/concessions	87
5.	Scope of sub/concessions	88
6.	Gaming venues	89
7.	Access to gaming venues	90
8.	Prohibition of assignment	94
9.	Suitability of casino sub/concessionaires	96
10.	Financial capacity	100
11.	Gaming promoters	101
12.	Other obligations	102
13.	Property law issues	103
14.	Liability for breaches of laws and regulations	106
15.	Seizure of sub/concessions	106
16.	Termination of sub/concessions	107
i.	Expiry of time limit	108
ii.	Termination by agreement	108
iii.	Withdrawal of the concession	108
iv.	Rescission for non-performance	109
v.	Rescission for reasons of public interest	111
F.	Gaming Promoters	112
1.	Background	112
2.	Gaming promotion licenses	113
3.	Public supervision	114
4.	Registration with sub/concessionaires	115

G.	Miscellaneous	116
1.	Competition law issues	116
2.	Participation in other gaming ventures	117
H.	Other Gaming Concessions	117
1.	Background	117
2.	Horse racing pari-mutuel	119
i.	Background	119
ii.	Horse racing concession	119
iii.	Betting or wagering	120
iv.	Other issues	120
3.	Greyhound racing pari-mutuel	121
i.	Greyhound racing concession	121
ii.	Betting or wagering	121
iii.	Other issues	121
4.	Sports betting	122
i.	Sports betting concession	122
ii.	Betting or wagering	122
iii.	Other issues	123
5.	Chinese lotteries	123
i.	Chinese lotteries concession	123
ii.	Other issues	123
I.	Final Remarks	124

Chapter 4

Regulation of Gaming Companies in Macau

Salvatore Mancuso

A.	Introduction	127
B.	Macau Company Law: a Brief Introduction	127
1.	Notion and elements of a company	127
2.	Types of commercial companies	128
3.	Incorporation of companies	130
4.	Corporate capital	132
5.	Shares	133
6.	Bonds	134
7.	Rights and obligations of shareholders	135
8.	Shareholders' meeting	138
9.	Directors	142
10.	Supervisory board	143
11.	Company secretary	145
12.	Corporate books	146
13.	Merger, division and transformation of a company	147
i.	Merger	147
ii.	Division	148
iii.	Transformation	148

14.	Dissolution of companies	148
C.	The Rules Related to Gaming Companies.....	149
Chapter 5		
Employment Contracts in Macau Casinos		
<i>Miguel Quental</i>		
A.	Introduction	153
B.	General Principles.....	154
C.	The Employer and Employee	154
1.	The employer	154
2.	The employer's obligations.....	155
3.	The employee	155
4.	The employee's obligations.....	155
D.	The Employment Contract.....	156
1.	Capacity to enter into employment contracts.....	156
2.	Types and form of employment contracts	156
3.	Probationary period.....	156
4.	Term employment: admissibility.....	157
5.	Fixed term contracts	157
6.	Unfixed term contracts	158
7.	Employment relationship: working period.....	158
8.	Exemptions from the working schedule.....	158
9.	Overtime work	159
10.	Overtime work pay and compensatory rest periods.....	159
11.	Night work	159
12.	Work in shifts	160
13.	Remuneration for shift work	160
E.	Rest Periods and Holidays.....	160
1.	Weekly rest: period of rest.....	160
2.	Work on rest days.....	160
3.	Voluntary work on rest days.....	161
4.	Statutory holidays.....	161
5.	Work on statutory holidays.....	161
6.	Compensation for work on statutory holidays	161
F.	Annual Leave and Absences.....	162
1.	Annual leave.....	162
2.	Absences	162
3.	Notice and proof of justified absences	163
4.	Absence pay	163
G.	Maternity Leave and Female Employees	163
1.	Maternity leave.....	163

2.	Remuneration for maternity leave.....	164
3.	Guarantees for female employees	164
H.	Remuneration.....	164
1.	Remuneration for work	164
2.	Basic remuneration.....	165
3.	Period of payment	166
4.	Place and form of payment.....	166
5.	Compensation and deductions.....	166
6.	Guarantees	167
I.	Termination of the Employment Relationship.....	167
1.	Revocation.....	167
2.	Termination of contracts.....	167
3.	Rescission for just cause on the initiative of the employer	167
4.	Rescission without just cause on the initiative of the employer.....	168
5.	Rescission on the initiative of the employee.....	169
6.	Prior notice	170
7.	Expiry	170
8.	Compensation for untaken holidays.....	170
9.	Final payment	171
10.	Certificate of employment.....	171
Chapter 6		
Casino Crimes in Macau		
<i>Paulo Martins Chan</i>		
A.	Introduction	173
B.	A Brief Introduction to Macau Criminal Law	174
1.	The principle of legality	174
2.	The criminal legal framework	174
3.	The constitution of crime	175
4.	The punishments	176
5.	Criminal sentencing	177
6.	Parole	177
7.	Principles in criminal procedures	177
8.	Conclusion.....	177
C.	Usury for Gambling.....	177
1.	The elements of usury for gambling	179
i.	The external elements (actus reus).....	179
ii.	The mental element (mens rea).....	181
2.	Usury for gambling by authorised entities	181
3.	Punishment and sentencing	181
i.	The main punishment.....	181
ii.	Accessorial punishment	182

4.	Procedural and evidential problems	183
i.	The presumption of gambling credit	183
ii.	The testimony of the victim and the video recording	184
5.	The responsibility of the borrower.....	185
6.	The seizure of money or valuables.....	186
D.	Disobedience	186
1.	The elements of the crime of disobedience.....	187
i.	The external elements (actus reus).....	187
ii.	The mental element (mens rea).....	189
2.	Punishment and sentencing	189
3.	Procedure and evidence.....	189
E.	Breach of a Prohibition Imposed by a Court Sentence.....	190
1.	The elements of breach of prohibition imposed by a court sentence.....	190
i.	The external elements (actus reus).....	190
ii.	The mental element (mens rea).....	191
2.	Punishment and sentencing	191
3.	Procedure and evidence.....	192
F.	Abuse of Confidence	193
1.	The elements of the offence of abuse of confidence	193
i.	The external elements (actus reus).....	193
ii.	The mental element (mens rea).....	195
iii.	The semi-public nature of the offence of simple abuse of confidence.....	195
2.	Punishment and sentencing	196
3.	Procedure and evidence	197
4.	Civil liability	197
G.	Deception.....	197
1.	The elements of deception.....	197
i.	The external elements (actus reus).....	198
ii.	The mental element (mens rea)	199
2.	Punishment and sentencing	199
3.	Procedure and evidence	199
4.	Differences between the various offences against property	200
H.	Gambling Frauds	200
1.	Elements of gambling fraud	201
i.	The external elements (actus reus).....	201
ii.	The mental element (mens rea)	202
2.	Punishment and sentencing	202
3.	Procedure and evidence.....	202
I.	Punishable Conduct in Public Places.....	203
J.	Illicit Exploitation of Gambling in Authorised Places.....	203
1.	The elements of illicit exploitation of gambling in authorised places	203

i.	The external elements (actus reus).....	204
ii.	The mental element (actus reus)	204
2.	Punishment and sentencing	204
3.	Procedure and evidence.....	204
4.	The conduct of the bettor	204
K.	Money Laundering	205
1.	Elements of money laundering.....	205
i.	The external elements – advantage	206
ii.	The external elements – convert and transfer	207
iii.	The external elements – assist or facilitate	207
iv.	The external elements – conceal or disguise.....	208
v.	The external elements – nature, source, location, disposition, movements or ownership.....	209
vi.	The mental element (mens rea).....	210
2.	Punishment and sentencing	212
i.	Responsibility of the legal person (corporation)	212
ii.	Accessorial punishment	213
iii.	Sentencing	213
3.	Procedural and evidential problems	213
L.	Criminal Organisation: Association or Secret Society	214
1.	The elements of association or secret society	214
i.	The external elements (actus reus).....	216
ii.	The offence of criminal association and the offence of association or secret society.....	217
iii.	The mental element (mens rea)	218
2.	Punishment and sentencing	218
3.	Procedure and evidence.....	219
M.	Conclusions	220
Chapter 7		
Taxation of Gaming in Macau		
<i>Luis Pessanha</i>		
A.	Taxation in Macau	223
1.	Introduction	223
2.	Background	225
3.	Macau's gaming market	228
4.	Constitutional framework.....	231
B.	Macau's Taxes	235
1.	Direct and indirect taxes.....	235
2.	Types of taxes	237
i.	Industrial Contribution	237
ii.	Professional Income Tax	237
iii.	Complementary Income Tax	239

iv.	Housing Contribution.....	241
v.	Road Tax	241
vi.	Excise Tax	242
vii.	Motor Vehicle Tax.....	242
viii.	Tourism Tax	243
ix.	Stamp Duty	243
x.	Special Stamp Duty.....	244
3.	Tax benefits	244
i.	Permanent tax benefits	244
ii.	Temporary tax benefits.....	245
C.	Taxation of Casino Gaming.....	247
1.	Special Gaming Tax	247
i.	Contractual tax arrangements	249
ii.	Premiums of the gaming concessions.....	251
iii.	Other tax duties.....	252
iv.	Non-local currencies	253
v.	Unrecoverable credit.....	254
vi.	Financial supervision	255
vii.	Taxation of gaming promoters	257
viii.	Special gaming tax summary	258
ix.	Applicable taxation	258
2.	Taxation of other gaming concessions	259
i.	Horse Racing Pari-mutuel.....	260
ii.	Greyhound Racing Pari-mutuel	260
iii.	Sports Betting.....	261
iv.	Chinese Lotteries	262
D.	Final Remarks.....	263

CHAPTER 1

Gaming and Betting in the 1999 Macau Civil Code and Enforceability of Obligations

Manuel Marcelino Escovar Trigo¹

A. INTRODUCTION

Gaming and betting are nominate contracts² that have been regulated by the 1999 Macau Civil Code³ along with the other contracts provided for in this

1 Associate Professor of the Faculty of Law of the University of Macau.

2 The Portuguese and Chinese versions of this article, with main differences, were published in the Bulletin of the Faculty of Law of the University of Macau (*Boletim da Faculdade de Direito da Universidade de Macau*) no 25, 2008, p 65 ff, under the corresponding title in Portuguese (and Chinese), ‘O jogo e a aposta no Código Civil de Macau de 1999 e a eficácia das obrigações’. The present text essentially corresponds to the second part of a more extensive study on contracts in special and gaming and betting contracts in the 1999 Macau Civil Code, which has already been published in the Portuguese language in the book *Estudos de Homenagem ao Professor Doutor António Ferrer Correia, ao Professor Doutor Vasco Lobo Xavier e ao Professor Doutor Orlando de Carvalho*, of the Faculty of Law of the University of Coimbra, Vol III, 2007. It now follows for publication in English, along with this introductory note and some necessary adjustments; however, it should be noted that this text was written in an attempt to cover the issues raised in both studies.

3 The Macau Civil Code was approved on 3 August 1999, and came into force on 1 November of the same year, less than two months before the transfer of sovereignty of Macau from the Portuguese Republic to the People’s Republic of China, which took place on 20 December 1999, with the establishment of the Macau Special Administrative Region and with the entering into force of the Basic Law of the Macau Special Administrative Region and, among others, the Reunification Law.

In accordance with Arts 3 and 8 respectively of the abovementioned statutes, the laws, decrees, administrative regulations and other normative acts previously in force in Macau shall be maintained and adopted as legislation of the Macau Special Administrative Region, except for any that contravene the Basic Law of the Macau Special Administrative Region, the same happening in relation to the Civil Code.

The 1999 Macau Civil Code replaced the 1966 Macau Civil Code, which, by chance, followed from the 1966 Portuguese Civil Code, approved by Decree-Law no 47377, of November 25, 1966, extended to Macau by Administrative Regulation no 22869, of September 4, 1967, published in the BOM (Official Gazette of Macau) no 46 (second supplement), of November 23, 1967, along with the subsequent modifications that were extended to Macau and with the approved alterations that were only in force in Macau. See Civil Code, text in force in Macau, coordinated by JG Marques, Macau Foundation, 1997, as well as our *Lições Preliminares de Direito das Obrigações, 3.º Ano do Curso de Direito de 1997–1998*, 1.3., and ‘O Direito Civil em Macau’, *Perspectivas*, 1997, no 2, p 175 ff.