

**FINANCIAL TRANSACTIONS REPORTING  
(AMENDMENT) BILL, 2025**

**Arrangement of Sections**

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# **FINANCIAL TRANSACTIONS REPORTING (AMENDMENT) BILL, 2025**

## **A BILL FOR AN ACT TO AMEND THE FINANCIAL TRANSACTIONS REPORTING ACT (NO. 5 OF 2018)**

**Enacted by the Parliament of The Bahamas**

### **1. Short title and commencement.**

- (1) This Act, which amends the Financial Transactions Reporting Act (*No. 5 of 2018*), shall be cited as the Financial Transactions Reporting (Amendment) Act, 2025.
- (2) This Act shall come into operation on such date as the Minister may appoint by notice published in the *Gazette*.

### **2. Amendment of section 2 of the principal Act.**

Section 2 of the principal Act is amended in the definition of “customer due diligence measures”, by the insertion immediately after the number “9”, of “, 12”.

### **3. Amendment of section 3 of the principal Act.**

Section 3 of the principal Act is amended in subsection (1)(h)(iii) by the insertion immediately after the word “persons”, of the phrase “or acting in an equivalent role to a trustee in a legal arrangement similar to a trust;”

### **4. Amendment of section 7 of the principal Act.**

Section 7 of the principal Act is amended as follows —

- (a) in paragraph (a) of subsection (5) by the insertion immediately after the word “other” of the words “legal or”;

- (b) in subsection (7) by deletion of the word “current” and substitution of the words “up-to-date”.
  - (c) by the insertion immediately after subsection (7) of the following new subsection —
    - “(7A) In accordance with this section, based on its risk profile a financial institution shall conduct due diligence at minimum every—
      - (a) year for high risk accounts;
      - (b) three to five years for medium risk accounts; and
      - (c) five to ten years for low risk accounts.
- unless there is a suspicion of activities related to any identified risk under the Proceeds of Crime Act, 2018 in which case enhanced due diligence shall be immediately undertaken.”.

## **5. Amendment of section 12 of the principal Act.**

Section 12 of the principal Act is amended as follows-

In subsection (a) by deletion of the word “updated” and substitution of the words “up-to-date”.

### **OBJECTS AND REASONS**

Clause 1 sets out the short title and commencement.

Clause 2 seeks to amend section 2 of the principal Act to include section 12 within the definition of “customer due diligence measures”.

Clause 3 seeks to amend section 3 of the principal Act to include “acting in an equivalent role to a trustee in a legal arrangement similar to a trust” to that of a trustee within the definition of financial institution.

Clause 4 seeks to amend section 7 of the principal Act to: (a) require verification of legal persons or legal arrangements that would be subject to verification requirements under section 7(5)(a-c) if they were natural persons and if they would be subject to enhanced due diligence under section 13, (b) replace the word “current” with “up-to-date” and (c) add a new subsection to require the conduct of due diligence on a risk sensitive basis at minimum every (i) year for high risk accounts; (ii) three to five years for medium risk accounts; and (iii) five to ten years for low risk accounts, unless there is a suspicion of activities related to any identified risk in which case enhanced due diligence will be immediately undertaken.

Clause 5 seeks to amend section 12 of the principal Act to substitute “updated” with “up-to-date”.