

[«español»](#)

“Games of Chance Act”

Act No. 11 of August 22, 1933, as amended

(Contains amendments incorporated by:

[Act No. 22 of June 26, 1997](#)

[Act No. 136 of December 11, 1997](#)

[Act No. 142 of November 22, 2005](#)

[Act No. 77 of July 1, 2014](#)

[Act No. 257 of December 10, 2018](#)

[Act No. 81 of July 29, 2019](#))

[Amendments non-incorporated:

Act No. 104 of December 14, 2022 (*amended Sects. 3, 6, 8, 10, 11, 22, 24, 25, 26, 29 and 30. Repealed Sect. 23*]

Act No. 42 of February 7, 2024 (*amended Sects. 3, 8, 10, 11, 22, and 29*]

Be it enacted by the Legislature of Puerto Rico:

Section 1. — That clause 23 of section 16 of the Internal Revenue Law [*Note: Repealed and replaced by Act No. 1-2011*], In force, is hereby amended to read as follows:

“**Sections 23.** — *Cash registers auditing machine, etc.* — On all cash registers, auditing machines, scales, balances or any other instrument or apparatus used for weighing, or any substitute therefor, and on all parts or accessories for any of the articles a enumerated herein, except electric and gas meters and apparatuses used in public telephone stations manufactured, sold, transferred, used or introduced into Puerto Rico, a tax of seven (7) per cent on the selling price.”

Section 2. — That clause 51 of section 84 of Act No. 85, approved August 20, 1925, as amended by Act No. 83 of May 6, 1931, and by Act No. 18 of April 25, 1933 as was ordered by Concurrent Resolution No. 15 of the First Section of the Thirteenth Legislature of Puerto Rico, is hereby repealed.

Section 3. — Definitions. (15 L.P.R.A. § 82) [*Note: Act No. 104-2022, and Act No. 42-2024 amended this Section, but the official translation is not available. Please consult the Spanish version*]

For purposes of this Act, the following terms shall have the meaning stated below:

- 1. Credits** – means the number of credits displayed on the machine screen at the end of a play or the balance available for playing after inserting money, which may be redeemed by the player for cash at any time.
- 2. Coin in** – means the credits waged by a player in a gambling device, which are recorded in a meter. Bills inserted in the bill validator box are not part of the “Coin In.”

3. **Meter** – means a mechanical, electrical or electronic device that automatically counts the number of bills deposited by a player in a gambling device.
4. **Commission** – means the Government of Puerto Rico Gaming Commission.
5. **License Fees** – means the annual fees to be paid by every Operator or Owner in order to operate Gambling Devices.
6. **Executive Director** – means the Executive Director of the Government of Puerto Rico Gaming Commission or his duly authorized representative who shall be in charge of any games of chance-related activity in Puerto Rico.
7. **Distributor and Provider of Goods and Services for Gambling Devices** – includes any individual, partnership, corporation, association, or other legal entity engaged in distributing or providing goods and services related to gambling devices and the components required for the operation thereof.
8. **Owner** – means a person who owns adult amusement devices.
9. **Wholesale Gambling Device Owner or Operator** – means a person who owns not less than one hundred (100) nor more than two hundred fifty (250) gambling devices, with capacity to place, operate, and administer said devices in business establishments. The Operator may be, in turn, a business owner, but shall never place more than ten (10) devices in the same Business establishment.
10. **Business Owner** – means a person who is engaged in a business activity as owner, lessee or who has control over the establishment where the Gambling Devices are to be installed.
11. **Equipment** – means any computer, computer server, or other device whether electronic, electrical, or mechanical, required for or used in machines and Gambling Device systems.
12. **Play** – means the participation of a player upon payment of a monetary consideration in any Gambling Device, as such participation is evidenced in a meter within the device.
13. **Player** – means a person eighteen (18) years of age or older who actively participates in Gambling Devices.
14. **Games of Chance** – means the electronic game within the Gambling Device systems and administered through a central computer system located in the machine.
15. **License** – means any authorization issued by the Company to a Wholesale Gambling Device Owner, Business Owner, Gambling Device Manufacturer, Distributor and Provider of Goods and Services for Gambling Devices by virtue of the provisions of this Act.
16. **Manufacturer** – includes an individual, partnership, corporation, association or other legal entity engaged in the manufacture and/or assembly of gambling devices and the components required for the operation thereof.
17. **Adult Amusement Machines** – means the machines that do not contain the mechanisms or features of a Gambling Device as provided in this Section. Amusement machines for the exclusive use of children and youths, vending machines for cigarettes, food, refreshments, or postage stamps, change machines, public telephones, and slot machines in the gambling halls of tourist hotels, authorized under [Act No. 221 of May 15, 1948, as amended](#), are hereby excluded from this term. Provided, that the term “amusement machines for the exclusive use of children and youths” refers to all those machines that do not award prizes to the players, or that award toys or tickets to the player who may redeem them for toys or noncash prizes and are handed to players on the premises where the machine is located.

18. Gambling Devices or Slot Machines – refers to machines the prizes of which are determined by the application of an element of chance that contain some sort of activation to initiate the wagering process, and that employ the adequate methodology for delivering specific results. Provided, however, that such term does not refer to adult amusement machines, as defined in this Act, insofar as such machines do not contain the mechanisms or features of gambling devices defined in this paragraph. The functions of Gambling Devices may be logically separated into multiple parts or distributed through multiple physical components, but shall contain the following mechanisms or devices:

- i. A bill validator box accepting wages recorded in a meter within the device;
- ii. A knock-off switch to erase the credits from the meter once paid to the winning player;
- iii. An auto play feature or mechanism that enables the device to play without player intervention for a specific cycle or time space, and the result of the game or operation of the machine depends on luck or chance;
- iv. That meets all the technology requirements set forth in this Act.

19. Vending Machine – means any machine that may be used for gambling purposes and those commonly known as slot machines that do not hold a valid gambling device, license, or decal.

20. Decal – means the sticker attached to the top left corner of the gambling device’s cabinet, assigned and affixed by the Commission once the device is approved for use as Gambling Device. It shall contain RFID technology.

21. Business – means fixed and permanent site or establishment authorized by the State or Municipal Permit Management Office to conduct any commercial operations consisting of the retail sale of products or services where Gambling Devices and Adult Amusement Machines are installed or operated.

An establishment shall not be treated as Business if the only or principal source of income thereof is derived from the operation of Gambling Devices. In order to be treated as a Business it shall be an indispensable requirement for the establishment to engage in other commercial activities so that the income generated from the Gambling Devices constitutes a supplemental rather than the principal source of income of said establishment.

22. Electronic Gaming Official – means the employee or person designated by the Commission whose duties are related to the provisions of this Act.

23. Person – means natural or juridical person.

24. Program – means the intellectual property and gathered or compiled instructions including in Gambling Devices and the components thereof, including procedures and documentation associated with the operation of a computer, computer program or computed network.

25. System – means the connectivity system that works as a centralized connection of all Gambling Devices throughout Puerto Rico to the Commission as the overseeing entity thereof. It shall provide the Government of Puerto Rico with full transparency regarding Gambling Device compliance with all the provisions of this Act.

26. Central Computer System – means the equipment, programs, and all components of the network or networks used in the operation of Gambling Devices that allow for the establishment of controls for accounting and operation security purposes. The Central Computer System shall maintain, among other aspects, an electronic record of the play transaction data, as well as any other audit requirement that the Commission may prescribe.

27. Applicant – means any person interested in obtaining a license as Wholesale Gambling Device Owner, Business Owner, Gambling Device Manufacturer, Distributor and Provider of Goods and Services for Gambling Devices.

28. Application – means the formal request submitted to the Commission by an applicant in order to obtain and/or renew a license in accordance with the provisions of this Act.

31. Currency Validator – Device that accepts currency or coins attached to a gambling device that converts the value of the money into credits to play in the aforementioned devices.

Section 4. — (15 L.P.R.A. § 83)

The introduction, distribution, acquisition, sale, lease, transportation, location, placement, functioning, maintenance, operation, use, custody, and possession of adult amusement machines in businesses or establishments operating in the jurisdiction of the Government of Puerto Rico is hereby authorized.

The Commission is hereby empowered to regulate and oversee all that pertains to the introduction, distribution, acquisition, sale, lease, transportation, location, placement, functioning, maintenance, operation, use, custody, and possession of adult amusement machines in businesses or establishments operating in the jurisdiction of the Government of Puerto Rico, as provided in this Act.

The Commission shall be required to enforce and ensure compliance with all the provisions of the laws in effect relating to adult amusement machines. The Commission shall likewise establish, through regulations, the necessary considerations to adequately oversee the management thereof. Moreover, it shall determine the requirements and conditions for denying, suspending, or revoking a license.

For the purposes of implementing this Act and the regulations thereunder, the Commission shall abide by the following principles:

(a) It is hereby provided that any business that wishes to place an adult entertainment machine must be located within at least two hundred (200) linear feet from a public or a private school and/or a church or place of worship. In the particular case of the downtown areas of the municipalities such distance shall be one hundred (100) linear feet from any school or place of worship.

(b) A five (5)-kilometer restricted zone outside the perimeter of any casino hotel is hereby established for adult entertainment machines. The downtown areas of municipalities located within said perimeter are hereby excluded from said zone.

(c) No adult entertainment machines shall be placed outside the premises of a business.

(d) It is hereby established as an indispensable requirement to be met in order to be classified as a “business,” that the operation of adult entertainment machines shall not represent the only or the primary source of business income of the establishment. To be considered a “business” the establishment must engage in other commercial activities, so that the revenues generated by adult entertainment machines are a supplemental, not the primary source of income of said establishment.

(e) It shall be unlawful for the holder of a license or the owner of a business where adult entertainment machines are operated to promote, advertise, or state in any way that adult entertainment machines are located in his business

(f) Any business operating adult amusement machines on premises shall conspicuously post a sign on said machines stating the following: *“Machines in this establishment are adult amusement machines and are not authorized to pay any prize whatsoever.”*

(g) A maximum of eight (8) adult amusement machines shall be allowed to be placed and operated in a “business.” For purposes of this Section, each screen shall be considered as one adult amusement machine regardless of whether a single machine has multiple screens. Inspectors and personnel authorized by the Commission, internal revenue agents, and the Puerto Rico Police may forfeit expeditiously any machines in excess of eight (8) machines allowed by this Section, regardless of whether the appropriate license fees have been paid.

(h) The use of adult entertainment machines is hereby prohibited within the premises of department stores, pharmacies, bakeries, gas stations, supermarkets, megastores, store and/or restaurant chains, hospitals, professional offices, and public facilities of the Government of Puerto Rico. If an application for a permit to place adult entertainment machines in a space shared with any of the business indicated in this paragraph is submitted, such permit shall be granted only if the business where the machines are to be located has its own direct, exclusive, and independent access for its customers, the physical facilities thereof have no interior or visual access to the businesses excluded herein, and it has an independent use permit.

(i) The Commission shall not allow the placement, operation, installation of, or issuance of a license for an adult amusement machine in establishments that fail to maintain a distance of one hundred (100) linear feet from the site where the placement of such machines was previously authorized. In the particular case of the downtown areas of the municipalities, such distance shall be fifty (50) feet. In the case of duplication or error in the issuance of a license, sticker, certificate, or other document as determined by the Commission for the operation of adult amusement machines, the date and time of the license issued by the Commission, or the Department of the Treasury for licenses issued before July 1, 2014, stating the authorized location, shall be sufficient evidence of the person to whom the license was issued in the first place. The person whose license was cancelled for the reasons indicated in this subsection shall be entitled to be immediately refunded the total amount paid in the case of an erroneous determination and shall not be allowed to operate said machines in the location authorized as a result of said error.

(j) It is hereby provided that, the provisions of this Act notwithstanding, the Commission shall not issue new adult amusement machine licenses for the jurisdiction of Puerto Rico and shall be limited to renew adult amusement machine licenses that were in effect at any time before June 30, 2014, pursuant to the requirements of this Act. As of July 1, 2014, no new licenses shall be issued for the placement or operation of adult amusement machines in business establishments. No Operator shall hold more licenses than those issued as of July 1, 2014, subject to compliance with this Section. Additional licenses or decals for new adult amusement machines are hereby prohibited.

The Commission shall be further empowered to issue licenses for each amusement machine authorized to be used in the jurisdiction of the Government of Puerto Rico. Each license shall be effective for one (1) year and renewed thereafter in order to continue operating the machine. Any license issued shall cancel an Internal Revenue stamp in the amount provided in Section 3050.02 of Act No. 1-2011. Any owner of adult amusement machines to whom a license to operate said machines has been issued shall renew said license with the Commission in accordance with the provisions of this Act. Each machine to be authorized as an adult amusement machine shall be

personally evaluated and certified as an adult amusement machine by the Commission’s inspectors in the area of Games of Chance.

Each authorized machine shall display the license issued thereto at all times and in a conspicuous place while in operation. Furthermore, it shall have a tracking device, authorized by the Commission, which provides the exact location of the machine. Noncompliance with this provision shall be grounds for the Commission or any other agency and/or municipality that issues licenses for the operations conducted in such establishments to impose civil fines and any other remedy established by Regulations, including the revocation of all licenses authorized for said establishment, Operator, owner, or administrator.

The provisions of this Act shall not apply to devices regulated by [Act No. 221 of May 15, 1948, as amended](#), [Act No. 83 of July 2, 1987, as amended](#), and Act No. 10 of May 24, 1989, as amended.

Section 5. — (15 L.P.R.A. § 84)

The directors and managers of any association, club, casino, or institution of a social, recreational or literary nature, having within their premises selling machines which may be used for gambling or lottery purposes, and of the kind known as slot machines (*traganíqueles*), or who permit on their premises the operation of said machines, shall be guilty of a misdemeanor and punished by the penalty hereinbefore provided, and in case of recidivism in the commission of this offense such premises shall be considered as a public nuisance and the same may be closed by competent authorities.

Section 5A. — Violations–Fines and Penalties regarding Adult Amusement Machines. (15 L.P.R.A. § 84a)

(a) *Civil Fine.* —

The Commission may impose a civil fine on the owner of not less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000) for each violation of this Act.

(b) *Penalties.* —

(1) Every owner of adult entertainment machines or any other person, operator, or attendant in a business or establishment that introduces the gaming devices described in Section 3 of this Act, considered games of chance machines, in said business, or uses or tries to use them therein, shall be guilty of a misdemeanor, and upon conviction, shall be punished by imprisonment for a term not to exceed six (6) months or by a fine of not less than five thousand dollars (\$5,000), nor greater than ten thousand dollars (\$10,000), or both penalties at the discretion of the court. Any subsequent conviction shall be punished by a fixed twenty thousand dollar (\$20,000)-fine and shall be considered a felony punishable by imprisonment for a one (1)-year term.

(2) Any person who violates any of the provisions of this Act or the regulations promulgated by the Commission shall be punished upon conviction by a fixed five thousand dollar (\$5,000)-fine, or imprisonment for a term not to exceed six (6) months, or both penalties at the discretion of the court.

(3) Any person who prohibits or prevents the thorough inspection of a business, an establishment, or a place by the Commission’s inspectors or authorized personnel, internal revenue agents or law enforcement officers for the purpose of conducting investigations related to this Act or the regulations promulgated by the Commission, or who admits, advises, promotes, assists, or induces a person under the age of eighteen (18) to operate and/or participate in the operation of adult amusement machines shall be punished by a fixed ten thousand dollar (\$10,000)-fine, and imprisonment for a term of not less than one (1) year.

Regardless of the penalties established in this Act, the Commission shall seize and dispose of any adult amusement machine that is operated without a license, with an expired license, a license issued for another machine, or in violation of this Act. The Commission is further empowered to impose a civil fine for violations to its orders and the regulations promulgated thereunder with a temporary suspension or permanent revocation of the rights and privileges enjoyed by the natural or juridical person guilty of the violation, including prompting the revocation of all internal revenue licenses issued and administered by the Secretary of the Department of the Treasury. The Commission, jointly with the Secretary of the Department of the Treasury shall enter into all types of agreements to implement the provisions of this Act, including the coordinated intervention of Commission inspectors and internal revenue agents from the Department of the Treasury in the inspections of and interventions with businesses that have adult amusement machines. The Commission is hereby empowered to enter into agreements with municipal governments in order to oversee and ensure compliance with this Act.

The income generated from the payment of fines shall be collected by the Commission as provided in the Regulations and, after deducting the operating expenses, such funds shall be distributed equally; that is, fifty percent (50%) for the Commission and fifty percent (50%) for the General Fund.

Section 6. — Gambling Devices—Authorization. (15 L.P.R.A. § 84b) *[Note: Act No.104-2022, amended this Section, but the official translation is not available. Please consult the Spanish version]*

The introduction, manufacture, ownership, use, functioning, installation, and operation of Gambling Devices in businesses operating in the jurisdiction of the Government of Puerto Rico is hereby authorized in a limited manner. The maximum number of Gambling Devices authorized in Puerto Rico during the first two (2) years after the effective date of this Act is twenty-five thousand (25,000). At the end of the first two (2) years after the effective date of this Act, the Commission may authorize ten thousand (10,000) additional devices per year up to a maximum of forty-five thousand (45,000) devices in total, if the Commission concludes, upon a prior study, that the Gambling Device market is not saturated. Such study shall consider the economic impact on hotel casinos, and shall be submitted to the Legislative Assembly thirty (30) days before increasing the number of devices.

Section 7. — Gambling Devices—Scope and Applicability. (15 L.P.R.A. § 84c)

The provisions of this Act shall apply to every Applicant, Wholesale Gambling Device Owner, Business Owner, or Manufacturer, and any person interested in engaging or engaged in the operation, ownership, distribution, and provision of Gambling Devices services.

The provisions of this Act shall not apply to machines or devices regulated under [Act No. 221 of May 15, 1948, as amended, known as the “Games of Chance Act,”](#) [Act No. 83 of July 2, 1987, as amended, known as the “Puerto Rico Horse Racing Industry and Sport Act,”](#) and Act No. 10 of May 24, 1989, as amended, known as the “Act to Authorize the Additional Lottery System.” Hence, the provisions of this Act shall apply only to Gambling Devices or slot machines.

Section 8. — Gambling Devices - General Prohibition. (15 L.P.R.A. § 84d) *[Note: Act No.104-2022 and Act No. 42-2024 amended this Section, but the official translation is not available. Please consult the Spanish version]*

No Person shall operate Gambling Devices in Puerto Rico without a License and a Decal duly issued by the Commission and without being connected to the Central Computer System in accordance with the provisions of this Act.

Section 9. — Gambling Devices–Licenses. (15 L.P.R.A. § 84e)

The Commission is hereby empowered to issue licenses to operate Gambling Devices, if it determines, based on all the information available, that the applicant meets the licensing criteria established by Regulations. The Business Owner License, the Wholesale Gambling Device Owner License, the Gambling Device Manufacturer License, and the Distributor and Provider of Goods and Services for Gambling Devices License are authorized under this Act. Every issued license shall be personal and nontransferable in favor of the person to whom it is originally issued.

Section 10. — Gambling Devices–License Application (15 L.P.R.A. § 84f) *[Note: Act No.104-2022 and Act No. 42-2024 amended this Section, but the official translation is not available. Please consult the Spanish version]*

It is hereby established that, within a non-extendable period of sixty (60) days after the approval of this Act, the Commission shall adopt regulations establishing the procedure for the issuance of the licenses provided for in this Act. Said Regulations shall be evaluated by the Legislative Assembly within forty-five (45) days after notice, in order to ensure full and faithful compliance with this Act. Such term shall run parallel to the thirty (30)-day period prescribed in Section 2.2 of Act No. 38-2017, as amended. However, if the Legislative Assembly fails to act on the notified Regulations within the term provided herein, it shall be deemed to be tacitly ratified.

During the first three (3) months after the approval of the regulations, the Commission shall give priority to businesses or individuals holding a valid adult amusement machine license issued prior to the approval of Act No. 77-2014. Provided, however, that priority shall be given to the licenses of devices that qualify under the definition of Gambling Device, as defined in this Act. The Department of the Treasury shall certify the adult amusement machine licenses in effect for 2018 within a term of thirty (30) days after the approval of this Act. Any license that was not in effect in 2018 shall not have the established priority under this Section.

If, after the initial period for issuing licenses, the Commission has not issued a number of licenses equivalent to the twenty-five thousand (25,000) gambling devices authorized under this Act, then the Commission may accept new license applications until the maximum number authorized in this Act is reached. Provided, that, in any case, to obtain a wholesale gambling device owner license, it shall be required that total ownership derives from capital of Puerto Rico.

Before issuing a license, the Commission shall conduct an investigation of the Wholesale Gambling Device Owner, as well as of the Owner of the Business where the device shall be operated. The Commission shall establish regulations to govern the Applicants’ investigation process, establishing the investigation parameters, including, but not limited to an evaluation of the Applicant’s financial capacity, criminal record, and any outstanding debts with the State. If the Applicant has partners or investors, such partners and investors shall also undergo an investigation process. The Wholesale Gambling Device Owner shall submit an annual financial statement to the Games of Chance Division.

Upon concluding the investigation, if the Commission decides to issue the requested license, such license shall be personal and nontransferable in favor of the person to whom it was issued.

Section 11. — Gambling Devices—Wholesale Gambling Device Owner, Business Owner, Manufacturer, and Distributor and Provider of Goods and Services for Gambling Devices License Fees. (15 L.P.R.A. § 84g) *[Note: Act No. 104-2022 and Act No. 42-2024 amended this Section, but the official translation is not available. Please consult the Spanish version]*

The annual Wholesale Gambling Device Owner license or renewal fee for each gambling device shall be one thousand five hundred dollars (\$1,500). The license fee shall include the cost of the decal. License holders shall have a license limit of not less than one hundred (100) nor more than two hundred fifty (250) gambling devices payable annually to the Department of the Treasury. The Department of the Treasury shall transfer three hundred dollars (\$300) per license to the Commission for the implementation of this Act. No individual, entity, or corporation may hold more than two hundred fifty (250) gambling devices per group of related entities, as defined in Section 1010.05 of Act No. 1-2011, as amended, known as the “Internal Revenue Code for a New Puerto Rico,” and in the case of individuals, per all of its trade or business activities.

The processing fee of each wholesale gambling device owner license application shall be five hundred dollars (\$500) payable to the Department of the Treasury. The processing fee shall be credited to the applicant if the Commission approves the application.

Every Business Owner who intends to install or place gambling devices in his facilities shall apply for a Gambling Device Owner license with the Commission. The license shall be free of charge for each machine located in the Business. The Commission shall provide the Business Owner with a License to display in a conspicuous place at the Business, bearing the name of the Business, the street and mailing address, and the number of devices authorized to operate therein, among other information.

The Manufacturer and the Distributor and Provider of Goods and Services License fee or renewal fee shall be three thousand dollars (\$3,000) each, payable to the Department of the Treasury every two (2) years. The Department of the Treasury shall transfer the total amount of these fees to the Commission for the implementation of this Act.

No charge or fee whatsoever shall be authorized in addition to the charges and fees provided for in this Act.

Section 12. — Gambling Devices–Decal. (15 L.P.R.A. § 84h)

Every Gambling Device authorized by the Commission shall be required to bear a radio-frequency identification (RFID) decal. Such Decal shall be affixed on the top left side of the Device’s screen. The Decal shall be issued once the Wholesale Gambling Device Owner license holder has received the certification of inspection of the Gambling Device, as provided in this Act.

The cost of the Decal shall be included in the Wholesale Gambling Device Owner license fee.

Section 13. — Gambling Devices–Validity of Licenses and Decals. (15 L.P.R.A. § 84i)

Every Wholesale Gambling Device Owner and Business Owner license, and Decal issued by the Commission shall be valid for one (1) year.

Section 14. — Gambling Devices–License Renewal Application. (15 L.P.R.A. § 84j)

Any person who holds a License issued by the Commission shall renew such license with the Commission in accordance with the provisions of this Act. Every license renewal application shall be filed not later than ninety (90) days before the expiration date of said License.

Section 15. — Gambling Devices–Powers of the Commission. (15 L.P.R.A. § 84k)

The Commission shall have, without it constituting a limitation, the following powers:

- a. To enforce and ensure compliance with all of the provisions of this Act;
- b. To establish rules, issue orders and resolutions, and take measures as are necessary for the physical, financial, and social safety of natural and juridical persons relating to Gambling Devices; and
- c. To adopt regulations as are necessary for the implementation of this Act, in accordance with the provisions of Act No. 38-2017, as amended, known as the “Government of Puerto Rico Uniform Administrative Procedure Act.”

Section 16. — Gambling Devices–Powers and Duties of the Executive Director. (15 L.P.R.A. § 84l)

The Executive Director shall have, without it constituting a limitation, the following powers and duties:

- a. To supervise the operations relating to the Gambling Devices authorized under this Act
- b. To enforce the laws, regulations, and orders relating to Gambling Devices; and
- c. To hold hearings, summon witnesses, conduct site inspections, administer oaths and take statements, subpoena books, documents, and any other additional proof of any nature deemed to be fundamental to have full knowledge of a matter under his consideration.

Section 17. — Approval of Gambling Devices. (15 L.P.R.A. § 84m)

The Commission shall address all that pertains to Gambling Devices in order to effectively oversee all Gambling Devices authorized to operate in establishments and businesses in general in Puerto Rico as provided in this Act.

Every machine authorized to operate as a Gambling Device shall be personally evaluated and certified by the Commission’s electronic gaming officials. The operation of any Gambling Devices other than those previously inspected and approved by the Commission and that have the decal required by this Act affixed thereto is hereby prohibited.

In addition, the Commission shall supervise the operation of Gambling Devices for the purpose of guaranteeing the purity and transparency of the fiscal procedures both electronically and physically, seeking to ascertain compliance with this Act.

Section 18. — Gambling Devices–Device Identification. (15 L.P.R.A. § 8n)

Every authorized Gambling Device shall meet the following identification requirements:

- i. To have the license certificate issued by the Commission; and
- ii. To display and have affixed visibly to the top left corner of the screen of the device’s cabinet a permanently printed Decal with RFID technology, which shall be assigned and affixed by the Commission to every approved Gambling Device.

Section 19. — Gambling Device Operation (15 L.P.R.A. § 84o)

Every Gambling Device shall be operated as originally authorized by the Commission. Making changes to or altering a Gambling Device is hereby prohibited, unless the approval of the Commission is obtained prior to making the change.

Every Gambling Device shall be operated and played, at all times, in accordance with the representations made to the Commission and the public.

Section 20. — Gambling Devices–Disclosure Requirements and Promotional Material Prohibition. (15 L.P.R.A. § 84p)

It shall be unlawful for every business owner or wholesale gambling device owner to engage in publicity so as to promote, advertise, or otherwise feature that gambling devices are located in his business establishment. The terms “casino”, “game room”, or any modification thereof shall not be used with the intent to make reference to such activity.

Section 21. — Businesses where Gambling Devices may Operate. (15 L.P.R.A. § 84q)

It shall be an indispensable requirement to be classified as a business that the operation of Gambling Devices does not constitute the only or principal source of income of the establishment’s business activity; therefore, to be treated as a Business, it shall engage in other commercial activities so that the income generated from the Gambling Devices constitutes a supplemental rather than the principal source of income of said establishment.

Section 22. — Number, Location, and Prizes of Gambling Devices. (15 L.P.R.A. § 84r) *[Note: Act No. 104-2022 and Act No. 42-2024 amended this Section, but the official translation is not available. Please consult the Spanish version]*

- a. The maximum limit of Gambling Devices that may be installed and operated in a business shall be ten (10) machines. For purposes of this subsection, each screen shall be considered as one Gambling Device even if a single gambling device has multiple screens.
- b. Gambling Devices shall be placed in businesses that are located, at least, at a distance of one hundred (100) linear meters from a public or private school and/or daycare center, establishments regulated under [Act No. 83 of July 2, 1987, as amended, known as the “Puerto Rico Horse Racing Industry and Sport Act,”](#) a church or religious assembly.
- c. A Gambling Device prohibition zone is hereby established for any business located at a distance of one thousand (1,000) linear meters of the boundaries of any hotel with a casino. The downtowns of municipalities located within said perimeter are hereby excluded from said zone.
- d. No Gambling Devices shall be placed outside of a business.
- e. No Gambling Devices shall be installed in establishments located at a distance of less than one hundred (100) linear meters of another business, which has been previously authorized to place Gambling Devices.
- f. No Gambling Devices shall be installed in Business where adult amusement machines, as such term is defined in this Act, are located.
- g. The maximum limit of a prize per play that a gambling device may award shall be one thousand (1,000) dollars.

Section 23. — Repealed. [Act No. 104-2022, Section 7](15 L.P.R.A. § 84s)

Section 24. — Gambling Devices–Technology. (15 L.P.R.A. § 84t) *[Note: Act No. 104-2022, amended and renumbered this Section, but the official translation is not available. Please consult the Spanish version]*

This Section sets forth the fundamental rules that the Government of Puerto Rico shall follow when establishing the technology, controls, and internal procedures in order to guarantee the adequate use of Gambling Devices and the most suitable manner to achieve efficiency, efficacy, and integrity in the operations thereof.

In order to guarantee the use of innovative and state of the art technology to interconnect, administer, and audit Gambling Devices, the Commission shall be empowered and responsible for the selection, choice, evaluation, and recommendation of technological platforms to manage and administer the communication and exchange of data between Gambling Devices and the Commission. Within a term not to exceed one hundred twenty (120) calendar days, the Commission shall adopt regulations and/or the necessary procedures to regulate the proposal and connection application process. The cost of the necessary equipment or system for each gambling device or business shall be defrayed by the Wholesale Gambling Device Owner or Operator.

Section 25. — Gambling Device Technology Requirements. (15 L.P.R.A. § 84u) *[Note: Act No.104-2022, amended and renumbered this Section, but the official translation is not available. Please consult the Spanish version]*

In implementing this Act, the Commission shall ensure that Gambling Devices have the following technology:

a. To have installed a connectivity system (system) that uses wired or wireless Broadband technology for the purpose of allowing the centralized connection of the devices throughout the Island, in order to provide the Government of Puerto Rico with full transparency regarding Gambling Devices compliance with the provisions of this Act. The cost of such installation shall be defrayed by the Wholesale Gambling Device Owner or Operator.

Section 26. — Technology Requirements for the Gambling Devices Connectivity System (15 L.P.R.A. § 84v) *[Note: Act No.104-2022, amended and renumbered this Section, but the official translation is not available. Please consult the Spanish version]*

The connectivity system installed in Gambling Devices shall meet the following technology requirements:

a. The system shall provide a solution that allows for the connectivity of all Gambling Devices authorized in Puerto Rico.

b. The system connection shall have the capacity to provide financial and specific use data of each Gambling Device individually and collectively, per Operator.

c. The system shall allow the Commission direct access to all information.

d. The technology must allow users to generate financial reports on each Gambling Device.

e. The System shall provide the Commission with full transparency, so as to allow the latter to carry out its oversight duties.

f. The System shall be capable of integrating to other technologies.

g. The System shall provide backup and replication within Puerto Rico, and an additional backup and replication outside of Puerto Rico to guarantee the safety of the information, as well as the communication and certainty of the location of each Gambling Device.

h. The connectivity, devices, communication platform, connectivity and hardware/software of the System shall be provided by the same provider in order to guarantee solution integrity. The provider shall also have the capacity to create devices and necessary components, as well as the distribution, installation, maintenance and operation thereof.

i. The System shall communicate mainly through a wired or wireless broadband internet technology that allows for the connection of its sensors throughout the Island and offers quality network services.

j. The System shall be created specifically for the needs of local Gambling Devices and customizable to the needs of the Commission, which shall oversee the process.

k. The System shall be capable of storing one hundred percent (100%) of the Gambling Device transactions.

l. The System shall be capable of sending daily location reports through a global positioning system, or GPS, which alerts of any movement or relocation of the device to a place not authorized under this Act and assists the Electronic Gaming Official authorized by the Commission to conduct inspections.

Section 27. — Gambling Devices—Required Technology Cost and Investment.- (15 L.P.R.A. § 84w)

Any person who holds a gambling device license shall ensure that the Gambling Devices meets all the technology requirements established in this Act. The Wholesale Gambling Device Owner or Operator shall defray the cost for investment, installation, maintenance, and online monitoring costs of the technology required by this Act. Under no circumstances, shall the Government of Puerto Rico invest money in the implementation or operation of the technology established in this Section.

Section 28. — Gambling Devices—Theoretical and Actual Payout Percentage. (15 L.P.R.A. § 84x)

Gambling devices shall be electronically programed to yield a maximum of seventeen percent (17%) of the volume of the device’s return; provided, that the portion of the return to player shall never be less than eighty-three (83%) percent.

Section 29. — Rules for Distributing Gambling Device Revenues. (15 L.P.R.A. § 84y) *[Note: Act No.104-2022 and Act No. 42-2024 amended and renumbered this Section, but the official translation is not available. Please consult the Spanish version]*

a. The revenues generated by each gambling device shall be equal to the total played in the device, minus the total prizes paid for the same device. Said revenues shall be distributed as follows:

- i.** Thirty-three percent (33%) of the revenues shall be remitted to the Company.
- ii.** Sixty-seven percent (67%) of the revenues shall be distributed between the Business Owner and the Wholesale Gambling Device Owner

according to the agreement reached between them.”

Section 30. — Collection and Distribution of Gambling Device Revenues. (15 L.P.R.A. § 84z) *[Note: Act No.104-2022, amended and renumbered this Section, but the official translation is not available. Please consult the Spanish version]*

Any person who holds a wholesale gambling device owner license shall be responsible for the process of removing, counting, and accounting all the money deposited in the gambling device. In addition, such person shall be responsible for distributing all the revenues generated by the gambling devices, as provided in this Act.

Revenues shall be remitted bimonthly to the Commission, which, upon validating the amount against the information gathered through the systems and/or audits, shall remit such revenues on a monthly basis as follows:

a. Fifty (50) percent of said revenues shall be deposited in a trust created by Law, which shall be set aside as a contribution to improve the Retirement compensation of the Puerto Rico Police. If there is a surplus after covering the contributions to the retirement plans of the Police Department, the same shall cover said contribution[sic] shall be used for purposes related to their retirement.

b. Forty-five (45) percent of said revenues shall be set aside to cover the contribution of the municipalities to the Puerto Rico Health Insurance Administration, to be deposited in the Trust of the Municipal Revenues Collection Center, which shall be amended for such purposes, as well as Section 17 of Act No. 80-1991, as amended, known as the “Municipal Revenues Collection Center Act.” Said funds shall be credited at the end of each fiscal year in the same proportion of the payment that the municipalities are required to make to the Health Insurance Administration.

c. Five percent (5%) of said revenues shall be allocated to the Commission to defray any and all costs related to the maintenance and operation of the system.

If the revenues collected from the adult amusement machine and gambling device license fees do not reach forty (40) million dollars, the first revenues shall be remitted to the general fund until reaching such amount. Once the aforementioned amount is reached, the distribution provided for in this Section shall begin.

The Commission shall verify that the entire gambling device revenue collection and distribution process is carried out in accordance with the provisions of this Act. Wholesale gambling device owners shall furnish the deposit certifications to the Commission as determined by the Commission.

Section 31. — Gambling Devices—Violations. (15 L.P.R.A. § 84aa)

Owners and/or administrators of any business who maintain on their premises or allow the operation of vending machines that may be used for gambling or lottery purposes, and those known as slot machines who do not have a gambling device license or decal in effect shall be guilty of a misdemeanor and punished by the penalties established in this Act.

Section 32. — Gambling Devices—Fines and Penalties. (15 L.P.R.A. § 84bb)

1. *Civil Fines.*

The Commission may impose civil fines in an amount of not less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000) for each violation of this Act.

2. *Penalties.*

(a) Any Gambling Device owner or any other person, operator, or assistant to a business or establishment who introduces to said business or uses or attempts to use in such business a gambling device, as described in Section 30, without holding a gambling device license or decal in effect shall be guilty of a misdemeanor and upon conviction shall be punished by imprisonment for a maximum term of six (6) months or be subject to a fine of not less than five thousand (5,000) dollars nor more than ten thousand (10,000) dollars or both penalties at the discretion of the Court. Any subsequent conviction shall entail a fixed penalty of twenty thousand dollars (20,000) and shall constitute a felony punishable by imprisonment for a term of one (1) year.

(b) Any person who violates any of the provisions of this Act or the regulations promulgated by the Commission shall be, upon conviction, punished by a fixed fine of five thousand dollars (\$5,000) or imprisonment for a maximum term of six (6) months, or both penalties at the discretion of the Court.

(c) Any person who prohibits or prevents the Commission’s inspectors or authorized personnel, internal revenue agents, or law enforcement officers from freely inspecting businesses, establishments, or sites for the purpose of conducting investigations related to this Act or the regulations promulgated by the Commission, or who admits, advises, encourages, aids, or abets a minor under the age of eighteen (18) to participate in and/or operate gambling devices shall be punished by a fixed penalty of ten thousand dollars (\$10,000) and by imprisonment for a term of not less than one (1) year.

(d) Any business that violates any of the provisions of this Act or the regulations promulgated by the Commission may have its license to sell alcoholic beverages revoked by the Government and its wholesale gambling device owner license cancelled permanently.

(e) Furthermore, the Commission is hereby empowered to impose civil penalties for violations of its orders and the regulations promulgated thereunder, including the temporary suspension or permanent revocation of the rights and privileges enjoyed by the natural or juridical person guilty of the violation, and the revocation of all licenses issued and administered by the Commission. The revenues generated from the fines thus imposed shall be collected by the Commission as provided by Regulations, and shall be set aside for the Commission’s operations.

Section 33. — Seizure of Gambling Devices. (15 L.P.R.A. § 84cc)

The penalties prescribed by this Act notwithstanding, the Commission, the Internal Revenue agents, and the Puerto Rico Police shall be empowered to seize and dispose of any vending machine or gambling device operated without license, with an expired license, with a license issued to another device, or in contravention of this Act. The Commission shall adopt regulations that shall govern the process to seize and dispose of devices. Act No. 119-2011, as amended, known as the “Uniform Seizure Act of 2011,” shall not apply to the gambling devices seizure process prompted for violations of this Act.

Section 34. — (15 L.P.R.A. § 82 nota)

If any clause, paragraph, article, section, or subdivision of this Act is declared unconstitutional by any court of competent jurisdiction, said decision shall not affect, prejudice or invalidate the rest of this Act, but its effect shall be limited to such clause, paragraph, article, section, or subdivision hereof as may have been declared unconstitutional.

Section 35. — All laws or parts of laws which authorizes the introduction, manufacture, use, possession or operation of the machines described in this Act, and parts and accessories, are hereby repealed.

Section 36. — This Act shall take effect January 1, 1934.

Note. This compilation was prepared by the [Puerto Rico Office of Management and Budget](#) staff who have striven to ensure it is complete and accurate. However, this is not an official compilation and may not be completely free of error. It contains all amendments incorporated for reading purposes only. For accuracy and exactitude please refer to the act original text and the collection of Laws of Puerto Rico Annotated LPR.A. The state links acts are property of [Legislative Services Office](#) of Puerto Rico. The federal links acts are property of [US Government Publishing Office GPO](#). Compiled by the Office of Management and Budget Library.

See also the [Original version Act](#), as approved by the Legislature of Puerto Rico.