

Brazilian Bill Makes Money Laundering a Graver Crime

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Brazilian President Luiz Inácio Lula da Silva presented, on Wednesday, August 24, a draft bill on money laundering to several top officials in the government.

Among those who received the draft were Brazil's chief prosecutor (procurador-geral da República), Antônio Fernando de Souza, the presidents of the Chamber of Deputies, Severino Cavalcanti (PP-PE); and the Senate, Renan Calheiros (PMDB-AL); and the Chief Justice of the Supreme Court (STF), Nelson Jobim.

There are provisions in the new bill which increase the number of crimes considered "anterior" to money laundering. Among those crimes are tax fraud, cargo and bank robberies, and illegal gambling activities.

Other provisions require banks to provide more information on transactions, especially remittances abroad and cash withdrawals. People who deal with money, among them real estate and stock brokers, consultants, auditors and accountants, along with businessmen in general, for example, will have to register the financial situation of their clients.

The bill will permit states to participate in asset forfeit confiscations. In the new bill fines for money laundering activities have gone up around ten times (the ceiling was US\$ 82,000, now it is US\$ 820,000).

The country's chief prosecutor, as well as Cavalcanti, Calheiros and Jobim, have all praised the new draft bill.

"This is a good point of departure in the quest to strengthen our legal battle against money laundering," said a document signed by Souza, Cavalcanti, Calheiros and Jobim.

The draft bill will soon go to Congress.

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