



Costasur and Casa de Campo Resort Host Annual Party

With the presence of more than 1,600 villa owners, Costasur Dominicana and Casa de Campo Resort organized a weekend full of activities, culminating in a spectacular dinner dance at La Romana Country Club. Management took the opportunity to thank villa owners for their continuous support and trust while informing them about their plans and new upcoming projects for the community.

Executive Vice President Alfonso Paniagua, Vice President and Costasur Dominicana

Administrator Juan Velázquez, and Casa de Campo Resort & Villas President Andrés Pichardo Rosenberg hosted the evening.

“Welcome everyone, I hope that you, your family and friends are all enjoying this party. As I’ve always said, this is just a small sample of our gratitude to all of you for being part of our great family at Costasur Casa de Campo,” said Alfonso Paniagua during the dinner. He also announced he would be retiring as of December 31st, while remaining at Costasur as a consultant.

Mr. Juan Velázquez highlighted that the company is adding more infrastructure to the resort, as well as improving the efficiency of the services provided to the community that continue adding value to the properties and enhancing the quality of life of owners inside the Resort. He listed several examples, including the opening of the Vista Lagos Park near Altos de Chavón, construction of a FIFA professional soccer field to host practice and tournaments led by Real Madrid Foundation coaches, improvement of the road lighting system with LED technology, introduction of eco-friendly buses powered by compressed natural gas, and improved roads, landscaping and golf courses.

Andrés Pichardo commented on the awards and recognition that the Resort has received and reiterated the company’s commitment to maintaining quality in services, efficiency levels and facilities, with an emphasis on constant renewal of infrastructure and training for human resources, which have made Casa de Campo the leader in the sector.

He also spoke of the investment of approximately US\$6 million in infrastructure improvements such as construction of the Minitas Beach Club & Restaurant, the Golf Learning School, as well as the construction and remodeling of the Dye Fore and the 19th hole and Teeth of the Dog pro shops.

A delicious dinner was served by the renowned Casa de Campo chefs, and Omar Garrido was in charge of decoration and table settings. Entertainment was provided by the Leo Subervi orchestra and DJ Bubba, and the event MC was Laura de la Nuez.



Costasur and Casa de Campo’s top brass with Juan Velázquez, Alfonso Paniagua and Andrés Pichardo during the Dueños 2017 Dinner Party.

More than 500 Guests at the Spectacular New MINITAS Beach Club Launch

La Romana, DR.- Sunday, November 26th was a truly magical evening at Minitas Beach. Villa owners and residents of Casa de Campo attended the long-awaited opening of the new MINITAS Beach Club & Restaurant while enjoying one of the best sunsets on the island in a unique and spectacular setting.

The new Minitas Beach Club has quickly become known as Casa de Campo’s “It Place” and is

likely to retain this title for the foreseeable future. Everyone who attended the event was impressed by the luxurious elegance of the new design, which blends in harmoniously with the breathtaking views of the Caribbean Sea. Architects Nicola and Gianfranco Fini of Studio Fini have completely transformed the former restaurant using minimalist and contemporary décor. One of the highlights is the dazzling deck

with a lovely infinity pool, four private spaces and a lounge area.

“We are very proud to present MINITAS Beach Club, a modern and innovative venue in a natural setting combined with great atmosphere, music and a variety of excellent dishes, meeting the highest standards and staffed by a highly trained team to offer an outstanding experience for groups, couples and families,” said the

Continues on page 30

La Romana Country Club.....2	Radar.....9-11	Law in Casa.....29	Golf in Casa.....37
Ask Alfonso.....3-6	Photos Dueños 2017 Day Activities..... 12-18	Minitas Beach Club30-31	Gille’s Column..... 39
Holiday Event Calendar.....7	Photos Dueños 2017 Dinner Dance .19-26	Real Estate.....32-35	Directory & Activities..... 40
Eats in Casa: Fall Treat..... 8	Caddies Tournament.....27-28	Environmental Club..... 36	



Money Laundering Law Applied to Real Estate Transactions

It has been only a few weeks since we published our initial article on new Anti-Money Laundering Law No. 155-17, but changes brought by its enabling regulation, enacted by President Medina on Nov. 16, 2017, merit that we revisit this developing topic one more time, especially with regards to three key areas: a) restrictions on cash payments and rules on proof of non-cash payment for regulated operations, b) ultimate beneficiary reporting rules, and c) tax infractions threshold.



1. Restrictions on Cash Payments and Rules on Proof of Non-Cash Payments

To recap, one of the main rules established by this law is that it prohibits cash payments above the following amounts for these activities:

- Payments for real estate above RD\$1,000,000 (US\$20,800)
- Payments for motor vehicles above RD\$500,000 (~US\$10,400)
- Payments for jewelry above RD\$450,000 (~US\$9,390).
- Payments for corporate share transfers or incorporations above RD\$250,000 (~US\$5,200)

Given the above, in order to register any operation involving amounts exceeding these limits purchasers must now file evidence of payment through a non-cash method at the related entity (i.e., Registrar of Title for real estate purchases, Chamber of Commerce for share transfers, and DGII for motor vehicles).

According to the recently enacted enabling regulations, however, the cash restrictions mentioned above for said operations and thus, their respective proof of non-cash payment rules will only enter into effect once the pending internal regulations of the competent authorities

are approved. These internal regulations are scheduled for submission to public consultations before the end of February 2018.

The Decree also expressly prohibits real estate Registrars from requesting additional information such as client due diligence, source of funds, etc., when it states that they would only be authorized to request proof of the non-cash method of payment in order to proceed with the operation's registration.

Approved methods of non-cash payment may include: copies of the check or other legal non-cash method of payment, wire transfer (either national or international), deposit slip made at the seller's bank account and credit or debit card payment receipt.

2. Ultimate Beneficiary rules

Clients with privacy and confidentiality concerns will see that new ultimate beneficiary rules will considerably limit the advantage of using corporate or trust structures for these specific purposes, as both financial and non-financial parties subject to reporting according to the law, as well as the tax office itself, will be requiring the following mandatory disclosures:

- a. Identity of anyone who is the ultimate beneficiary of more than 20% direct or indirect ownership of the given structure.
- b. If the direct or indirect ownership chain cannot be established, the person exercising legal or effective control over the structure will be considered its ultimate beneficiary; if neither of these can be established the structure's top management officer will be deemed as the beneficiary.
- c. Any changes altering the ultimate beneficiary

structure must be reported within six months.

3. Threshold for Tax Offences

As mentioned in the prior issue, the new law includes an extensive list of 30+ crimes, including all tax offences contained in our Tax Code, which it has classified as predicate offences for money laundering (predicate offences are those whose proceeds may become the subject prosecution under our anti-money laundering statute). Now, according to our current Tax Code, any tax offence voluntary or otherwise, involving overdue taxes in the amount of approximately US\$2,800. In the newly released regulation, the government found a middle ground with the business community agreeing to classify tax offences as predicate offences for money laundering only when the amount involved surpasses 700 minimum salaries (roughly US\$137,000) per fiscal year. The benefit of this new threshold will not apply if the person has already received a warning or been given notice by the Tax Office.

On a final note of direct relevance to Casa owners, all non-financial parties subject to reporting according to the law, specifically attorneys, brokers and accountants, to name a few, now have to adapt their procedures to meet with the law's current due diligence, compliance and know-your-client procedures, while they wait for the approval of sector-specific regulations. This includes Costasur, whose top management has confirmed us that they have already retained external advisors to help them adapt their departments to the new law, including the team at Casa de Campo Real Estate, which will be able to offer their clients, be it sellers or buyers, the certainty that their operations will be handled in full compliance with the new statute.



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