Identomat

COMPLIANCE GUIDE

iGaming & Gambling Compliance in Brazil

COUNTRY Brazil

INDUSTRY iGaming & Gambling

LAST UPDATED 11 November 2026

KEY REGULATORS Prizes and Betting Secretariat (Ministry of Finance) · Banco Central do Brasil · Council for Financial Activities Control (COAF)

Key takeaways

- Fixed-odds betting (sports betting and online casino-style games) has been banned across Brazil since 25 September 2026, online and in person, including offers from abroad to people in Brazil. No new licences can be granted and every existing federal and state licence was extinguished.
- The ban was made by a provisional measure, a presidential act with the force of law that lapses unless Congress converts it into law. Congress has until 23 November 2026, a period extended automatically once by 60 days if the vote is not finished, and the Federal Supreme Court (STF) is hearing four challenges to it.
- Former licence holders still owe obligations for the period they operated: data reporting to the Ministry of Finance by 15 December 2026, anti-money laundering (AML) duties, and keeping player, bet and payment records for at least five years.
- Banks, payment institutions and Pix participants must refuse payments to betting operators, block accounts of illegal operators within 24 hours of a government notice and report suspicious betting-related payments.
- Online is where enforcement now concentrates: betting sites are blocked through internet providers, app stores must remove betting apps, and online platforms must stop betting adverts or face fines of up to 10% of Brazilian turnover.

As of 11 November 2026 the Brazilian market is closed to fixed-odds betting, both online and land-based. Other lottery products authorised by law are outside the ban. The question for operators and their suppliers is no longer how to onboard players but how to wind down cleanly and what happens if the ban is not converted into law.

The Prizes and Betting Secretariat (SPA) of the Ministry of Finance supervises the wind-down. The Central Bank of Brazil and the National Monetary Council set the payment-blocking rules, and the Ministry of Justice and Public Security and consumer-protection bodies enforce the advertising and platform duties.

The biggest obstacle for any entrant is legal uncertainty: the regime that applied until September 2026, with strict facial-recognition onboarding, could return if the provisional measure lapses, is struck down or is changed by Congress, and the effect of a lapse or ruling on the extinguished licences is not settled.

CONTENTS

1 Who regulates this sector
2 Licensing and authorisation
3 AML, KYC and customer due diligence
4 Identity verification and onboarding
5 Digital channels: what's different
6 Data protection and biometrics
7 Sector-specific obligations
8 Risk indicators and red flags
9 Enforcement and penalties
10 Recent changes and what to watch
11 What this means for identity verification
▪ Sources

1 Who regulates this sector

Authority	Remit	Level	Official site
Prizes and Betting Secretariat (SPA), Ministry of Finance	Lottery and betting regulator; supervises the wind-down of former licensees and their AML duties; identifies illegal operators and issues account-blocking notices	National	gov.br/fazenda
Banco Central do Brasil (BCB) and National Monetary Council (CMN)	Rules that bar payments to betting operators and govern account blocking by banks, payment institutions and Pix	National	bcb.gov.br
Council for Financial Activities Control (COAF)	Financial intelligence unit; receives suspicious transaction reports	National	gov.br/coaf
Ministry of Justice and Public Security	Sanctions on internet platforms and app stores; may request site blocking; consumer-protection enforcement of the advertising ban	National	gov.br/mj
National Telecommunications Agency (ANATEL) and Brazilian Internet Steering Committee (CGI.br)	Receive and distribute administrative site-blocking orders	National	gov.br/anatel

National Data Protection Agency (ANPD)	Personal and biometric data processing	National	gov.br/anpd
State and Federal District lottery bodies	Former state fixed-odds concessions, extinguished by the ban; states must enforce it	State	Varies by state

The Federal Supreme Court (STF) is reviewing the ban's constitutionality, and an inter-agency committee of 15 representatives from 11 federal bodies, coordinated by the Chief of Staff's Office (Casa Civil), coordinates enforcement, keeps a unified register of betting domains, apps and accounts and reports every six months (MP 1.394/2026, art. 24; **Decreto nº 13.128/2026**, arts. 3 and 4).

2 Licensing and authorisation

Medida Provisória nº 1.394, de 25 de setembro de 2026 (Provisional Measure 1.394/2026) `In force, not yet converted into law` prohibits the operation, offer, intermediation and advertising of fixed-odds betting in Brazil, in physical or virtual form, including by operators based abroad that offer it to people located in Brazil (art. 1). The ban covers bets on real sporting events and on virtual online-game events, meaning random-number games of the online casino type. Other lottery products authorised by law are not covered (art. 1, §2). The government cited household debt, mental health harm and exposure of minors (EXM 2114/2026).

No new licences

From 25 September 2026 no new federal, state or district authorisation may be granted, and pending applications lapsed (art. 6).

Existing licences extinguished

Authorisations granted under **Lei nº 14.790/2023** were extinguished 30 days after publication, without refund of the licence fee or compensation (art. 4). State concessions ended on the same timetable (art. 2).

Legal basis removed

The provisional measure revoked most of Law 14.790/2023 (arts. 1 to 40, 43 to 48 and 54, leaving the later-inserted arts. 21-A and 24-A to 24-C) and the fixed-odds chapter of Law 13.756/2018 (arts. 29 to 35).

The wind-down timetable

From 25 September 2026 no new player funds could come in. Sites and apps went offline after ten days, open bets were voided and refunded, and operators had two days to fund refunds and send banks a per-player list by tax number (CPF) (arts. 7 and 8). Banks had seven days to repay players, with the rest moved to Caixa Econômica Federal (art. 9); unfunded refunds cost R$ 200,000 a day (art. 8, §2).

Portaria SPA/MF nº 3.005/2026 sets the final deadlines: player balances as at 23:59:59 on 5 October 2026 were due through the Betting Management System (SIGAP) by 7 October, and all remaining regulatory, financial, accounting and reporting obligations, including payment of legal levies, must be completed by 15 December 2026 (arts. 3 to 5). A legal representative must stay reachable (art. 2).

What remains lawful

Lottery modalities other than fixed-odds betting remain authorised. Fantasy sport needs no authorisation (Law 14.790/2023, art. 49, not revoked). Derivatives on sporting, online-game, political or entertainment events are banned (**Resolução CMN nº 5.298/2026**, art. 3), and the SPA treats such prediction markets as illegal betting (Technical Note 2958/2026).

3 AML, KYC and customer due diligence

Under **Lei nº 9.613, de 3 de março de 1998** (the AML Law), art. 9, sole paragraph, VI, companies that distribute money or goods through draws, lotteries "including fixed-odds betting" or other betting systems are obliged persons. They must identify customers and keep records updated, register with their supervisor, keep records for at least five years and report suspicious operations to COAF within 24 hours without tipping off (arts. 10 and 11). Lottery operators that remain lawful stay in scope, supervised for these duties by the SPA (**Decreto nº 11.907/2024**, Annex I, art. 55, V).

Lotteries that remain lawful

Portaria MF nº 537/2013 sets the AML procedures for federal, state and district lottery operators. They must register prize winners (name, CPF, identity document and PEP status), record every identified prize payment, report cash or bearer-cheque prizes of R$ 10,000 or more to COAF, and keep records for five years from payment (arts. 3, 5, 7 and 10).

Obligations that survive the ban

Extinguishing a licence does not end obligations for the period of operation: AML and counter-terrorist financing, responsible gambling and sporting integrity duties, cooperation with authorities, and keeping records on players, bets, financial operations and prizes for at least five years (MP 1.394/2026, art. 10). Data on players, bets, deposits, withdrawals and refunds must still be sent to SIGAP (art. 11).

The AML regime former licensees were held to

Portaria SPA/MF nº 1.143/2024 required licensed operators to take a risk-based approach, check politically exposed person (PEP) status, analyse flagged bets within 30 days, report to COAF by the next business day after the analysis, file an annual nil report and keep records for five years (arts. 14, 16 and 24 to 32).

Payment-side duties now carry the weight

Once the SPA identifies an unauthorised operator, financial and payment institutions and scheme owners must block its accounts, stop new transactions and, since the provisional measure, report related operations to COAF (Law 14.790/2023, art. 21-A `In force`). Art. 24-C requires enhanced due diligence against payments to unauthorised operators.

4 Identity verification and onboarding

No player onboarding for fixed-odds betting is lawful while the ban stands. Identity data still matters for refunds, which identified each player by CPF and date of birth and were paid only into an active account in the player's own name (MP 1.394/2026, art. 9; Portaria SPA/MF 3.005/2026, art. 3), and for past onboarding records.

The onboarding standard that applied until 25 September 2026

These SPA rules also define the records former operators must keep:

- **Data collected:** full name, nationality, CPF, date of birth, gender, full address (not a PO box), country of domicile, verified phone and email, registered bank accounts (up to three, all in the player's name), self-set time and loss limits, the IP address at registration and a scanned photo ID: National Identity Card (CIN), RG, driving licence (CNH) or passport (Portaria SPA/MF nº 1.231/2024 as amended, art. 31).
- **Biometrics:** facial recognition with liveness ("prova de vida") was mandatory at registration, together with a complex password; other biometrics or a token were optional with consent (art. 31, §§3 and 4).

- **Timing:** identity, age (18 or over) and CPF validity had to be confirmed, and exclusions checked, before activation and any bet (Portaria SPA/MF nº 722/2024, Annex I, item 10; Portaria 1.231/2024, art. 31, §6). Barred players included recipients of Bolsa Família and some other benefit or debt-relief schemes (art. 8) and self-excluded players, including through a central SPA platform added in November 2025 (art. 2, XXII and XXIII).
- **Re-verification:** facial recognition again for data changes, withdrawals, periodic confirmation and account closure; annual data update, with the account suspended until done (Portaria 1.231/2024, arts. 34 and 36).
- **One player, one account:** one account per brand, and the CPF could never be changed or transferred (arts. 31, §7 and 33).

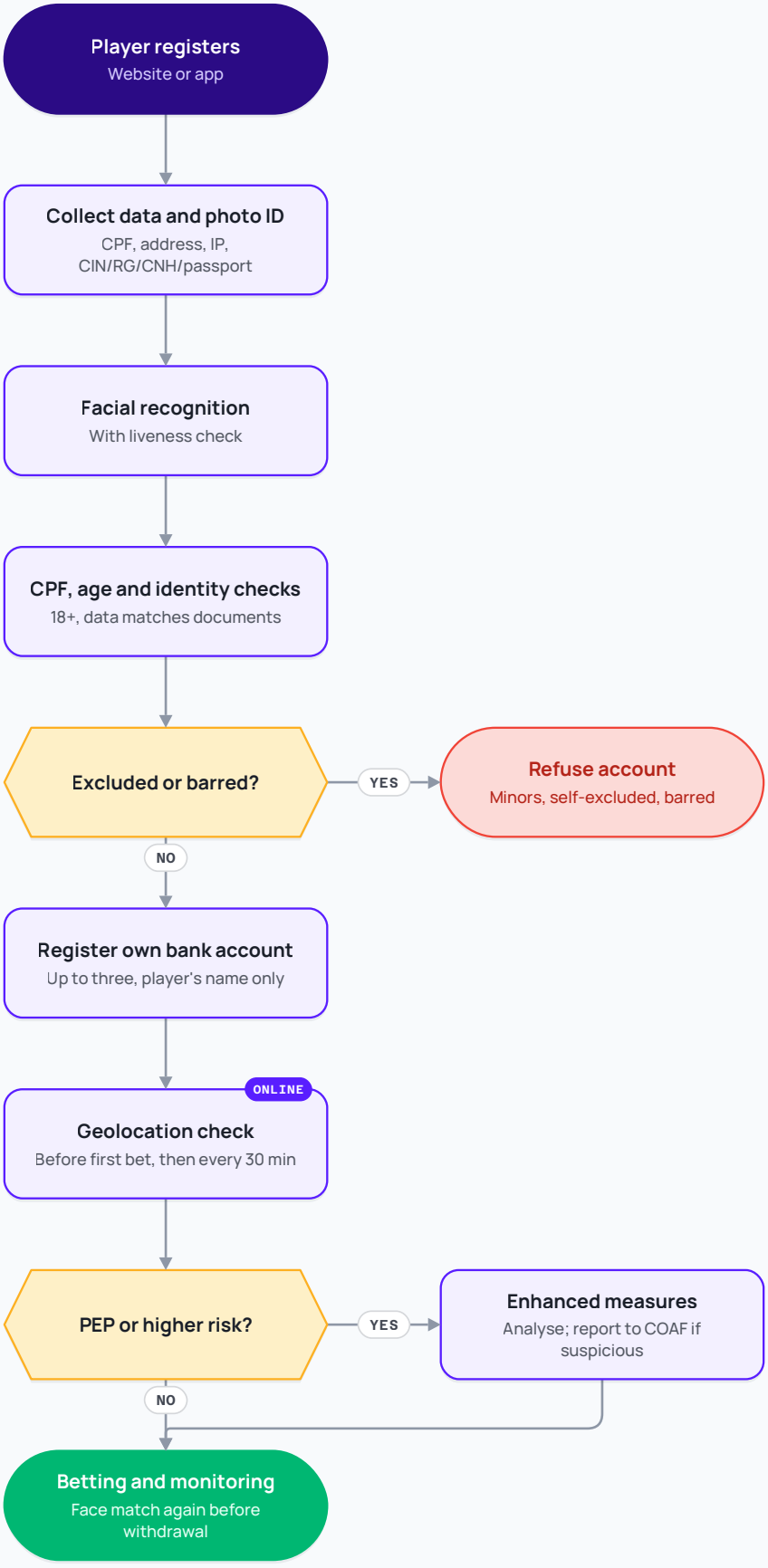


Figure 1. Online player onboarding required by SPA ordinances until fixed-odds betting was banned on 25 September 2026.

5 Digital channels: what's different

Bottom line: the ban itself is channel-neutral, covering physical and virtual betting alike, but its enforcement tools are almost all aimed at the online channel: site blocking, app-store removal, platform liability and payment refusal.

Requirement	In person / land-based	Online / remote	Difference
Legal status of fixed-odds betting	Prohibited	Prohibited, including offers from abroad	Same
Payment processing for betting	Prohibited for all institutions	Prohibited, including Pix and card acquirers	Same
Access blocking	Not applicable	Sites blocked via ANATEL and CGI.br; app stores must remove apps	Differs
Advertising ban	Physical and digital media	Plus a duty of care on internet platforms	Differs
Record retention (former operators)	At least 5 years	At least 5 years	Same
Products offered (until 25 Sep 2026)	Sports bets only, through terminals	Sports bets and online games	Differs
Player identification (until 25 Sep 2026)	Registered account with facial recognition	Registered account with facial recognition	Same
Location controls (until 25 Sep 2026)	None specified	Geolocation before first bet and every 30 minutes; VPN and proxy detection	Differs

Site blocking and app stores

The Ministries of Finance and Justice may request blocking of betting sites; ANATEL passes orders to internet providers and CGI.br handles ".br" domains (MP 1.394/2026, art. 23). App stores and operating systems must keep betting apps off and remove them on notice (art. 21).

Platform duty of care

All betting advertising and sponsorship aimed at the Brazilian public is banned in any medium and treated as abusive advertising under the Consumer Defence Code (arts. 16 and 18). Internet application providers must also prevent its circulation, including third-party content, and take it down on notice (arts. 19 and 20). Sanctions run from a warning to a fine of up to 10% of the group's Brazilian turnover or, without turnover, R$ 10 to R$ 1,000 per registered user capped at R$ 50 million per infringement, then suspension or prohibition for repeat breaches (art. 22).

Location controls under the former regime

Remote systems had to check location before the first bet on each device and every 30 minutes, detect remote-desktop and virtualisation tools, and log IP addresses to catch VPN or proxy use (Portaria SPA/MF 722/2024, Annex I, items 27, 28, 32 and 33). In-person betting was limited to sports bets on terminals linked to the player's registered account; online games could be offered only online (Portaria 722/2024, art. 12; Portaria 1.231/2024, art. 28, V).

6 Data protection and biometrics

The Brazilian Data Protection Law (**Lei nº 13.709/2018**, LGPD) treats biometric data as sensitive (art. 5, II). Without consent, sensitive data may be processed to prevent fraud and protect the data subject in identification and authentication processes in electronic systems (art. 11, II, g), the basis most relevant to facial recognition. The ANPD may fine up to 2% of Brazilian turnover, capped at R$ 50 million per infringement (art. 52, II).

Biometric check results that support AML or audit duties fall within former operators' five-year record duty (MP 1.394/2026, art. 10, IV).

7 Sector-specific obligations

Payment blocking: the core control now

Financial and payment institutions and payment scheme participants may not process, settle or facilitate fixed-odds betting transactions, except for wind-down and refunds (MP 1.394/2026, art. 14). **Resolução BCB nº 590/2026** applies this from 25 September 2026 and lets scheme owners change their rules without prior BCB approval; **Resolução BCB nº 597/2026** wrote the duty into the Pix Regulation.

Under **Decreto nº 13.033/2026**, the SPA records each illegal operator in a finding of irregularity and sends blocking notices through a secure electronic system (arts. 4 and 5). Institutions then have 24 hours to block every account of the named operator and to reject payments to it and new transactions that facilitate it, and 48 hours to tell the SPA what they did (**Resolução CMN nº 5.320/2026**, arts. 2 to 4). Blocked balances can be forfeited to the federal government administratively, without a prior court ruling (Law 14.790/2023, art. 21-A, §2-A).

Detecting illegal operators and intermediaries

Portaria SPA/MF nº 2.750/2026 requires institutions to monitor for transactions with illegal operators or "intermediary persons" whose accounts collect bettors' money, and to notify the SPA by the next business day after concluding the analysis. In card schemes the duty falls on the acquirers and sub-acquirers that contract with the merchant (arts. 4, 5, 7 and 8). The SPA notice is separate from AML reporting to COAF. Institutions that keep processing such payments after a formal SPA notice are jointly liable for the operator's taxes (**Lei Complementar nº 224/2025**, art. 6, I).

8 Risk indicators and red flags

ILLEGAL BETTING PAYMENT TYPOLOGIES (SPA PORTARIA 2.750/2026) AND PLAYER-LEVEL INDICATORS (SPA PORTARIA 1.143/2024)

- **Fan-in to one account**: many small or medium transfers from unrelated people, in short intervals, concentrated on one recipient.
- **Betting words in payment fields**: descriptions mentioning bets, deposits, bonuses, top-ups, prizes or betting brands.
- **Rotating Pix keys**: successive changes of Pix keys, QR codes or payment links after a block or rejection.
- **Deposit and withdraw without play**: funds withdrawn soon after deposit with no bet placed.
- **Bet intermediaries**: one account placing bets for others, or deposit volumes that suggest it.

9 Enforcement and penalties

Former licensees that miss wind-down obligations face the sanctions in Law 14.790/2023, art. 41, applied by the Ministry of Finance (MP 1.394/2026, art. 12; Portaria SPA/MF 3.005/2026, art. 6): for companies, fines of 0.1% to 20% of the previous year's gross gaming revenue, at least the gain obtained and up to R$ 2 billion per infringement, plus suspension, bans of up to ten years and disqualification of managers for up to 20 years. Fines double for repeat offences within three years (art. 42).

Sanction proceedings open on 25 September 2026 were suspended and will be closed for operators that complete every transition obligation on time and receive the SPA's regulatory compliance statement; otherwise the suspension is lifted after 15 December 2026 (MP 1.394/2026, art. 13; Portaria 3.005/2026, art. 7). AML failures remain punishable under the AML Law: fines of up to twice the transaction value, twice the profit obtained, or R$ 20 million, plus disqualification of managers for up to ten years (art. 12).

By 9 October 2026 the Ministry of Justice and the SPA had referred more than 20,000 illegal betting and advertising sites for blocking. In the first week, 186 apps on the Apple and Google stores were notified for removal and eight large platforms were told to remove betting adverts (Ministry of Justice, 2 and 9 October 2026).

10 Recent changes and what to watch

- **23 November 2026** `In force, conversion vote pending`: end of Congress's deliberation period for MP 1.394/2026, extended once by 60 days if the vote is not finished. As of 11 November the joint committee had not been set up; urgency rules apply from 9 November.
- **15 December 2026** `In force`: final deadline for former licensees' reporting and levy obligations under Portaria SPA/MF 3.005/2026.
- **9 November 2026** `STF interim order`: Justice Luiz Fux suspended, nationwide, all lower-court cases on the constitutionality of the measure until the Federal Supreme Court (STF) rules, in ADI 8027, after a public hearing on 3 November; the order awaits confirmation by the full court. ADIs 8024, 8027, 8028 and 8035 challenge the measure.
- **25 September 2026** `In force, not yet converted`: nationwide ban on fixed-odds betting and extinction of all licences (MP 1.394/2026).
- **10 September 2026** `In force`: SPA rules on detecting and reporting payments to illegal operators (Portaria SPA/MF 2.750/2026).

- **25 June 2026** `In force`: 24-hour account blocking on SPA notice (Res. CMN 5.320/2026).

Congress may convert the measure with amendments (99 were tabled). Under art. 62 of the Constitution, an unconverted measure loses effect from its date of issue after 60 days, extended once by 60, with the count paused during congressional recess (§§3, 4 and 7); relationships formed under it stay governed by it unless Congress issues a legislative decree (§11). Whether extinguished licences could revive after a lapse is not settled.

11 What this means for identity verification

- **No player onboarding:** while the ban stands, onboarding players in Brazil for sports betting or online casino games is unlawful, including from abroad.
- **Keep the evidence:** former operators should keep onboarding records (ID images, facial recognition and liveness results, CPF checks, IP logs) for at least five years.
- **Payment providers carry the identity burden:** merchant onboarding (KYB) must screen out betting operators, intermediaries and front companies.
- **Plan for two outcomes:** if the market reopens under the earlier SPA model, expect mandatory facial recognition with liveness at registration and before withdrawals, CPF validation, accounts only in the player's name and geolocation every 30 minutes.

IDENTOMAT

How Identomat helps

Identomat runs identity verification, screening and monitoring for regulated businesses on one platform, with workflows you configure for each market. For the requirements in this guide, that means:

- KYB and beneficial owner verification to keep betting operators, intermediaries and front companies out of merchant and account portfolios.
- AML screening against sanctions, PEP and adverse-media lists, with ongoing monitoring of existing customers.
- Transaction monitoring rules for fan-in patterns and betting-related payment descriptions.
- Biometric liveness, face match and ID document verification, including NFC, for any market that reopens with facial-recognition onboarding.
- Configurable workflows with an audit trail that supports multi-year record retention.

Request a meeting

DISCLAIMER

This article is intended for informational purposes only and does not constitute legal advice. It is a compilation of information from various sources and reflects the information available as of the last updated date indicated above. Laws, regulations, and regulatory guidance may change, so readers should consult qualified legal professionals for advice specific to their circumstances.

Sources

- **Medida Provisória nº 1.394, de 25 de setembro de 2026** (Provisional Measure 1.394/2026, betting ban), original text, Chamber of Deputies, camara.leg.br
- **MPV 1394/2026, legislative status and deadlines**, National Congress, congressonacional.leg.br
- **Medida Provisória nº 1.394/2026: entenda as novas regras** (explainer and timetable), Ministry of Finance, SPA, published 2 October 2026, updated 7 October 2026, gov.br/fazenda
- **Decreto nº 13.033, de 19 de junho de 2026** (blocking of illegal betting operators' accounts), Official Gazette, in.gov.br

- **Decreto nº 11.907, de 30 de janeiro de 2024** (Ministry of Finance structure), Annex I, art. 55, Planalto, planalto.gov.br
- **Lei nº 13.756, de 12 de dezembro de 2018** (lotteries), compiled text, Chapter V, Planalto, planalto.gov.br
- **EXM nº 2114/2026** (explanatory memorandum to MP 1.394/2026), 24 September 2026, Chamber of Deputies, camara.leg.br
- **Lei nº 14.790, de 29 de dezembro de 2023** (fixed-odds betting law), consolidated text, arts. 21-A, 24-A to 24-C, 41, 42, 49, Chamber of Deputies, camara.leg.br
- **Lei nº 9.613, de 3 de março de 1998** (AML Law), consolidated text, arts. 9 to 12, Chamber of Deputies, camara.leg.br
- **Portaria SPA/MF nº 3.005, de 2 de outubro de 2026** (wind-down procedures and deadlines), Official Gazette, in.gov.br
- **Portaria SPA/MF nº 2.750, de 10 de setembro de 2026** (payments to illegal betting operators), Official Gazette, in.gov.br
- **Portaria SPA/MF nº 1.231, de 31 de julho de 2024** (responsible gambling, player registration and authentication), consolidated text published by the SPA, arts. 2, 8, 28 and 31 to 36, gov.br/fazenda
- **Portaria SPA/MF nº 2.579, de 7 de novembro de 2025** (central self-exclusion; amends Portaria 1.231/2024), Official Gazette, in.gov.br
- **Portaria SPA/MF nº 1.143, de 11 de julho de 2024** (AML for betting operators), arts. 14, 16 and 24 to 32, Official Gazette, in.gov.br
- **Portaria SPA/MF nº 722, de 2 de maio de 2024** (technical and security requirements), art. 12 and Annex I items 10, 27, 28, 32, 33, Official Gazette, in.gov.br
- **Resolução BCB nº 590, de 28 de setembro de 2026** (ban on processing betting transactions), Banco Central do Brasil, bcb.gov.br
- **Resolução BCB nº 597, de 30 de setembro de 2026** (Pix Regulation amendment), Banco Central do Brasil, bcb.gov.br
- **Resolução CMN nº 5.320, de 25 de junho de 2026** (account blocking for illegal betting operators), Banco Central do Brasil, bcb.gov.br
- **Resolução CMN nº 5.298, de 24 de abril de 2026** (derivatives market; art. 3 event-contract ban), Banco Central do Brasil, bcb.gov.br
- **Nota Técnica SPA/MF nº 2958/2026** (prediction markets), 23 April 2026, Ministry of Finance, gov.br/fazenda
- **Constituição da República Federativa do Brasil de 1988** (Constitution), consolidated text, art. 62, Chamber of Deputies, camara.leg.br
- **Lei nº 13.709, de 14 de agosto de 2018** (Brazilian Data Protection Law, LGPD), consolidated text, arts. 5, 11, 52, Chamber of Deputies, camara.leg.br
- **ADI 8027** (case record; interim decision of Justice Luiz Fux, 9 November 2026), Federal Supreme Court (STF), portal.stf.jus.br

- **Decreto nº 13.128, de 28 de setembro de 2026** (inter-agency enforcement committee), original text, Chamber of Deputies, camara.leg.br
- **Portaria MF nº 537, de 5 de novembro de 2013** (AML procedures for lottery operators), Official Gazette, 7 November 2013, Section 1, pp. 17 to 18, in.gov.br
- **Lei Complementar nº 224, de 26 de dezembro de 2025**, art. 6, Official Gazette, in.gov.br
- **Governo Federal amplia fiscalização contra bets ilegais**, Ministry of Justice and Public Security, 2 October 2026, gov.br/mj
- **Mais de 20 mil sites ilegais de apostas e de publicidade são encaminhados para bloqueio**, Ministry of Justice and Public Security, 9 October 2026, gov.br/mj