

# Regulating Smart money

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# Evolution of Money

## Physical Money



## Electronic Money



## Smart Money



# Smart Money

Today, money is a general-purpose medium of exchange with “unrestricted” usage



Smart Money is a value exchange instrument based on computer protocols which facilitate, verify, or enforce preset conditions for its appropriation as payment

# Smart money can be designed to control

What can be purchased

Who can purchase

When someone can purchase

Where something can be purchased

Whom can be payee

Why some can be purchased



Tag	Field Name
20	Sender's Reference
13C	Time Indication
23B	Bank Operation Code
23E	Instruction Code
26T	Transaction Type Code
32A	Value date/Currency/Interbank Settled Amount
33B	Currency / Instructed Amount
36	Exchange Rate
50a	Ordering Customer
51A	Sending Institution
52a	Ordering Institution
53a	Sender's Correspondent
54a	Receiver's Correspondent
55a	Third Reimbursement Institution

# Tag 32B

What can be purchased

Who can purchase

When someone can purchase



Where something can be purchased

Whom can be payee

Why some can be purchased

Tag	Field Name
20	Sender's Reference
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23B	Bank Operation Code
23E	Instruction Code
26T	Transaction Type Code
32A	Value date/Currency/Interbank Settled Amount
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# Opportunities and issues

Corruption

Taxation

Misuse of funds

# Scenario 1: Pocket Money





# Scenario 2: Welfare money



# Scenario 3: Anti-Money Laundering



# Scenario 4: Corruption



# Scenario 5: Taxation

Fixed tax periods

	A	B	C	D	E	F	G	H	I
1	<b>VAT Quarter Return</b>								
2									
3									
4		Expenses				£ 150.00	£ 30.00	£ 180.00	
5		Income				£ 333.33	£ 66.67	£ 400.00	
6		Returns				£ 20.83	£ 4.17	£ 25.00	
7									
8		VAT					£ 40.83		
9									
10	Number	Description	Gross	VAT	Net	Status			
11	1	Invoice #1	£ 125.00	£ 25.00	£ 150.00	I			
12	2	Invoice #2	£ 208.33	£ 41.67	£ 250.00	I			
13	3	Receipt #1	£ 62.50	£ 12.50	£ 75.00	E			
14	4	Receipt #2	£ 37.50	£ 7.50	£ 45.00	E			
15	5	Receipt #3	£ 50.00	£ 10.00	£ 60.00	E			
16	6	Return #1	£ 20.83	£ 4.17	£ 25.00	R			
17									

Real time tax



**Should we regulate  
the use of money?**

**Thank You for Your Attention!**

