

# ASSEMBLY, No. 5285

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 27, 2021

**Sponsored by:**

**Assemblyman RONALD S. DANCER**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**SYNOPSIS**

Exempts sales of investment metal bullion and certain investment coins from sales and use tax.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT exempting the sale of certain investment metal bullion and  
2 coins from the sales and use tax and supplementing P.L.1966,  
3 c.30 (C.54:32B-1 et seq.).  
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5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
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8 1. a. Receipts from sales of investment metal bullion and  
9 investment coins are exempt from the tax imposed under the "Sales  
10 and Use Tax Act," P.L.1996, c.30 (C.54:32B-1 et seq.).

11 b. As used in this section:

12 "Investment metal bullion" means any elementary precious metal  
13 that has been put through a process of smelting or refining,  
14 including, but not limited to, gold, silver, platinum, and palladium,  
15 and that is in such state or condition that its value depends upon its  
16 contents and not its form. "Investment metal bullion" shall not  
17 include any precious metal that has been assembled, fabricated,  
18 manufactured, or processed in one or more specific and customary  
19 industrial, professional, aesthetic, or artistic uses.

20 "Investment coin" means any numismatic coin manufactured of  
21 gold, silver, platinum, palladium, or any other metal, including non-  
22 precious metals, and having a fair market value of not less than  
23 \$1,000. "Investment coin" shall not include jewelry or works of art  
24 made of coins, nor shall it include commemorative medallions.  
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26 2. This act shall take effect immediately and apply to receipts  
27 received from retail sales made on or after the first day of the fourth  
28 month next following the date of enactment.  
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#### 32 STATEMENT

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34 This bill provides an exemption from the sales and use tax for  
35 the sale of investment metal bullion and investment coins.

36 As defined in the bill, "investment metal bullion" means any  
37 elementary precious metal that has been put through a process of  
38 smelting or refining, including, but not limited to, gold, silver,  
39 platinum, and palladium, and that is in such state or condition that  
40 its value depends upon its contents and not its form. However, the  
41 exemption would not apply to the sale of precious metals that have  
42 been assembled, fabricated, manufactured, or processed in one or  
43 more specific and customary industrial, professional, aesthetic, or  
44 artistic uses.

45 The bill also defines "investment coin" as any numismatic coin  
46 manufactured of gold, silver, platinum, palladium, or any other  
47 metal, including non-precious metals, and having a fair market  
value of not less than \$1,000. However, the exemption would not

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1 apply to the sale of jewelry or works of art made of coins, nor  
2 would it apply the sale of commemorative medallions.

3 The bill is also intended to treat investment metal bullion and  
4 investment coins similar to other investment instruments, such as  
5 stocks, which are not subject to sales tax.