

BILL ANALYSIS

H.B. 78
By: Simpson
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, there is a sales tax exemption for precious metal coin and bullion purchases for any transaction totaling \$1,000 or more. Interested parties contend that this tax break is out of the reach of many Texans who can only purchase precious metals in more modest increments and, as a result, compels them to go to surrounding states to make their purchases. H.B. 78 seeks to remedy this situation by removing the minimum threshold, making investment in precious metal coins and bullion more economically feasible for lower and middle income Texans and encouraging more gold and silver to enter and remain in Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 78 amends the Tax Code to remove the minimum \$1,000 threshold on the total sales price of all the items sold for the sales tax exemption on the sale of gold, silver, or numismatic coins or of platinum, gold, or silver bullion and to remove existing restrictions on the use tax exemption for such items.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.