

## **BILL ANALYSIS**

Senate Research Center

H.B. 78  
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Finance  
5/9/2013  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, there is a sales tax exemption for precious metal and/or rare coins and bullion purchases for any transaction totaling \$1,000 or more. This tax break is out of the reach of many Texans who can only purchase precious metals in more modest increments. 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.

H.B. 78 amends current law relating to the exemption from the sales and use tax for certain coins and precious metals.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 151.336, Tax Code, as follows:

Sec. 151.336. CERTAIN COINS AND PRECIOUS METALS. Deletes existing Subdivision (a) designation. Exempts the sale of gold, silver, or numismatic coins or of platinum, gold, or silver bullion from the taxes imposed by this chapter (Limited Sales, Excise, and Use Tax), rather than from the sales tax imposed by Subchapter C (Imposition and Collection of Sales Tax) at any sale to a purchaser in which the total sales price of all of the items sold equals \$1,000 or more.

Deletes existing Subsection (b) exempting an item under Subsection (a) from the use tax imposed by Subchapter D (Imposition and Collection of Use Tax) to the purchaser until the item is subsequently transferred.

SECTION 2. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that that liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 3. Effective date: October 1, 2013.