

[First Reprint]
SENATE, No. 721

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator DOUGLAS J. STEINHARDT

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SYNOPSIS

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

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on March 11, 2024, with amendments.



1 AN ACT exempting the sale of certain investment metal bullion and
 2 coins from the sales and use tax and ¹【supplementing P.L.1966,
 3 c.30 (C.54:32B-1 et seq.)】 amending P.L.1980, c.105¹.
 4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*
 7

8 ¹【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.】¹
 25

26 ¹1. Section 44 of P.L.1980, c.105 (C.54:32B-8.32) is amended
 27 to read as follows:

28 44. a. Receipts from the sales of gold or silver and storage
 29 thereof, in the form traded on any contract market or other board of
 30 trade or exchange licensed by the Federal Commodity Futures
 31 Trading Commission as defined in the Commodity Exchange Act,
 32 as amended are exempt from the tax imposed under the Sales and
 33 Use Tax Act; provided that the sale shall have been in fulfillment
 34 of the obligations of a contract for future delivery of gold or silver,
 35 or an option to purchase or sell such commodity, entered into on
 36 and in accordance with the rules of such licensed contract or
 37 options market; provided, further that this exemption shall not
 38 apply with respect to any gold or silver subsequently converted to
 39 use by a purchaser and in such event such purchaser shall be liable
 40 for the sales and use tax imposed thereunder.

41 b. (1) Receipts from sales of investment metal bullion and
 42 investment coins are exempt from the tax imposed under the “Sales
 43 and Use Tax Act,” P.L.1996, c.30 (C.54:32B-1 et seq.).

44 (2) As used in this subsection:

45 “Investment metal bullion” means any elementary precious metal
 46 that has been put through a process of smelting or refining,

EXPLANATION – Matter enclosed in bold-faced brackets 【thus】 in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted March 11, 2024.

1 including, but not limited to, gold, silver, platinum, and palladium,
2 and that is in such state or condition that its value depends upon its
3 contents and not its form. “Investment metal bullion” shall not
4 include any precious metal that has been assembled, fabricated,
5 manufactured, or processed in one or more specific and customary
6 industrial, professional, aesthetic, or artistic uses.

7 “Investment coin” means any numismatic coin manufactured of
8 gold, silver, platinum, palladium, or any other metal, including non-
9 precious metals. “Investment coin” shall not include jewelry or
10 works of art made of coins, nor shall it include commemorative
11 medallions.¹

12 (cf: P.L.1980, c.105, s.44)

13

14 2. This act shall take effect immediately and apply to receipts
15 received from retail sales made on or after the first day of the fourth
16 month next following the date of enactment.