

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5294

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5294.

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

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

The bill also defines “investment coin” as any numismatic coin manufactured of gold, silver, platinum, palladium, or any other metal, including non-precious metals, and having a fair market value of not less than \$1,000. However, the exemption would not apply to the sale of jewelry or works of art made of coins, nor would it apply the sale of commemorative medallions.

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

FISCAL IMPACT:

Fiscal information is not currently available.