

INTERIM STUDY PROPOSAL 2019-054

1
2 State of Arkansas
3 92nd General Assembly
4 Regular Session, 2019
5

A Bill

SENATE BILL 389

6 By: Senator M. Johnson

7 Filed with: Senate Committee on Revenue and Taxation
8 pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

9
10 AN ACT TO CREATE AN EXEMPTION FROM THE SALES AND USE
11 TAX FOR COINS, CURRENCY, AND BULLION; AND FOR OTHER
12 PURPOSES.
13
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Subtitle

15
16 TO CREATE AN EXEMPTION FROM THE SALES AND
17 USE TAX FOR COINS, CURRENCY, AND BULLION.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is
23 amended to add an additional section to read as follows:

24 26-52-452. Coins, currency, and bullion.

25 (a) As used in this section:

26 (1) "Bullion" means a bar, ingot, or coin:

27 (A) Manufactured in whole or in part of gold, silver,
28 platinum, or palladium;

29 (B) Used solely as a medium of exchange, security, or
30 commodity by any state, the United States Government, or a foreign nation;
31 and

32 (C) Sold based on the intrinsic value of the bar, ingot,
33 or coin as a precious metal or collectible item rather than its form or
34 representative value as a medium of exchange; and

35 (2)(A) "Coin or currency" means a coin or currency:

1 (i) Manufactured in whole or in part of gold,
2 silver, other metal, or paper;

3 (ii) Used solely as a medium of exchange, security,
4 or commodity by any state, the United States Government, or a foreign nation;
5 and

6 (iii) Sold based on the intrinsic value of the coin
7 or currency as a precious metal or collectible item rather than its form or
8 representative value as a medium of exchange.

9 (B) "Coin or currency" does not include a coin or currency
10 that has been incorporated into jewelry.

11 (b) The gross receipts or gross proceeds derived from the sale of
12 coins or currency or bullion are exempt from the gross receipts tax levied by
13 this chapter and the compensating use tax levied by the Arkansas Compensating
14 Tax Act of 1949, § 26-53-101 et seq.

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17 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
18 first day of the calendar quarter following the effective date of this act.

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21 Referred requested by the Arkansas Senate

22 Prepared by: JLL/VJF

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