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Senate Fiscal Agency  
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Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

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Senate Bill 396 (as reported by the Committee of the Whole)  
Sponsor: Senator Bill Bullard, Jr.  
Committee: Finance

### **CONTENT**

The bill would amend the General Sales Tax Act to exempt from the tax sales of investment coins and bullion. Under the bill, "investment coins" would be numismatic coins or other forms of money and legal tender manufactured of gold, silver, platinum, palladium, or other metal, and issued by the U.S. government or a foreign government, with a fair market value greater than the face value of the coins. "Bullion" would be gold, silver, or platinum in a bulk state, whose value depended on its content rather than its form, with a purity of not less than 900 parts per 1,000.

Proposed MCL 205.545

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

This bill would reduce sales tax revenue by an estimated \$200,000. Of this loss in revenue, 73% or \$147,000 would be lost to the School Aid Fund, 24% or \$48,000 would be lost to revenue sharing, and the remaining amount be lost to the General Fund.

Date Completed: 5-6-99

Fiscal Analyst: J. Wortley