



# Senate

General Assembly

**File No. 853**

January Session, 2025

Substitute Senate Bill No. 1552

*Senate, May 8, 2025*

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT ESTABLISHING A CONNECTICUT PRECIOUS METALS WORKING GROUP AND CONCERNING THE SALES AND USE TAXES EXEMPTION FOR CERTAIN COINS, BULLION AND LEGAL TENDER.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) There is established a  
2 Connecticut precious metals working group to monitor (1) economic  
3 conditions, (2) inflation expectations, (3) precious metals prices and  
4 activities, including the market activities of leading commodities  
5 exchanges and bullion market associations, and (4) precious metals  
6 legislation proposed in or enacted by other states.

7 (b) The working group shall consist of the following members: (1)  
8 Members of the General Assembly, as designated by the chairpersons of  
9 the joint standing committees of the General Assembly having  
10 cognizance of matters relating to banking, finance, revenue and bonding  
11 and commerce; (2) the Treasurer, or the Treasurer's designee; and (3)  
12 any individuals such chairpersons deem relevant and necessary to carry  
13 out the duties of the working group, including, but not limited to,

14 economists, bankers and residents who are precious metals investors.

15 (c) The administrative staff of the joint standing committee of the  
16 General Assembly having cognizance of matters relating to finance,  
17 revenue and bonding shall serve as administrative staff of the working  
18 group.

19 (d) Commencing in calendar year 2026, and annually thereafter, the  
20 working group shall submit a report to the joint standing committees of  
21 the General Assembly having cognizance of matters relating to banking,  
22 finance, revenue and bonding and commerce, summarizing the  
23 working group's findings from its monitoring activities and including  
24 any recommendations to improve the precious metals market in the  
25 state.

26 Sec. 2. Subdivision (45) of section 12-412 of the general statutes is  
27 repealed and the following is substituted in lieu thereof (*Effective January*  
28 *1, 2026, and applicable to sales occurring on or after January 1, 2026*):

29 (45) Sales of and the storage or use of (A) rare or antique coins, (B)  
30 gold bullion or silver bullion, with a purity level of at least ninety per  
31 cent, (C) palladium bullion, (D) platinum, and (E) gold or silver legal  
32 tender of any nation, traded according to its value as precious metal. [,  
33 provided such exemption shall not be applicable with respect to any  
34 such sale, storage or use in which the total value of such bullion or legal  
35 tender sold by the retailer is less than one thousand dollars.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>January 1, 2026, and applicable to sales occurring on or after January 1, 2026</i>	12-412(45)

**FIN** Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Revenue Services	Various - Revenue Loss	650,000	1.3 million

Note: Various=Various

**Municipal Impact:** None

**Explanation**

The bill results in an estimated \$650,000 revenue loss to the state in FY 26 and \$1.3 million annually thereafter by exempting the sale of certain coins, bullion and legal tender from the sales and use tax beginning on January 1, 2026. By fund, the annualized revenue loss is anticipated to be \$1.1 million to the General Fund and \$100,000 each to the Special Transportation Fund and the Municipal Revenue Sharing Fund.<sup>1</sup>

The bill also establishes the Connecticut Precious Metals Working Group which has no fiscal impact.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to fluctuations in demand and prices of these goods.

<sup>1</sup> By statute, 0.5 percentage points of the 6.35% rate (or 7.87% of collections) is deposited into the Special Transportation Fund and Municipal Revenue Sharing Fund each. The remaining 5.35 percentage points (or 84.25% of collections) is deposited into the General Fund.

**OLR Bill Analysis****sSB 1552*****AN ACT ESTABLISHING A CONNECTICUT PRECIOUS METALS WORKING GROUP AND CONCERNING THE SALES AND USE TAXES EXEMPTION FOR CERTAIN COINS, BULLION AND LEGAL TENDER.*****SUMMARY**

This bill modifies the current sales and use tax exemption on certain sales of rare or antique coins, gold or silver bullion, and gold or silver legal tender of any nation, traded according to their value as precious metals by (1) applying it to all sales, instead of just those valued at \$1,000 or more; (2) extending it to sales of palladium bullion and platinum; and (3) limiting the gold and silver bullion exemption to those with a purity level of at least 90%.

Separately, the bill creates a Connecticut Precious Metals Working Group to monitor (1) economic conditions; (2) inflation expectations; (3) precious metals prices and activities, including the market activities of leading commodities exchanges and bullion market associations; and (4) other states' proposed and enacted precious metals legislation.

The working group's members are (1) General Assembly members designated by the Banking; Commerce; and Finance, Revenue and Bonding committee chairs; (2) the treasurer (or his designee); and (3) any individuals the committee chairs deem relevant or necessary to carry out the group's duties, including economists, bankers, and residents who are precious metals investors. The Finance, Revenue and Bonding Committee's administrative staff must serve as the group's administrative staff.

Beginning in calendar year 2026, the working group must annually submit a report to the Banking; Commerce; and Finance, Revenue and

Bonding committees summarizing its findings from its monitoring activities and include any recommendations to improve the precious metals market in Connecticut.

The bill also makes technical changes.

EFFECTIVE DATE: Upon passage, except the tax exemption provision is effective January 1, 2026, and applicable to sales occurring on or after that date.

**COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/24/2025)