

# Transmittal Sheet For Notice Of Intended Action

Control: 810Department or Agency: RevenueRule Nos: 810-6-2-.27Rule Title: Gold, Coin And Bullion☐ New; ☒ Amended; ☐ Repealed; ☐ Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the purposed rule? No

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Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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## Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer


Date 07/20/2018

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-6-2-.27

Rule Title: Gold, Coin And Bullion

\_\_\_\_\_ New X Amend \_\_\_\_\_ Repeal \_\_\_\_\_ Adopt by Reference

- ☒ NO  
☐ YES

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:
9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH  
IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

**ALABAMA DEPARTMENT OF REVENUE**  
**Sales and Use Tax**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE**

810-6-2-.27 Gold, Coin And Bullion

**INTENDED ACTION**

Amend

**SUBSTANCE OF**

**PROPOSED ACTION:**

The department proposes to amend this rule in order to update with new exemption dates in Act 2018-164.

**RULE NO. & TITLE**

810-6-2-.90.02

Simplified Sellers Use Tax Remittance Program

810-6-2-.90.03

Requirements For Certain Out-Of-State Sellers Making Significant Sales Into Alabama

**INTENDED ACTION**

Amend

**SUBSTANCE OF**

**PROPOSED ACTION:**

The department proposes to amend these rules to incorporate changes and update taxpayer guidance

**RULE NO. & TITLE**

810-6-2-.90-.04

Requirements for Certain Marketplace Facilitators and Marketplace Sellers

**INTENDED ACTION**

New

**SUBSTANCE OF**

**PROPOSED ACTION:**

The department proposes to promulgate this rule to provide guidance to taxpayers due to the passage of Act 2018-539.

**RULE NO. & TITLE**

810-6-5-.16

Churches And Other Religious Organizations And Institutions.

**INTENDED ACTION**

Amend

**SUBSTANCE OF**

**PROPOSED ACTION:**

The department proposes to amend this rule to incorporate Act 2018-562 integration of the sales tax exemptions into the use tax law and a provision of a special use tax exemption of religious publications.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at **02:00 PM on Tuesday, September 11, 2018, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also appear at the hearing to present their views.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Tuesday, September 11, 2018

**CONTACT PERSON AT AGENCY:**

Meagan Barrett

Alabama Department of Revenue  
4131 Gordon Persons Building  
Montgomery, Alabama 36132  
(334) 242-1380

A handwritten signature in cursive script, appearing to read "Michael D. Gamble".

Michael D. Gamble, Secretary  
Alabama Department of Revenue



**810-6-2-.27      Gold, Coin And Bullion.**

(1) **Through May 31, 2018** ~~s~~Sales of gold in coin, bullion, nugget, flake, or other form to purchasers within the state are subject to the retail sales or use tax. In any form other than as a mineral in place, not yet extracted, gold is tangible personal property subject to the usual rules of taxation. Therefore, exemption is allowed only if the sale is for resale in the regular course of business or if the gold becomes an ingredient or a component of a new article for sale. Sales to purchasers for investment or speculation are fully taxable and are treated as sales of coins, stamps, paintings, antiques, or other valuables purchased by collectors. When applicable, the tax is measured by the full selling price without deductions for brokerage fees, service fees, or premiums included in the gross price.

(2) Following are a few guidelines for the taxation of gold **through May 31, 2018**:

(a) Gold purchased and delivered outside the state is subject to use tax at the time it is brought into the state.

(b) Sales of gold to persons who take only a document of ownership covering gold remaining outside of the state are exempt from sales and use tax.

~~(c) — Sales to persons who use gold in the rendition of professional or commercial services such as dentists or dental laboratories are taxable.~~

~~(c)(d)~~ Agents, including gold jobbers and brokers, who sell gold at retail in their own name must collect retail sales tax thereon. ~~(Adopted July 2, 1975)~~ §40-23-2(1), **Code of Ala. 1975.**

(3) **Beginning June 1, 2018 until May 31, 2023, sales of bullion (including coins), gold, silver, platinum, palladium, or a combination of each precious metal (not including jewelry or works of art) that has gone through a refining process and for which the item's value depends on its mass and purity, and not its form, numismatic value, or other value are exempt from sales and use tax.**

(4) **Sales to persons who use gold in the rendition of professional or commercial services such as dentists or dental laboratories continue to be taxable.**

**Author: Michele Mayberry**

**Authority: §§40-2A-7(a)(5), 40-23-4(a)(51), 40-23-31, and 40-23-83 Code of Ala. 1975.**

**History: Adopted July 2, 1975.**

Amended: Filed July 20, 2018; Effective