



Virginia Ends All Taxes on Purchases of Gold and Silver

Description

USA: (*Richmond, Virginia – April 12, 2022*) – By signing sound money legislation last night, Virginia Governor Glenn Youngkin has ended Virginia's discriminatory practice of assessing sales taxes on smaller purchases of gold, silver, platinum, and palladium bullion and coins.

Virginia's House Bill 936, originally introduced by Del. Amanda Batten, was considered by multiple House and Senate committees before passing overwhelmingly out of both chambers and reaching the governor's desk.

Virginia had been one of only seven states in the United States maintaining merely a partial sales tax exemption on purchases of precious metals. Virginia's regressive practice of taxing only purchases under \$1,000 singled out small-time savers for a tax penalty that larger gold and silver purchases do not face.

By enacting HB 936, Virginia has set an example for legislators in California, Connecticut, Florida, Massachusetts, Maryland, and New York, where smaller-sized purchases (under \$500, \$1,000, or \$1,500) of precious metals are still hit with sales taxes.

The full Virginia sales tax exemption on the monetary metals will take effect on July 1 and remain in effect until at least June 30th, 2025.

Meanwhile, full exemption bills are pending in Alabama, Hawaii, New Jersey, and Tennessee, as the national backlash against taxing constitutional money accelerates in today's environment of [rising inflation](#) and geopolitical conflict.

Including Virginia, 41 U.S. states now fully or partially exempt gold and silver from the sales taxes. That leaves 9 states and the District of Columbia as the primary jurisdictions that still harshly penalize citizens seeking to protect their savings against the serial devaluation of the Federal Reserve Note.

Jp Cortez, policy director for the Sound Money Defense League, explained that “by eliminating sales taxes on purchases of precious metals under \$1,000, a huge impediment has been removed to storing one’s wealth in gold and [silver](#).”

In her testimony in support of the bill, Del. Batten explained that it doesn’t make sense for someone to make large purchases of gold and silver tax free, but someone who wants to invest a smaller amount is punished with a tax... a tax which targets those who can afford it the least.

“Inflation has become an undeniable problem due to financial mismanagement by the Federal Reserve and by the politicians in Washington DC. Thankfully, both large and small investors in the Old Dominion can now protect the purchasing power of their wealth with sound money without being taxed,” said [Money Metals Exchange](#) president Stefan Gleason, whose company has helped lead sound money policy efforts.

States have been removing sales taxes from monetary metals for the following reasons:

- Taxing precious metals is unfair to certain savers and investors. Gold and silver are held as forms of savings and investment. States do not tax the purchase of stocks, bonds, ETFs, currencies, and other financial instruments, so it makes no sense to tax monetary metals.
 - Levying sales taxes on precious metals is illogical because gold and silver are inherently held for resale. Sales taxes are typically levied on final consumer goods. But precious metals are inherently held for resale, not “consumption.”
 - Taxing gold and silver harms in-state businesses. It’s a competitive marketplace, so buyers in states with precious-metals sales taxes often take their business to neighboring states that have eliminated or reduced sales tax on precious metals. Coin conventions also tend to avoid the sales tax states.
 - Taxing precious metals is harmful to citizens attempting to protect their assets. Purchasers of precious metals aren’t fat-cat investors. Most who buy precious metals do so in small increments as a way of saving money. Precious metals investors are purchasing precious metals as a way to preserve their wealth against the damages of inflation. Inflation harms the poorest among us- including pensioners, Virginians on fixed incomes, wage-earners, savers, and more.
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