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Senate Fiscal Agency  
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Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

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House Bill 4863 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Nancy Cassis  
House Committee: Tax Policy  
Senate Committee: Finance

**CONTENT**

The bill would amend the Use Tax Act to exempt from the tax the storage, use, or consumption of bullion and investment coins.

Under the bill, "bullion" would mean "gold, silver, or platinum in a bulk state, where its value depends on its content rather than its form, with a purity of not less than 900 parts per 1,000". "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.

Proposed MCL 205.94u

Legislative Analyst: G. Towne

**FISCAL IMPACT**

The bill would reduce use tax revenue an estimated \$100,000. This loss in revenue would reduce School Aid Fund revenue by \$67,000 and General Fund revenue by \$33,000.

Date Completed: 12-1-99

Fiscal Analyst: J. Wortley