

## About The Bill...

The purpose of this bill is to level the playing field for investors and dealers of gold, silver, platinum, palladium bullion and rare coins and currency.

These products are **non-consumable commodities** purchased by investors on speculation to be sold at a later date for a profit.

Each year hundreds of thousands of dollars are spent out of state to avoid paying sales tax. Like other investments, these commodities are bought and sold with very small margins and are very competitively priced. In most cases, the sales tax charged in Iowa on these products is more than the dealer's profit margin.

Sales tax on these investments especially hurts the small investor who has no choice but to pay the sales tax, while the large investors buy in large enough quantities to make it worth their while to go outside the state to buy these commodities.

As you can see on the United State map in this brochure, 26 states have passed similar legislation and 9 states have bills pending. These states are also some of the most populous in the country.

**The majority of the population in this country is not subjected to sales tax on these investments.**

As more and more states have passed similar legislation to eliminate the sales tax on these products, sales in Iowa have been devastated. Imagine what would happen to the stock market or Chicago Board of Trade if a sales tax was imposed. Trading and prices would tumble, just as trading of these products is all but gone from Iowa.

It has been proven that states that have passed this legislation have gained substantially more in additional state revenues from increased income tax, more money circulating in state and increased sales tax collected on the sale of related products.

Most of the dealers in these products are small business people. Small businesses make up the majority of business conducted in this state. If our government is truly dedicated to improving business in Iowa, the business climate must be fair and equitable for small businesses as well as large corporations.

*This bill does not require any government funding. The Iowa Legislature can greatly increase investor spending in Iowa on the above-mentioned products without spending a dime!*

Currently, the Iowa Numismatic Association has collected over 3,000 signatures on petitions to show support for this bill.

When this bill is presented, please look at it objectively and consider the benefits to the State of Iowa and this industry.

**There's nothing to lose but business.**

Thank you for your consideration and support.

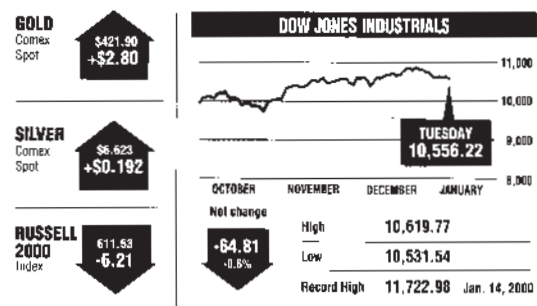


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## Important Facts

\* Gold, silver and platinum are the only commodities in Iowa sold as investments that are subject to sales tax.

\* Gold, silver and platinum are commodities that are traded on the Chicago Board of Trade and are listed next to daily stock information in the Des Moines Register.



\* Iowa businesses lose hundreds of thousands of dollars in sales of gold, silver, platinum and rare coins to other states not charging sales tax and the internet.

\* Sales made in Iowa would generate future sales when these products are re-sold.

\* Investors buying these products often buy related products that are subject to sales tax and would increase state revenue.

\* American Gold and Silver Eagles are acceptable for deposit in IRA accounts.

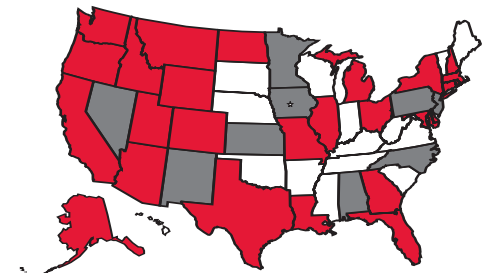
\* The United States Mint sells hundreds of millions of dollars in rare coins, gold, silver and platinum to the public and **does not charge sales tax.**

\* Neighboring states that have passed legislation eliminating the sales tax on these products are gaining trade shows and conventions thus taking more dollars away from Iowa.

\* According to the Industry Council for Tangible Assets, businesses located in the states that have passed similar legislation have shown an average increase of 40% in sales of these products.

\* Zero downside for Iowa. As proven in other states, the increase in state revenue from investors spending their money in Iowa would be more than offset by the small amount the state is currently taking in from sales tax on these products.

26 STATES HAVE PASSED SIMILAR BILLS



9 STATES HAVE BILLS PENDING

## Revenue Facts

The Iowa Department of Revenue states that annual sales tax revenue from coin dealers in the State of Iowa is approximately \$50,000. It is obvious that the financial risk to the State of Iowa is extremely minimal.