

132nd Legislature

*Senate of
Maine*

Senate District 6

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LD 372 - An Act to Protect Maine People from Inflation by Exempting Gold and Silver Coins and Bullion from the State Sales and Use Tax

Good afternoon, Senator Grohoski, Representative Cloutier and distinguished members of the Joint Standing Committee on Taxation. I'm here to introduce LD372 - *An Act to Protect Maine People from Inflation by Exempting Gold and Silver Coins and Bullion from the State Sales and Use Tax*.

My name is Marianne Moore. I proudly represent Senate District 6 which includes all of Washington County and 16 Communities in Eastern Hancock County.

You may recall seeing this bill before in other sessions, most recently presented by the Honorable Eric Brakey in the 131st Legislature. I promise you my testimony will not be a repeat of his. 😊

Maine has so far failed to take some of the most obvious steps toward helping savers, retirees, and wage earners protect themselves from the ravages of inflation.

While Maine has dithered, numerous other states have been passing sound money legislation in recent years, including New Jersey, Arizona, Utah, Mississippi, Arkansas, Tennessee, Oregon, West Virginia, and Ohio, to name a few.

Of the highest concern is Maine's unusual practice of imposing sales tax on purchases of gold and silver coins and bullion. Besides Maine, only 4 other states still apply a state sales tax on precious metals.

The continued existence of sales taxes on precious metals purchases in the Pine

Tree State is a big part of the reason Maine currently ranks toward the very bottom of the 2025 Sound Money Index (49th out of 50).

Removing the tax on the purchase of gold and silver coins, bars, and rounds would especially benefit small-time savers and investors, who, unlike the wealthy, have more limited options to acquire tangible assets and insulate themselves against the steady erosion in purchasing power of the dollar.

Here are a few reasons why I strongly urge you to support legislation that removes sales taxes from gold and silver:

- Taxing precious metals is unfair to certain savers and investors. Gold and silver are held as forms of savings and investment, often by small-time savers. Yet Maine does not tax the purchase of stocks, bonds, ETFs, currencies, and other financial instruments. The “little guy” is disproportionately hurt by the state’s gross receipts tax on gold and silver.
- Studies have shown that taxing precious metals is an inefficient form of revenue collection. The results of one study involving Michigan show that any precious metals tax proceeds that Maine gains are likely surpassed by the state revenue lost from conventions, businesses, and economic activity that are driven out of the state.
- 45 states have removed some or all taxes from the purchase of gold and silver. Maine currently stands against the vast majority of its peers.
- Levying taxes on precious metals is inappropriate. In many states, purchases of computers, shirts, and shoes carry taxes because the consumer is “consuming” the good. Precious metals are inherently held for resale, not “consumption,” making the application of taxes on the purchase of precious metals inappropriate.

With so many other states embracing sound money legislation in recent years, and considering Maine extremely low ranking on the Sound Money Index, I hope Maine will reconsider its policy of inaction in this important policy area.

I am urging us to follow the example set by 45 other states which have already reduced or eliminated sales taxes on precious metals, honoring the only form of

money mentioned in the U.S. Constitution, and lowering the tax burden on constituents who seek refuge from runaway inflation by holding a portion of their savings in physical gold and silver.

As an added note, when preparing for this testimony, it was brought to my attention the need to amend the original bill to add an important word - "**PRIMARILY**" as it relates to how gold or silver are marked and valued. I have attached a modified version of the bill as an amendment for your consideration.

I asking for your support of this important bill!

Thank you!

**An Act to Protect Maine People from Inflation by Exempting Gold and Silver
Coins and Bullion from the State Sales and Use Tax**

AMENDMENT

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §1760, sub-§116 is enacted to read:

116. Gold and silver coins and bullion. Beginning January 1, 2026, sales of gold and silver coins and bullion.

For the purposes of this subsection, "gold and silver coins and bullion" means coins, bars or rounds minted primarily of refined gold or silver that are marked and valued PRIMARILY by their weight, purity and content and not on their form. "Bullion" does not include fabricated gold or silver that has been processed or manufactured for industrial, professional or artistic uses.

SUMMARY

This bill provides a sales and use tax exemption for sales of gold and silver coins and bullion.