



Exemption Threshold for Bulk Sales of Monetized Bullion, Nonmonetized Gold or Silver Bullion, and Numismatic Coins Increased to \$2,000

Why we are contacting you

We are sending this letter to let retailers know when a sales and use tax (tax) exemption applies to their sales of bulk sales of monetized bullion, nonmonetized gold or silver bullion, and numismatic coins (coins and bullion). If you do not make retail sales of coins and bullion, please disregard this letter.

When the exemption applies

Revenue and Taxation Code (R&TC) section 6355¹ provides a tax exemption for bulk sales of coins and bullion. A tax-exempt bulk sale of coins and bullion increased to \$2,000 or more on and after January 1, 2023. Tax applies to retail sales of coins and bullion valued at less than \$2,000 on and after January 1, 2023. Regulation 1599², *Coins and Bullion*, has been amended to include the new bulk sale threshold of \$2,000.

How is the rate calculated?

R&TC section 6355 requires the California Department of Tax and Fee Administration (CDTFA) to annually calculate what the exemption threshold would be if adjusted for changes in the California Consumer Price Index. It also provides that when that amount, as adjusted for inflation, equals or exceeds the operative exemption threshold by five hundred dollars (\$500), the operative threshold automatically increases to that amount, rounded to the nearest multiple of \$500, effective January 1 of the succeeding calendar year.

Relief provisions

If you failed to collect or report tax on transactions involving a sale of coins and bullion during the first or second quarter of 2023, please contact our Customer Service Center and ask to speak with a representative in the Information and Advisory Unit, as relief may be available. You may contact our Customer Service Center at 1-800-400-7115 (CRS:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

Visit our website at www.cdtfa.ca.gov/subscribe/ to subscribe to our email lists and receive newsletters, tax and fee updates, and other announcements.

¹ www.cdtfa.ca.gov/lawguides/vol1/sutl/6355.html

² www.cdtfa.ca.gov/lawguides/vol1/sutr/1599.html