HB 721-FN - AS INTRODUCED

2025 SESSION

25-0679
07/08

HOUSE BILL ***721-FN***

AN ACT relative to establishing gold and silver as legal tender.

SPONSORS: Rep. Harvey-Bolia, Belk. 3; Rep. Ammon, Hills. 42; Rep. Granger, Straf. 2; Rep. Noble, Hills. 2; Sen. Sullivan, Dist 18

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill establishes gold and silver as legal tender.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

25-0679
07/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to establishing gold and silver as legal tender.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Chapter; New Hampshire Legal Tender Act. Amend RSA by inserting after chapter 5-D the following new chapter:

CHAPTER 5-E

NEW HAMPSHIRE LEGAL TENDER ACT

5-E:1 Legal Tender. Gold or silver in coin or bar form is legal tender for all transactions public and private in this state. In order for gold or silver to be used as legal tender under this chapter, the buyer and seller must agree on the fair market value of the gold or silver.

5-E:2 Possession of Gold and Silver. A person may possess any amount of gold or silver in coin or bar form.

5-E:3 Severability. If any provision of this chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.

2 Effective Date. This act shall take effect July 1, 2025.

LBA
25-0679
Revised 1/27/25

HB 721-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to establishing gold and silver as legal tender.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
Revenue	$0	Indeterminable	Indeterminable	Indeterminable
Revenue Fund(s)	General Fund and Education Trust Fund			
Expenditures*	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source(s)	General Fund			
Appropriations*	$0	$0	$0	$0
Funding Source(s)	None			

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

Estimated Political Subdivision Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
County Revenue	$0	Indeterminable	Indeterminable	Indeterminable
County Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Local Revenue	$0	Indeterminable	Indeterminable	Indeterminable
Local Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill establishes gold and silver as a legal form of tender for public and private transactions if the buyer and seller agree on the exchange.

The Treasury Department states that setting up the goals outlined in this proposed bill is expected to have an indeterminable fiscal impact at the state, local, and county levels. The bill presents requirements with costs that cannot be clearly determined for the State and other governing bodies to execute the initiatives as it provides the possibility to pay taxes, fees, vendors, contractors, and others in gold and silver. The Treasury currently does not have the infrastructure to accept gold and silver as legal tender.

The Department of Revenue Administration (DRA) states the Department anticipates increased expenses related to handling gold and silver as legal tender, including security measures like armored transportation and secure room updates. However, predicting the frequency of tax payments in these metals makes determining the costs of these security measures challenging resulting in an indeterminable fiscal impact to State expenditures starting in FY 2026.

Furthermore, the DRA assumes that declaring gold or silver in coin or bar form as legal tender could potentially exempt these exchange transactions from taxation under the Business Profits Tax (BPT). Currently, such transactions are considered gains and losses for both federal tax purposes and the BPT. This change could lead to an uncertain reduction in revenues. However, the DRA cannot estimate the fiscal impact due to the unpredictable nature and frequency of these transactions.

The New Hampshire Municipal Association states switching to precious metals like gold and silver for transactions in today's electronic-based economy would mean more security measures for municipalities. This includes enhanced protection for storing these metals in larger safes and needing extra staff to handle transporting and overseeing transactions involving gold and silver. However, if additional staff were not required, the estimated cost would be less than $10,000.

The Department of Justice (DOJ) states that this bill is not enforced by the DOJ and therefore has no fiscal impact on the Department.

AGENCIES CONTACTED:

Department of Revenue, Department of Justice, Treasury Department, and New Hampshire Municipal Association