

HCS HB 1637 -- LEGAL TENDER AND PEDIATRIC CANCER RESEARCH
(Curtman)

COMMITTEE OF ORIGIN: Committee on Ways and Means

This substitute establishes the Missouri Sound Money Act of 2012 and Sahara's Law.

MISSOURI SOUND MONEY ACT OF 2012

The Missouri Sound Money Act of 2012 is established which changes the laws regarding legal tender as follows:

(1) Specifies that gold and silver issued by the federal government is legal tender in Missouri; however, no person can compel any other person to tender or accept gold and silver coins;

(2) Exempts the exchange of gold and silver coins issued by the federal government for another form of legal tender from state and local sales and use taxes, state individual and corporate income taxes and capital gains taxes;

(3) Prohibits these provisions from being used to impair contractual obligations and, except in the case of governmentally assessed taxes, fees, duties, imposts, dues, penalties, or sanctions, the government may not compel payment in any particular form of legal tender inconsistent with the express written or verbal agreement of transacting parties, thereby frustrating the parties' manifest intent and impairing their contractual obligations;

(4) Prohibits the composition of a person's gold or silver holdings, including those on deposit with any nonbank depository, from being disclosed, searched, or seized except upon strict adherence to due process safeguards;

(5) Requires the legal tender issued in exchange for the deposit of U.S. minted gold and silver coins not exceed 80% of the value of gold and silver as determined by the London PM fix for that day's transaction; and

(6) Requires any nonbank depository to be subject to the rules and regulations of the Secretary of State.

SAHARA'S LAW

The substitute establishes Sahara's Law which, beginning January 1, 2012, authorizes a check-off box for the newly created Pediatric Cancer Research Trust Fund to be added to the

individual and corporate income tax forms. A taxpayer may donate to the fund by designating on the form at least \$1 on an individual return or \$2 on a combined return of his or her tax refund amount or by sending a separate check with the payment of his or her taxes.

The provisions of the substitute regarding Sahara's Law expire December 31 six years after the effective date.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of Unknown - Could exceed \$370,000 in FY 2013, FY 2014, and FY 2015. Estimated Net Income on Other State Funds of Less than \$100,000 in FY 2013, FY 2014, and FY 2015.