



HOUSE BILL 836: North Carolina Sound Money Act.

2025-2026 General Assembly

Committee:	House Commerce and Economic Development. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 29, 2025
Introduced by:	Reps. Brody, Warren	Prepared by:	Greg Roney
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 836 would:*

- *Allow a personal income tax deduction at the State level for transactions using investment coins and investment metal bullion as a form of payment.*
- *Define legal tender in the State to be investment coins and investment metal bullion that are gold or silver and marked with weight and purity. However, Bill 836 specifically does not require the acceptance of this legal tender as a payment method.*

CURRENT LAW: The calculation of State personal income tax begins with adjusted gross income as defined under Federal law. Adjusted gross income includes income when a person uses a valuable coin to make a payment.

Article 1, Section 8, of the US Constitution states: "The Congress shall have Power ... To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures;"

Article I, Section 10, of the US Constitution states: "No State shall ... coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts;"

The US Congress enacted 31 USC 5103 which states: "United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts."

BILL ANALYSIS: house Bill 836 would remove the personal income tax impact of using coins and bullion to make payments. Under current law, a person would recognize any appreciation in the value of the coin as a taxable event.

This tax benefit applies to the following:

- Investment coins defined as numismatic coins manufactured of metal under the laws of the United States or any foreign nation with a fair market value greater than the marked value of the coin.
- Investment metal bullion defined as refined elementary precious metal with a value based on its content, excluding fabricated precious metal that has been processed or manufactured for one or more specific and customary industrial, professional, or artistic uses.

House Bill 836 would also define certain investment coins and investment metal bullion as legal tender. To be legal tender, the coins and bullion must be gold or silver and marked with weight and purity.

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However, House Bill 836 specifically does not require the acceptance of this legal tender as a payment method.

EFFECTIVE DATE: The personal income tax deduction would become effective for the 2025 taxable year. The definition of legal tender would become effective October 1, 2025.