

Testimony in Support of House Bill 500

Sales and Use Tax – Precious Metal Bullion or Coins – Exemption House Ways and Means Committee

02/12/2026

Good afternoon. Members of the Committee, my name is Richard Davis. I am the owner of American Bullion Center in Timonium, Maryland. Thank you for the opportunity to testify in support of House Bill 500, which restores the sales and use tax exemption for precious metal bullion and coins under Tax-General Article §11-214.1.

The 6% sales and use tax imposed on precious metal bullion beginning July 1, 2025, has been devastating to my business. All of Maryland's adjacent states — Pennsylvania, Delaware, Virginia, and West Virginia — do not impose sales tax on these investments. As a result, my customers are now purchasing bullion in neighboring states to avoid the tax.

Generally, I make approximately \$100 on a \$5,000 Bullion sale. However, the State of Maryland requires me to collect an additional \$300 in sales tax on that same transaction which are not taxed on the original sale. This places Maryland businesses at a severe competitive disadvantage.

My customers have also moved to alternative investment vehicles such as ETFs, including SLV and GLD, rather than purchasing physical gold and silver locally. Investment advisors previously encouraged clients to purchase precious metals for diversification. Now, many of these same clients simply cross state lines into Pennsylvania, which is only 22 miles from my business.

Since the imposition of this tax, my sales have declined by approximately 80%. This has significantly harmed my business and reduced economic activity in Maryland.

House Bill 500 restores Maryland's sales and use tax exemption for precious metal bullion and coins and allows Maryland businesses to compete fairly with surrounding states.

I respectfully urge the Committee to issue a favorable report on House Bill 500 to protect Maryland small businesses investors and residents.

Thank you for your time and consideration .I am happy to answer any questions.

Respectfully submitted,



Richard Davis
Owner, American Bullion Center