

2012 -- H 7631

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO FINANCIAL INSTITUTIONS -LEGAL TENDER

Introduced By: Representative Daniel P. Gordon

Date Introduced: February 16, 2012

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 19-14 of the General Laws entitled "Licensed Activities" is hereby
2 amended by adding thereto the following section:

3 **19-14-34. Legal tender. -- (a) Gold and silver coin issued by the federal government is**
4 **legal tender in the state.**

5 **(b) A person may not compel any other person to tender or accept gold and silver coin**
6 **that is issued by the federal government.**

7 **19-14-35. Nonrefundable tax credit for capital gain transactions on the exchange of**
8 **gold and silver coin for another form of legal tender. – (a) As used in this section:**

9 **(1) "Capital gain transaction" means a transaction that results in a:**

10 **(i) Short-term capital gain, as defined in section 1222, Internal Revenue Code; or**

11 **(ii) Long-term capital gain, as defined in section 1222, Internal Revenue Code.**

12 **(b) For taxable years beginning on or after January 1, 2012, a claimant, estate, or trust**
13 **may claim a nonrefundable tax credit equal to the product of:**

14 **(1) To the extent a capital gain is not offset by a capital loss under chapter 1, subchapter**
15 **P, capital gains and losses, Internal Revenue Code, the total amount of the claimant's, estate's, or**
16 **trust's short-term capital gain or long-term capital gain on a capital gain transaction from an**
17 **exchange made on or after January 1, 2012, of gold or silver coin issued by the federal**
18 **government for another form of legal tender; and**

19 **(2) Five percent (5%).**

1 (c) A claimant, estate, or trust may not carry forward or carry back a tax credit under this
2 section.

3 SECTION 2. Severability. If any provision of this chapter or the application thereof to
4 any person or circumstances is held invalid, such invalidity shall not affect other provisions or
5 applications of the chapter, which can be given effect without the invalid provision or application,
6 and to this end the provisions of this chapter are declared to be severable.

7 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO FINANCIAL INSTITUTIONS -LEGAL TENDER

- 1 This act would make gold and silver coin issued by the federal government legal tender
- 2 in the state.
- 3 This act would take effect upon passage.

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