



The House of Stuart, Ltd.

Coins, Jewelry, Collectibles
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To: Kansas House Tax Committee
From: Robin Tummons, President, Owner
House of Stuart, Ltd.

Date: January 29, 2018

Re: Support of HB 2421, Sales and use tax exemption of bullion, numismatic coins and currency

Mr. Chairman and members of the committee:

I appreciate the opportunity to voice my support for House Bill 2421.

My family has owned and operated the House of Stuart, Ltd. in Kansas since incorporating in 1965. We are second generation and have been at our current location, 5960 Lamar, Mission, KS, since 1993. We buy and sell coins all over the country. Many of our customers are avid coin collectors. Some collect rare coins and some invest in the bullion markets (gold, silver, platinum, and palladium). As in the stock market, clients invest to try to increase their nest egg and portfolios. In the last 9 years we have seen clients investing to get a hedge on possible inflation. The fear of greenbacks devaluating is a growing concern in our society today. Many like the fact that they can hold their assets and can liquidate anytime and anywhere in the world. Those Kansans that choose to invest a portion of their hard earned income into coins, currency, and metals are currently at a disadvantage due to Kansas sales tax. Kansas is completely surrounded by states that are sales tax exempt. Our location is 10 minutes from the Missouri border and we lose thousands of dollars worth of sales each year. When the stock market fell in 2007-2008, we had many customers that wanted to transfer funds from ETFs into the metals market. Many of these transfers were upwards of \$10,000-\$150,000. Because of the sales tax, we lost these sales to out-of-state dealers. Please realize the profit margins are small on sizable bullion transactions. Bullion prices also have very little variance from state to state.

Coins, currency, and metals are the only commodity that is currently taxed. I, and my fellow comrades in the industry, would appreciate your support for House Taxation Committee Bill 2421. An exemption of tax on the sale of coins would be more convenient for customers and fairer for coin dealers across the state. The states that are currently sales tax exempt are the states being chosen to host major coin shows. These shows generally host 500-1200 dealers from across the country. The host cities benefit via commerce through hotels, restaurants, entertainment. Being so close to Missouri's border, I witness consumers crossing state lines to get better gas prices, liquor prices, better CD interest rates, and better small loan interest rates. After experiencing one of America's longest recessions, I feel like the people are more conscientious about how they are spending and saving their money. We hope to slow the out of state coin sales and bring them back home. Thank you for your time and consideration.

Respectfully,

Robin Tummons

Gary Sturbridge
Authorized PCGS Market Maker
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