

2025 HOUSE FINANCE AND TAXATION

HB 1379

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1379
1/21/2025

Relating to a personal and corporate income tax deduction for capital gains from the sale of bullion; and to provide an effective date.

9:30 a.m. Chairman Headland opened the hearing.

Members Present: Chairman Headland, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Steiner, Toman
Members Absent: Vice Chairman Hagert, Representative Porter

Discussion Topics:

- Income tax value
- ND wealth
- Taxed as ordinary income
- Special exception for precious metals
- Long term gain

9:31 a.m. Representative Johnston, District 24, ND Legislative Assembly, introduced the bill.

9:32 a.m. Larry P Schneider, Owner, Gold and Silver Exchange, testified in favor.

9:39 a.m. Matt Peyerl, Associate Director, Office of State Tax Commissioner, stood for questions.

9:44 a.m. Chairman Headland closed the hearing.

9:45 a.m. Matt Peyerl, Associate Director, Office of State Tax Commissioner, stood for questions.

9:46 a.m. Larry P Schneider, Owner, Gold and Silver Exchange, stood for questions and to reiterate testimony.

Additional written testimony:

Stefan Gleason, Chairman, Sound Money Defense League, submitted testimony #30361.

9:46 a.m. Chairman Headland closed the meeting.

Janae Pinks, Committee Clerk



Support For HB 1379 – Eliminating State Capital Gains From Gold and Silver

My name is Stefan Gleason and I am the Chairman of the Sound Money Defense League. Thank you for the opportunity to testify before you today.

I stand today in strong support of HB 1379, a measure pending before the House Finance and Taxation Committee to exempt capital gains from sales of gold and silver from North Dakota's taxable income.

HB 1379 would simply cause taxpayers to back out any "gains" on sales of gold and silver reported on their federal tax returns. This popular measure was signed into law in Nebraska in 2024, and Arkansas and Tennessee in 2023. 13 states have now ended capital gains on gold and silver.

North Dakota rightfully exempted purchases of the monetary metals from state sales taxes. Removing income tax from the precious metals is the logical next step.

By passing this bill, North Dakota would join several other states in ending income taxation of the only form of money mentioned in U.S. Constitution. South Carolina, West Virginia, Missouri, Kansas, and Iowa are just a few of the states considering such measures right now, with several bills having passed out of at least one chamber.

Several decades ago, monetary gold and silver -- and dollars formally redeemable in gold and silver -- were supplanted by the Federal Reserve note as America's currency. However, an increasing number of North Dakota citizens are realizing that holding gold and/or silver as a form of savings can help protect against the ongoing devaluation of the Federal Reserve note.

Here are a few reasons why slapping an income tax on the monetary metals is wrong:

- **Current North Dakota law assesses taxes on imaginary gains.** Under current law, a taxpayer who sells precious metals may end up with a capital "gain" in terms of Federal Reserve Notes. This capital "gain" is not necessarily a *real* gain, it's often a *nominal* gain that results from the inflation created by the Federal Reserve and the attendant decline in the dollar's purchasing power.

Yet this nominal gain is taxed at the federal level – and, because North Dakota uses federal adjusted gross income (AGI) as a starting point for North Dakota income calculations, this nominal gain is taxed again by the Peace Garden State.

- **Inflation harms the poorest among us.** Inflation is a regressive tax. The hardest hit are wage earners, savers, and pensioners on fixed incomes – as well as those who own few or no tangible assets.

- **Taxing imaginary gains is harmful to citizens attempting to protect their assets.**
Investments in precious metals coins and bullion are rightly exempt from North Dakota's sales tax. Neutralizing the state's income tax treatment of the monetary metals would remove the last major disincentive in North Dakota that stands against the ownership and use of the monetary metals.

Policies that penalize savers in precious metals reduce the likelihood that North Dakota citizens will take prudent steps to insulate themselves from the inflation and financial turmoil caused by Congress and the Federal Reserve.

On behalf of North Dakota savers, wage earners, and all those who use gold and silver to help insure against the devastating effects of inflation, we strongly urge you to vote YES on HB 1379 and remove income taxes from gold and silver.

Sincerely,
Stefan Gleason, Chairman
Sound Money Defense League

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1379
1/28/2025

Relating to a personal and corporate income tax deduction for capital gains from the sale of bullion; and to provide an effective date.

2:59 p.m. Chairman Headland opened the meeting

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Porter, Steiner, Toman
Members Absent: Representative J. Olson

Discussion Topics:

- Committee action

3:00 p.m. Representative Dockter moved a Do Pass.

3:00 p.m. Representative Porter seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	N
Representative Jeremy Olson	AB
Representative Todd Porter	Y
Representative Vicky Steiner	N
Representative Nathan Toman	Y
Representative Austin Foss	N
Representative Zachary Ista	N

3:01 p.m. Motion passed 9-4-1.

3:01 p.m. Representative Toman will carry the bill.

3:03 p.m. Chairman Headland adjourned the meeting.

Janae Pinks, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1379 ([25.0809.01000](#))

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO PASS** (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1379 was placed on the Eleventh order on the calendar.

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1379
2/3/2025

Relating to a personal and corporate income tax deduction for capital gains from the sale of bullion; and to provide an effective date.

4:08 p.m. Chairman Headland opened the meeting.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman

Discussion Topics:

- Reconsideration
- Committee action

4:08 p.m. Representative Porter moved to reconsider.

4:08 p.m. Representative Dockter seconded the motion.

4:08 p.m. Voice vote - Motion Passed.

4:14 p.m. Representative Toman moved to amend LC ##25.0809.01001.

4:14 p.m. Representative Motschenbacher seconded the motion.

4:14 p.m. Voice vote - motion passed.

4:15 p.m. Representative Porter moved a Do Pass as Amended.

4:15 p.m. Representative Dockter seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y

Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	Y
Representative Austin Foss	N
Representative Zachary Ista	N

4.16 p.m. Motion passed 12-2-0.

4:16 p.m. Representative Toman will carry the bill.

4:17 p.m. Chairman Headland adjourned the meeting.

Janae Pinks, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1379

Introduced by

Representatives D. Johnston, Kasper, Louser, S. Olson, Schauer, Toman, Vetter, Vigesaa
Senator Enget

2.3.25
JCB 1082

1 A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.3
2 and a new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code,
3 relating to a personal and corporate income tax ~~deduction~~adjustment for capital gains from the
4 sale of bullion; and to provide an effective date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1.** A new subdivision to subsection 1 of section 57-38-01.3 of the North Dakota
7 Century Code is created and enacted as follows:

8 Reduced by the amount of net capital gain or increased by the amount of net capital
9 loss from the sale of gold and silver legal tender coins or bullion included in taxable
10 income or the computation of taxable income on the federal return. For the purposes
11 of this subdivision, "bullion" means precious metal that has been refined to a purity of
12 not less than nine hundred ninety-nine parts per one thousand and is in such form or
13 condition that its value depends on its precious metal content and not its form.

14 **SECTION 2.** A new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota
15 Century Code is created and enacted as follows:

16 Reduced by the amount of net capital gain or increased by the amount of net capital
17 loss for the taxable year from the sale of gold and silver legal tender coins and bullion
18 to the extent included in federal taxable income. The adjustment provided by this
19 subdivision is allowed only to the extent the net capital gain is allocated to the state.
20 For the purposes of this subdivision, "bullion" means precious metal that has been

1 refined to a purity of not less than nine hundred ninety-nine parts per one thousand
2 and is in such form or condition that its value depends on its precious metal content
3 and not its form.

4 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
5 December 31, 2024.

**REPORT OF STANDING COMMITTEE
HB 1379**

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **AMENDMENTS** ([25.0809.01001](#)) and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1379 was placed on the Sixth order on the calendar.

2025 SENATE FINANCE AND TAXATION

HB 1379

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1379 230PM
3/5/2025

Relating to a personal and corporate income tax adjustment for capital gains from the sale of bullion; and to provide an effective date.

2:34 p.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Current process of taxing and tracking bullion
- Quantity of individuals qualified for tax adjustment

2:34 p.m. Representative D. Johnston, District 24, introduced HB 1379 and testified in favor.

2:39 p.m. JP Cortez, Executive Director, Sound Money Defense League, testified in favor and submitted testimony #38723.

2:42 p.m. Larry Schneider, Owner, Bismarck Gold and Silver Exchange, testified in favor.

2:46 p.m. Matt Peyerl, Auditor, Office of ND Tax Commissioner, testified neutral.

2:54 p.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk



Support for HB 1379 – Ending Capital Gains Taxes on Gold and Silver

The ferocious wave of inflation Americans face today is largely caused by actions at the federal level, but states don't have to sit idly by while citizens suffer from a broken monetary system.

That's why I strongly urge you to vote YES on HB 1379, a measure pending before the Senate Finance and Taxation Committee to exempt capital gains from sales of gold and silver from North Dakota's taxable income.

HB 1379 would simply cause taxpayers to back out any "gains" on sales of gold and silver reported on their federal tax returns. This popular measure was signed into law in Nebraska in 2024, and Arkansas and Tennessee in 2023. 13 states have now ended capital gains on gold and silver, with several more considering it this year.

North Dakota rightfully exempted purchases of the monetary metals from state sales taxes. Removing income tax from the precious metals is the logical next step.

By passing this bill, North Dakota would join several other states in ending income taxation of the only form of money mentioned in U.S. Constitution. South Carolina, West Virginia, Missouri, Kansas, and Iowa are just a few of the states considering such measures right now, with several bills having passed out of at least one chamber. The Idaho legislature approved this bill yesterday and is now awaiting the governor's signature.

Here are a few reasons why slapping an income tax on the monetary metals is wrong:

- **Current North Dakota law assesses taxes on imaginary gains.** Under current law, a taxpayer who sells precious metals may end up with a capital "gain" in terms of Federal Reserve Notes. This capital "gain" is not necessarily a *real* gain, it's often a *nominal* gain that results from the inflation created by the Federal Reserve and the attendant decline in the dollar's purchasing power.

Yet this nominal gain is taxed at the federal level – and, because North Dakota uses federal adjusted gross income (AGI) as a starting point for North Dakota income calculations, this nominal gain is taxed again by the Peace Garden State.

- **Inflation harms the poorest among us.** Inflation is a regressive tax. The hardest hit are wage earners, savers, and pensioners on fixed incomes – as well as those who own few or no tangible assets.
- **Taxing imaginary gains is harmful to citizens attempting to protect their assets.** Investments in precious metals coins and bullion are rightly exempt from North Dakota's sales tax. Neutralizing the state's income tax treatment of the monetary metals would remove the last major disincentive in North Dakota that stands against the ownership and use of the monetary metals.

Policies that penalize savers in precious metals reduce the likelihood that North Dakota citizens will take prudent steps to insulate themselves from the inflation and financial turmoil caused by Congress and the Federal Reserve.

On behalf of North Dakota savers, wage earners, and all those who use gold and silver to help insure against the devastating effects of inflation, we strongly urge you to vote YES on HB 1379 and remove income taxes from gold and silver.

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1379 3:22PM
3/5/2025

Relating to a personal and corporate income tax adjustment for capital gains from the sale of bullion; and to provide an effective date.

3:22 p.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Amendment regarding net capital losses
- Quantity of individuals to benefit from tax adjustment

3:23 p.m. Senator Walen moved a Do Pass.

3:23 p.m. Senator Powers seconded the motion.

3:25 p.m. Senator Walen withdrew motion.

3:25 p.m. Senator Powers withdrew second.

3:26 p.m. Senator Walen moved Amendment LC#25.0809.02001.

3:26 p.m. Senator Powers seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

3:27 p.m. Senator Walen moved a Do Pass as Amended.

3:27 p.m. Senator Powers seconded the motion.

Senators	Vote
Senator Mark F. Weber	N
Senator Dean Rummel	N
Senator Richard Marcellais	N

Senator Dale Patten	N
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion failed 2-4-0.

3:32 p.m. Senator Patten moved a Do Not Pass as Amended.

3:32 p.m. Vice Chairman Rummel seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	N
Senator Chuck Walen	N

Motion passed 4-2-0.

Senator Patten will carry the bill.

3:33 p.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1379

Introduced by

Representatives D. Johnston, Kasper, Louser, S. Olson, Schauer, Toman, Vetter, Vigesaa
Senator Enget

1 A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.3
2 and a new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code,
3 relating to a personal and corporate income tax adjustment for capital gains from the sale of
4 bullion; and to provide an effective date.

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7 Century Code is created and enacted as follows:

8 Reduced by the amount of net capital gain or increased by the amount of net
9 capital loss from the sale of gold and silver legal tender coins or bullion included
10 in taxable income or the computation of taxable income on the federal return. For
11 the purposes of this subdivision, "bullion" means precious metal that has been
12 refined to a purity of not less than nine hundred ninety-nine parts per one
13 thousand and is in such form or condition that its value depends on its precious
14 metal content and not its form.

15 **SECTION 2.** A new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota
16 Century Code is created and enacted as follows:

17 Reduced by the amount of net capital gain or increased by the amount of net
18 capital loss for the taxable year from the sale of gold and silver legal tender coins
19 and bullion to the extent included in federal taxable income. The adjustment
20 provided by this subdivision is allowed only to the extent the net capital gain or

1 net capital loss is allocated to the state. For the purposes of this subdivision,
2 "bullion" means precious metal that has been refined to a purity of not less than
3 nine hundred ninety-nine parts per one thousand and is in such form or condition
4 that its value depends on its precious metal content and not its form.

5 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
6 December 31, 2024.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1379**

Finance and Taxation Committee (Sen. Weber, Chairman) recommends **AMENDMENTS** ([25.0809.02001](#)) and when so amended, recommends **DO NOT PASS** (4 YEAS, 2 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1379 was placed on the Sixth order on the calendar. This bill does not affect workforce development.