

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1772

To amend the Internal Revenue Code of 1986 to treat gold, silver, platinum, and palladium, in either coin or bar form, in the same manner as equities and mutual funds for purposes of the maximum capital gains rate for individuals.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2005

Mr. HAYWORTH (for himself, Mr. GIBBONS, Mr. DREIER, Mr. PAUL, Mr. WILSON of South Carolina, Mr. ENGLISH of Pennsylvania, and Mr. OTTER) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to treat gold, silver, platinum, and palladium, in either coin or bar form, in the same manner as equities and mutual funds for purposes of the maximum capital gains rate for individuals.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Fair Treatment for  
5       Precious Metals Investors Act”.

1 **SEC. 2. GOLD, SILVER, PLATINUM, AND PALLADIUM TREAT-**  
2 **ED IN THE SAME MANNER AS STOCKS AND**  
3 **BONDS FOR MAXIMUM CAPITAL GAINS RATE**  
4 **FOR INDIVIDUALS.**

5 (a) **IN GENERAL.**—Section 1(h)(5) of the Internal  
6 Revenue Code of 1986 (relating to definition of collectibles  
7 gain and loss) is amended—

8 (1) by striking “(as defined in section 408(m)  
9 without regard to paragraph (3) thereof)” in sub-  
10 paragraph (A), and

11 (2) by adding at the end the following new sub-  
12 paragraph:

13 “(C) **COLLECTIBLE.**—For purposes of this  
14 paragraph, the term ‘collectible’ has the mean-  
15 ing given such term by section 408(m), except  
16 that in applying paragraph (3)(B) thereof the  
17 determination of whether any bullion is ex-  
18 cluded from treatment as a collectible shall be  
19 made without regard to the person who is in  
20 physical possession of the bullion.”.

21 (b) **EFFECTIVE DATE.**—The amendments made by  
22 subsection (a) shall apply to taxable years beginning after  
23 December 31, 2004.

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