

Precious Metal Permit Process

Effective October 1, 2009 North Carolina legislators amended North Carolina general statutes 66-405 and 66-414 relating to the purchase of precious metals. Beginning October 1, 2009 any person engaging in the business of purchasing precious metals must obtain a precious metal permit. Precious metal dealers licensed prior to October 1, 2009 must comply with the ratified bill beginning January 1, 2010.

The below listed work sheet only serves as a quick reference guide to these statutes. Precious Metal dealers should review and follow the attached legislative laws for precious metal regulations.

Compliance with the Precious Metals Law is the responsibility of the business owner. Each business is advised to consult with their attorney to ensure that they are meeting the requirements of the statute. Information provided here is only intended as a guide.

Precious Metal Dealers

Precious metal dealer is defined as a person who purchases precious metals from the public, other than by an exempted transaction, in the form of jewelry, flatware, silver services, or other forms and holds himself or herself out to the public by signs, advertising, or other methods as engaging in such purchases, including any independent contractor purchasing precious metals under any arrangement in any department store.

If you purchase any precious metals you must have a permit with the exception of purchases of coins, medals, medallions, tokens, numismatic items, art ingots, or art bars. Businesses that primarily conduct transactions such as coins, non-precious metal jewelry, antiques, tools, electronic equipment, etc. that are not related to the purchase of precious metals must still maintain a precious metals permit if they purchase non-exempt precious metals.

This law does not apply to Pawn Shops which are governed by North Carolina General Statute 91A.

Precious Metals

Precious metals are defined as gold, silver, platinum, and palladium.

Owner Requirements

Each owner/dealer, co-owner, and stockholder who owns 10% or more of a business that purchases precious metals must complete the precious metal permit application packet to include:

- Recent photograph of applicant, labeled with applicants name.
- A full set of fingerprints of the applicant on an applicant fingerprint card.

- Completed application - Form # 1 for Owners and Form # 2 for Co-Owners
- Consent to Criminal History Check - Form # 5
- Permit applications must be notarized or completed under oath
- Individual permits are required for each location where business is conducted
- There is a 30 Day waiting period before permits are issued. Permit renewals do not require the 30 day waiting period.
- Permits are valid for 12 months
- Cost of each permit is \$180.00, payable to the Town of Franklin
- Criminal History fee for each owner/co-owner in the amount of \$38.00 payable to the Town of Franklin

Employee Requirements

Every employee engaged in the purchase of precious metal must, within 2 days of employment, complete an employee registration process packet for the issuance of a permit. The application packet must include:

- Recent photograph of employee, labeled with the employees name
- A full set of fingerprints of the employee on an applicant fingerprint card.
- Completed employee registration - Form # 3
- Consent to Criminal History Check - Form # 5
- Cost of Employee permit is \$10.00 for the first year, payable to the Town of Franklin
- The annual renewal fee for each employee is \$3.00
- Criminal History fee for each employee in the amount of \$38.00 made payable to the Town of Franklin

Business Privilege License

Precious metal dealers must also obtain a business privilege license. Business privilege licenses authorizes the permittee to conduct any business, trade, profession, occupation, or selling of goods within the Town of Franklin corporate limits.

- Privilege license are issued through the Town of Franklin's Tax Collector and are valid from June 1 - May 31 of each year
- Privilege licenses must be renewed each year
- Business privilege license information and applications are available at:

<http://www.franklinnc.com/forms.html>

or, you may visit the Town of Franklin Tax Collector in person at 95 East Main Street, Franklin NC 28734

Record Keeping Requirements

- See law GS 66-410
- Records of purchases must be turned into or mailed to the Franklin Police Department within 48 hours of the purchase. Records of purchase may be delivered to the Franklin Police Department using one of the following four methods:

Method 1 – Submit Records of Purchase Online at www.leadsonline.com

The Franklin Police would like for businesses to sign up for Leads Online, this will manage your purchases and meet the requirements of sending your records within the 48 hours of purchase to the Franklin Police Department as Leads Online is real time.

Leads Online is FREE to the business. www.leadsonline.com

Leads Online information can be found here: [QuickStart for Businesses.pdf](#)

Method 2 – Records of Purchase may be faxed to:

828-524-2495
Attention: Precious Metals Records

Method 3 – Records of Purchase may be hand delivered to:

Franklin Police Department
218 West Palmer Street
Franklin, NC 28734

Method 4 – Records of Purchase may be mailed to:

Franklin Police Department
PO Box 1479
Franklin, NC 28744
Attention: Precious Metal Records

Items not to be modified

- All purchases must be maintained for a period of 7 days in the original condition on the licensed premises or other location specified in the permit application.

Miscellaneous

Upon completing all the requirements of the Precious Metal Permit application, the application packet can be delivered to the Franklin Police Department Monday through Friday between 9 AM and 5 PM (excluding holidays). Applicants may also mail the completed packet to:

Franklin Police Department
PO Box 1479
Franklin NC 28744
Attention Precious Metals

The requirements of photographs may be met by the submission of any type of photo as long it accurately resembles the applicant. (i.e. Polaroid, printed digital, etc.) Please label the photograph with the name of the applicant.

The requirement of fingerprints may be met by visiting the Franklin Police Department located at 218 West Palmer Street, Franklin, NC or the Macon County Sheriff's Department located at 1820 Lakeside Drive, Franklin, NC.

Out of town applicants may inquire at their local law enforcement agency for assistance.