

# The City of Simpsonville, South Carolina

## Precious Metal Permit Application

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**Date of Application**

**NOTICE:** No person, corporation, or partnership who buys precious metal from the general public, whether bulk or in manufactured form, with an intent to obtain a monetary profit for himself or for a principal shall operate in the State of Carolina, unless he first obtains a permit to engage in the business of purchasing precious metals from a local law enforcement agency and operates only from a permanent place of business. No dealer shall operate upon public property nor from a vehicle, flea market, hotel room, or similar temporary location. Application should be typewritten or clearly printed in ink. All questions must be answered. If space provided is insufficient, attach sheets of the same size to this application and number answers to correspond to questions.

### 1. NAME AND ADDRESS OF APPLICANT

Business Name	Telephone Number
Business Address (street, city, county)	
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:	

### 2. PERSONAL HISTORY OF PROPRIETOR, PARTNER, OR CORPORATE OFFICERS

Name (last, first, middle)		Telephone Number	Business Capacity				
Home Address (street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

Name (last, first, middle)		Telephone Number	Business Capacity				
Home Address (street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

Name (last, first, middle)		Telephone Number	Business Capacity				
Home Address (street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

### 3. Name and address of the person firm or Corporation for whose account the Business will be carried on, if any. If applicant is acting as an agent for a Principal, list the name and address of the Principal for whom the applicant's business will be carried.

Business Name		Telephone Number					
Business Address (street, city, county)							
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:							
Name (last, first, middle)		Telephone Number		Business Capacity			
Home Address (Street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

### 4. List the permanent places of business and other places in the State of South Carolina where it is proposed to carry on the applicant's business.

Business Name	Telephone Number
Business Address (street, city, county)	
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:	

Business Name	Telephone Number
Business Address (street, city, county)	
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:	

5. List the place or places of business where the applicant has carried on the business of purchasing precious metals within one year preceding the date of this application.

Business Name	Telephone Number
Business Address (street, city, county)	
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:	

Business Name	Telephone Number
Business Address (street, city, county)	
Business is: ( ) Proprietorship ( ) Partnership ( ) Corporation State of Incorporation:	

6. State the nature, charter, and quality of the precious metals to be purchased in the business. Note: Precious metals means any article made in whole or in part of gold, silver, or platinum.


7. Personal History of Persons Managing/Supervising/Conducting Applicant's Business.

Name (last, first, middle)		Telephone Number		Business Capacity			
Home Address (street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

Name (last, first, middle)		Telephone Number		Business Capacity			
Home Address (street, city, state zip)							
DOB-mo/day/yr	POB-city/county/state	SSN	SCDL No.	Race	Sex	Hgt	Wgt

# Precious Metal Permit Application Instructions

1. Precious Metal Permits require that a “Background Check Application” be completed and processed. Each year after the initial year you only need to file for the Precious Metal Permit.
2. The state requires that we collect a \$50.00 fee for Precious Metal Permits.

**MICHAEL D. HANSHAW**  
**CHIEF OF POLICE**

**South Carolina State Law**

South Carolina State Laws  
Unannotated  
Current through 2014 session  
DISCLAIMER

As used in this chapter:

- (1) "Dealer" means any person, corporation, or partnership who buys precious metal or precious or semiprecious stones or gems from the general public, whether in bulk or in manufactured form, with an intent to obtain a monetary profit for himself or for a principal.
- (2) "Precious metal" means any article made in whole or in part of gold, silver, or platinum.
- (3) "Precious or semiprecious stone or gem" means any stone or gem that is rare or costly or any stone or gem that is of lower value than those classified as precious.
- (4) "Local law enforcement agency" means the chief of police for businesses located within the corporate limits of a municipality and the county law enforcement agency for businesses located outside the corporate limits of a municipality.
- (5) "Permanent place of business" means a fixed premise either owned by the dealer or leased by him. One year's lease is a presumption of permanency.
- (6) "Places proposed to do business" means the counties or municipalities in which the dealer intends to purchase precious metals or precious or semiprecious stones or gems or both precious metals and precious or semiprecious stones or gems.
- (7) "Purchase" means the acquisition, including by means of being pawned to a dealer, of precious metal or precious or semiprecious stones or gems or both precious metal and precious or semiprecious stones or gems for a consideration of cash, goods, or other precious metals or precious or semiprecious stones or gems or both precious metals and precious or semiprecious stones or gems. Trade-ins are covered by the provisions of this chapter unless the item traded was purchased directly from the dealer allowing the trade.

**MICHAEL D. HANSHAW**  
**CHIEF OF POLICE**

HISTORY: 1981 Act No. 147 Section 1; 1988 Act No. 413, Section 1; 2014 Act No. 292 (H.3149), Section 1, eff June 23, 2014.

SECTION 40-54-20. Permit required; form; contents of application; investigation; issuance; term; fee; denial, suspension, or revocation.

**(A) No dealer as defined herein shall operate in the State of South Carolina unless he first obtains a permit to engage in the business of purchasing precious metals from the local law enforcement agency and operates only from a permanent place of business. No dealer shall operate upon public property nor from a vehicle, flea market, hotel room, residential dwelling, similar temporary location, or subleased space with a lease term of less than one year.**

(B) The form of the permit to engage in the business of purchasing precious metals shall be prescribed by the State Law Enforcement Division and all applicants for a permit under this chapter, whether a person, firm or corporation, shall file a written sworn application signed by the applicant if an individual, by all the partners if a partnership, and by the president if a corporation, with the local law enforcement agency showing:

(1) The names of the persons managing, supervising or conducting the applicant's business in any places proposed to carry on business; the addresses of such persons; the driver's license number of such persons; the capacity in which such persons will act, that is, whether as proprietor, agent or otherwise; the name and address of the person, firm or corporation for whose account the business will be carried on, if any; and if a corporation, the state of incorporation.

(2) The permanent places of business and other places in the State of South Carolina where it is proposed to carry on the applicant's business and the places where the applicant has carried on the business of purchasing precious metals within one year preceding the date of such application.

(3) Such other reasonable information as to the identity of the persons managing, supervising or conducting the applicant's business as the local law enforcement agency may deem proper to fulfill the purposes of this chapter.

(4) A statement of the nature, character, and quality of the precious metals to be purchased in the business.

(C) Upon receipt of such application for a permit, the local law enforcement agency shall cause an investigation of such person's business and personal background to be made. Such

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**CHIEF OF POLICE**

investigation shall be limited to information pertinent to the purpose of this chapter. If, as a result of the investigation, the background is found to be unsatisfactory, the permit shall be denied. The permit shall be denied or issued within thirty days from the date of application. Upon the issuance of the permit, the local law enforcement agency shall notify the State Law Enforcement Division of the locations where the permit holder proposes to carry on his business. The permit issued under this chapter shall be valid for a period of one year from the date issued and the annual fee shall be fifty dollars to provide for the administrative costs. If the dealer intends to operate from more than one location within the State, then separate permits shall be issued for each place of business; provided, however, only one annual fee shall be collected.

(D) The permits under this chapter shall be in addition to and not in lieu of other business licenses.

(E) A permit may be denied, suspended or revoked at any time if the local law enforcement agency discovers that the information on the application is inaccurate or the dealer or applicant does not comply with the requirements of this act. The permit holder shall notify, within ten days, the local law enforcement agency if any substantive changes occur in the permanent place of business in the persons managing, supervising or conducting the applicant's business, or in the places the permit holder intends to do business.

HISTORY: 1981 Act No. 147 Section 1; 2014 Act No. 292 (H.3149), Section 2, eff June 23, 2014.

SECTION 40-54-30. Permit to be posted. A permit issued under this chapter shall be posted conspicuously at all places of business named therein. HISTORY: 1981 Act No. 147 Section 1.

SECTION 40-54-40. Dealer to keep records of certain purchases; identification of seller required; seller's identity not to be publicized.

(A)(1) Every dealer shall keep a book in which must be written at the time of any purchase of precious metal or precious or semiprecious stones or gems made from the general public, whether in bulk or manufactured form, the date of purchase, amount of money or other property exchanged for the metal, stones, or gems, the name, sex, race, age, address, and driver's license number of the person selling the items, articles, or things bought, and the number and nature and brand name of the items, articles, or things. Descriptions must include size, weight, patterns, or engraving or any unusual identification marks.

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(2) If the seller does not have a driver's license, some other positive identification bearing his photograph and an identifying number may be substituted including:

(a) another form of identification containing a photograph and issued by the Department of Motor Vehicles.

(b) a passport.

(c) military identification containing a photograph and issued by the United States federal government; or

(d) a South Carolina voter registration card containing a photograph pursuant to Section 7-5-675.

(3) If the seller cannot produce a driver's license or other positive identification, the dealer may not buy any merchandise from him. Every dealer shall, at the time of purchase, obtain the signature of the seller as part of the recording of the transaction.

(B) The record book must be kept for three years and at all reasonable times must be open to the inspection of any judicial or law enforcement officials or their designees.

(C) The local law enforcement agency may not reveal a seller's identity supplied under this section except to other law enforcement agencies and prosecuting officials or pursuant to the valid order of a court or in the course of any criminal investigation or prosecution.

SECTION 40-54-50. Purchases from minors; retention period of precious metals purchased; goods subject to inspection.

(A) No dealer may purchase any precious metal from a minor unless accompanied by his parent or guardian with appropriate identification.

(B) All precious metals, except coins, purchased by a dealer must be held by the dealer at his permanent place of business or within the county of purchase in this State without being resold, melted, or altered in any manner, for a period of twenty-one days from the purchase date. All goods required to be held under this section must at all reasonable times be open to inspection by any law enforcement agency.

HISTORY: 1981 Act No. 147 Section 1; 2014 Act No. 292 (H.3149), Section 4, eff June 23, 2014.

HISTORY: 1981 Act No. 147 Section 1; 1988 Act No. 413, Section 2; 2014 Act No. 292 (H.3149), Section 3, eff June 23, 2014.

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SECTION 40-54-60. Permit required for possession of certain equipment. Possession of equipment which has been used, or is being used for the melting, crushing or altering of the precious metals is unlawful unless possessed by a dealer with a valid permit as provided in Section 40-54-20.

HISTORY: 1981 Act No. 147, Section 1.

SECTION 40-54-70. Civil liability of dealer to owner for knowingly purchasing stolen metal; reimbursement to dealer by owner under certain conditions. Any dealer buying precious metal with knowledge that the metal has been stolen shall be liable to the lawful owner of such metal in an amount triple the fair market value of the stolen items, computed at the time of the theft, and shall be liable for a reasonable attorney's fee as the court in its discretion may award. This shall be a civil remedy and in addition to any other remedies provided by the law. Provided, any dealer, having purchased precious metal in compliance with the provisions of this chapter, such metal subsequently being shown to have been stolen by a member of the immediate family of the rightful owner, may demand reimbursement from the owner equal to the amount paid for the metal before returning the metal to the owner.

HISTORY: 1981 Act No. 147, Section 1.

SECTION 40-54-80. Penalties.

(A) Any dealer willfully violating the provisions of this chapter is guilty of a misdemeanor and upon conviction for a first offense must be fined not more than five hundred dollars, imprisoned for not more than ninety days, or both. A second offense conviction is punishable by a fine of not more than two thousand dollars, imprisonment for not more than one year, or both. A third or subsequent offense conviction is punishable by a fine of not more than five thousand dollars, imprisonment for not more than three years, or both. A dealer convicted of a second offense is ineligible for a permit to conduct business in precious metals in this State for at least two years and a dealer convicted of a third or subsequent offense is ineligible for a permit for a least five years.

(B)(1) In addition to the provisions of subsection (A), any dealer who willfully makes a purchase with an invalid, suspended, or revoked license as a dealer of precious metals is guilty of a misdemeanor and upon conviction for a:

(a) first offense must be fined not more than five hundred dollars, imprisoned for not more than ninety days, or both.

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(b) second offense must be fined not more than two thousand dollars, imprisoned for not more than one year, or both; and

(c) third offense must be fined not more than five thousand dollars, imprisoned for not more than three years, or both.

(2)(a) A dealer convicted of a second offense is ineligible for a permit to conduct business in precious metals in this State for at least two years; and

(b) a dealer convicted of a third offense is ineligible for a permit to conduct business in precious metals in this State for at least five years.

(3) A penalty under this section is cumulative to penalties in items (1) and (2).

HISTORY: 1981 Act No. 147 Section 1; 2014 Act No. 292 (H.3149), Section 5, eff June 23, 2014.

SECTION 40-54-90. Chapter preempts local ordinances regulating business of purchasing precious metals. The provisions of this chapter shall regulate the business of purchasing precious metals in this State and shall preempt any ordinances passed by political subdivisions purporting to regulate such business.

HISTORY: 1981 Act No. 147 Section 1.

SECTION 40-54-100. Exempt transactions. This chapter shall not apply to the following specific transactions:

(1) a transaction between dealers of precious metals where the selling dealer has already complied with the applicable holding period, nor shall they apply to transactions between coin dealers and coin collectors occurring at regularly scheduled numismatic conventions. However, this exemption only applies to transactions between coin dealers and coin collectors occurring at regularly scheduled numismatic conventions for the purchase of coins.

(2) the purchase of manufactured items bought directly from the manufacturer or his authorized representatives. (3) the purchase of bulk precious metals brought directly from the commodity exchanges, banks, dealers or licensed brokers; and (4) the use of a coin strictly as legal tender.

HISTORY: 1981 Act No. 147 Section 1; 2014 Act No. 292 (H.3149), Section 6, eff June 23, 2014.  
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