

By Representative Hill

1 A bill to be entitled
2 An act relating to tax on sales, use, and other
3 transactions; amending s. 212.05, F.S.;
4 exempting transactions in excess of \$500 from
5 the tax on the sale of coins or currency;
6 amending s. 212.08, F.S.; exempting sales of
7 gold, silver, or platinum bullion in excess of
8 \$500; providing for emergency rules; providing
9 effective dates.

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11 Be It Enacted by the Legislature of the State of Florida:

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13 Section 1. Paragraph (1) of subsection (1) of section
14 212.05, Florida Statutes, 1996 Supplement, is amended to read:

15 212.05 Sales, storage, use tax.--It is hereby declared
16 to be the legislative intent that every person is exercising a
17 taxable privilege who engages in the business of selling
18 tangible personal property at retail in this state, including
19 the business of making mail order sales, or who rents or
20 furnishes any of the things or services taxable under this
21 chapter, or who stores for use or consumption in this state
22 any item or article of tangible personal property as defined
23 herein and who leases or rents such property within the state.

24 (1) For the exercise of such privilege, a tax is
25 levied on each taxable transaction or incident, which tax is
26 due and payable as follows:

27 (1)1. Notwithstanding any other provision of this
28 part, there is hereby levied a tax on the sale, use,
29 consumption, or storage for use in this state of any coin or
30 currency, whether in circulation or not, when such coin or
31 currency:

- 1 a. Is not legal tender;
2 b. If legal tender, is sold, exchanged, or traded at a
3 rate in excess of its face value; or
4 c. Is sold, exchanged, or traded at a rate based on
5 its precious metal content.

6 2. Such tax shall be at a rate of 6 percent of the
7 price at which the coin or currency is sold, exchanged, or
8 traded, except that, with respect to a coin or currency which
9 is legal tender of the United States and which is sold,
10 exchanged, or traded at a rate in excess of its face value,
11 the tax shall be at a rate of 6 percent of the difference
12 between the price at which it is sold, exchanged, or traded
13 and its face value.

14 3. There are exempt from this tax exchanges of coins
15 or currency which are in general circulation in, and legal
16 tender of, one nation for coins or currency which are in
17 general circulation in, and legal tender of, another nation
18 when exchanged solely for use as legal tender and at an
19 exchange rate based on the relative value of each as a medium
20 of exchange.

21 4. With respect to any transaction that involves the
22 sale of coins or currency taxable under this paragraph in
23 which the taxable amount represented by the sale of such coins
24 or currency exceeds \$500, the entire amount represented by the
25 sale of such coins or currency shall be exempt from the tax
26 imposed by this paragraph. The dealer must maintain proper
27 documentation, as prescribed by rule of the department, to
28 identify that portion of a transaction which involves the sale
29 of coins or currency and is exempt under this subparagraph.

30 Section 2. Paragraph (nn) is added to subsection (7)
31 of section 212.08, Florida Statutes, 1996 Supplement, to read:

1 212.08 Sales, rental, use, consumption, distribution,
2 and storage tax; specified exemptions.--The sale at retail,
3 the rental, the use, the consumption, the distribution, and
4 the storage to be used or consumed in this state of the
5 following are hereby specifically exempt from the tax imposed
6 by this part.

7 (7) MISCELLANEOUS EXEMPTIONS.--

8 (nn) Bullion.--The sale of gold, silver, or platinum
9 bullion, or any combination thereof in a single transaction,
10 is exempt if the sales price exceeds \$500. The dealer must
11 maintain proper documentation, as prescribed by rule of the
12 department, to identify that portion of a transaction which
13 involves the sale of gold, silver, or platinum bullion and is
14 exempt under this paragraph.

15 Section 3. The executive director of the Department of
16 Revenue is authorized to adopt emergency rules pursuant to s.
17 120.54(4), Florida Statutes, for purposes of implementing this
18 act. Notwithstanding any other provision of law, such
19 emergency rules shall remain effective for 6 months from the
20 date of adoption. This section shall take effect upon this act
21 becoming a law.

22 Section 4. Except as otherwise provided herein, this
23 act shall take effect July 1, 1997.

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26 HOUSE SUMMARY

27 Exempts transactions in excess of \$500 from the tax on
28 the sale of coins or currency. Also exempts sales of
29 gold, silver, or platinum bullion in excess of \$500 from
tax.

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