

By Senator Klein

28-304-99

1 A bill to be entitled
2 An act relating to the tax on sales, use, and
3 other transactions; amending s. 212.05, F.S.;
4 exempting from the tax on the sale of coins or
5 currency certain transactions in which the
6 sales price exceeds a specified amount;
7 amending s. 212.08, F.S.; exempting sales of
8 gold, silver, or platinum bullion when the
9 sales price exceeds a specified amount;
10 providing effective dates.

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

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14 Section 1. Paragraph (k) of subsection (1) of section
15 212.05, Florida Statutes, 1998 Supplement, is amended to read:

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

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

28 (k)1. Notwithstanding any other provision of this
29 chapter, there is hereby levied a tax on the sale, use,
30 consumption, or storage for use in this state of any coin or
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1 currency, whether in circulation or not, when such coin or
2 currency:
3 a. Is not legal tender;
4 b. If legal tender, is sold, exchanged, or traded at a
5 rate in excess of its face value; or
6 c. Is sold, exchanged, or traded at a rate based on
7 its precious metal content.
8 2. Such tax shall be at a rate of 6 percent of the
9 price at which the coin or currency is sold, exchanged, or
10 traded, except that, with respect to a coin or currency which
11 is legal tender of the United States and which is sold,
12 exchanged, or traded at a rate in excess of its face value,
13 the tax shall be at a rate of 6 percent of the difference
14 between the price at which it is sold, exchanged, or traded
15 and its face value.
16 3. There are exempt from this tax exchanges of coins
17 or currency which are in general circulation in, and legal
18 tender of, one nation for coins or currency which are in
19 general circulation in, and legal tender of, another nation
20 when exchanged solely for use as legal tender and at an
21 exchange rate based on the relative value of each as a medium
22 of exchange.
23 4. With respect to any transaction that involves the
24 sale of coins or currency taxable under this paragraph in
25 which the taxable amount represented by the sale of such coins
26 or currency exceeds \$500, the entire amount represented by the
27 sale of such coins or currency is exempt from the tax imposed
28 under this paragraph. The dealer must maintain proper
29 documentation, as prescribed by rule of the department, to
30 identify that portion of a transaction which involves the sale
31 of coins or currency and is exempt under this subparagraph.

1 Section 2. Paragraph (zz) is added to subsection (7)
2 of section 212.08, Florida Statutes, 1998 Supplement, to read:

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

9 (7) MISCELLANEOUS EXEMPTIONS.--

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

17 Section 3. The executive director of the Department of
18 Revenue may adopt emergency rules under section 120.54(4),
19 Florida Statutes, for purposes of implementing this act.
20 Notwithstanding any other provision of law, such emergency
21 rules shall remain effective for 6 months after the date of
22 adoption. This section shall take effect upon this act
23 becoming a law.

24 Section 4. Except as otherwise expressly provided in
25 this act, this act shall take effect July 1, 1999.

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SENATE SUMMARY

Exempts from the tax on sales, use, and other transactions certain sales of coin and currency for which the sales price exceeds \$500. Exempts from the tax any sale of gold, silver, or platinum bullion for which the sales price exceeds \$500. Authorizes the Department of Revenue to adopt emergency rules pertaining to these exemptions.