

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 134

INTRODUCER: Senator Rodriguez

SUBJECT: Sales Tax Exemption of Bullion

DATE: March 24, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	Pre-meeting
2.			FT	
3.			AP	

I. Summary:

SB 134 removes the \$500 limit for the sales tax exemption on the sale of gold, silver, or platinum bullion, or any combination of them. The effect of the bill is that all sales of such metals will be exempt from sales tax. The bill also removes the dealer’s requirement to maintain proper documentation relating to the exempt sale of such metals.

Revenue estimating conference estimates that the bill would have a negative fiscal impact as detailed in this analysis at Section V - Fiscal Impact.

The bill is effective July 1, 2025.

II. Present Situation:

Bullion is defined as “gold, silver, or platinum in the form of bars, ingots, or plates, normally sold by weight” but excludes coins and jewelry.¹ In 2024, there was an estimated 3.7 million ounces of gold, and 107.6 million ounces of silver purchased in the U.S with an average price per ounce of \$2,389 and \$28, respectively. Based on Florida’s population being 6.75% of the U.S. population, there was an estimated value of \$596 million in gold and \$205 million in silver bars and coins purchased in Florida. Based on a ratio of worldwide demand of gold and silver bars and coins in 2021, the total estimated value of gold and silver bars (not coins) purchased in Florida in 2024 is \$437.5 million and \$150.8 million, respectively.²

¹ Rule 12A-1.0371(2), F.A.C.

² Revenue Estimating Conference, p. 38, February 21, 2025 (on file with the Senate Committee on Banking and Insurance) (hereinafter referred to as “Revenue Estimating Conference”).

Florida Sales Tax

Florida imposes a 6% sales tax on the sales price of each item or article of personal tangible property³ when sold at a retail in the state.⁴ Florida Administrative Code explicitly provides that the sale, use, consumption, or storage for use of bullion in Florida is subject to sales tax.⁵ There are several exemptions from this imposed sales tax, including the sale of gold, silver, or platinum bullion (or any combination of them) if the sales price exceeds \$500.⁶ A dealer who makes any such bullion sales that are exempt must keep proper documentation regarding the exempt portion of the sale.⁷

Local Discretionary Tax

A county may not impose an excise tax on sales unless authorized by state law.⁸ State law authorizes counties to impose specified sales tax for certain reasons, such as:

- Infrastructure surtax of half a percent or one percent to finance infrastructure projects.⁹
- Small county surtax for counties with a population of 50,000 or less of half a percent or one percent for operational purposes.¹⁰
- Emergency fire rescue services and facilities surtax up to one percent.¹¹

Most Florida counties impose a local discretionary tax ranging from 0.50% to 1.50% with only a couple of counties not imposing any surtax¹² and only Hamilton County imposes a 2% surtax.¹³

Sales Tax on Bullion by Other States

As of March 2024, there are five states that do not collect sales tax on anything, including precious metals.¹⁴ Several states exempt the sale of certain precious metals regardless of monetary value or purity.¹⁵ Ten states provide that precious metals that meet certain purity

³ Section 212.02(19), F.S., defines “tangible personal property” as “personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses...[the term] does not include stocks, bonds, notes, insurance, or obligations or securities or pari-mutuel tickets sold or issued under the racing laws of the state.”

⁴ Section 212.05(1)(a)1.a., F.S.

⁵ Rule 12A-1.0371(2), F.A.C.

⁶ Section 212.08(7)(ww), F.S.; Rule 12A-1.0371(3)(a)1., F.A.C.

⁷ Section 212.08(7)(ww), F.S.

⁸ Section 212.054(1), F.S.

⁹ Section 212.055(2)(a)1., F.S.

¹⁰ Section 212.055(3)(a), F.S.

¹¹ Section 212.055(

¹² Florida Department of Revenue, *Discretionary Sales Surtax Rate Table*, (Jan. 7, 2025), available at [Discretionary Sales Surtax Rate Table](#) (last visited Mar. 18, 2025) (noting that Citrus and Collier Counties do not impose a surtax).

¹³ *Id.*

¹⁴ Hero Bullion, *Your Guide to Paying Taxes on Precious Metals*, Mar. 25, 2024, available at [Your Guide to Paying Taxes on Precious Metals - Hero Bullion](#) (last visited Mar. 19, 2025) (noting that Oregon, Delaware, Montana, New Hampshire, and Alaska (except local sales tax may apply) do not collect sales tax).

¹⁵ *Id.* (specifying Arizona, Arkansas, Colorado, Georgia, Idaho, Wisconsin, Iowa, Kansas, Mississippi, Missouri, Nebraska, Nevada, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, and Wyoming exempt certain precious metals without regard to monetary value or purity).

requirements are exempt from sales tax.¹⁶ In addition to Florida, five states exempt precious metals from sales tax if the total purchase exceeds a minimum price.¹⁷

III. Effect of Proposed Changes:

Section 1 of the bill removes the current \$500 limit on the sales tax exemption for the sale of gold, silver, or platinum bullion, or any combination of them. This amendment to current law would make all sales of such metals exempt from sales tax.

The bill removes the requirement for a dealer to maintain proper documentation as prescribed by rule to identify the portion of a transaction sale of the gold, silver, or platinum bullion that is exempt from sales tax.

Section 2 of the bill provides an effective date of July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, section 18 (b) of the Florida Constitution provides in part that the Legislature may not enact or repeal any general law that would reduce a county's or municipality's authority to raise revenue. The bill restricts a county's authority to impose sales tax on the sale of gold, silver, or platinum bullion. In order to be binding, the bill must be approved by a two-thirds vote of the membership of each house unless an exception applies. This requirement does not apply to laws having an insignificant fiscal impact, which for Fiscal Year 2025-2026 is forecast at approximately \$2.4 million.^{18,19,20}

The Revenue Estimating Conference estimates that discretionary sales tax lost by local governments from removing the \$500 limit on the sales tax exemption on the sale of gold, silver, or platinum is \$300,000 per year. Therefore, the mandate restriction is expected to have an insignificant fiscal impact.

B. Public Records/Open Meetings Issues:

None.

¹⁶ *Id.* (providing for the following purity requirements: Alabama (.90 purity and above), Illinois (.98 purity and above), Indiana (purity minimums apply), Michigan (.90 purity and above), Minnesota (bars only - .999 purity and above), New York (additional rules apply), North Dakota (.999 purity and above), Ohio (purity minimums apply), Utah (.50 purity and above), Wisconsin (.35 purity and above).

¹⁷ *Id.* (providing the following minimum purchase price requirements: California (\$2,000), Connecticut (\$1,000), Louisiana (\$1,000), Maryland (\$1,000), and Massachusetts (\$1,000)).

¹⁸ FLA. CONST. art. VII, s. 18(d).

¹⁹ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year times \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Mar. 7, 2025).

²⁰ Based on the Florida Demographic Estimating Conference's February 4, 2025 population forecast for 2025 of 23,332,606. The conference packet is available at: https://edr.state.fl.us/content/conferences/population/ConferenceResults_Tables.pdf (last visited Mar. 7, 2025).

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill removes the limit on the sales tax exemption for the sale of gold, silver, or platinum bullion over \$500 which will result in a recurring loss to the General Revenue Fund.

B. Private Sector Impact:

Individuals who purchase less than \$500 of gold, silver, or platinum will have a positive fiscal impact because the amount of sales tax that must be paid will be eliminated.

C. Government Sector Impact:

Revenue Estimating Conference reviewed SB 134 on February 21, 2025, and made the following conclusions:²¹

Estimated Revenue Impact (in millions of dollars)

Year	6% Sub-Total		Add: Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(1.8)	(1.9)	(0.3)	(0.3)	(2.1)	(2.2)
2026-27	(2.0)	(2.0)	(0.3)	(0.3)	(2.3)	(2.3)
2027-28	(2.1)	(2.1)	(0.3)	(0.3)	(2.4)	(2.4)
2028-29	(2.1)	(2.1)	(0.3)	(0.3)	(2.4)	(2.4)
2029-30	(2.2)	(2.2)	(0.3)	(0.3)	(2.5)	(2.5)

VI. Technical Deficiencies:

None.

²¹ Florida Office of Economic and Demographic Research, *Revenue Estimating Conference*, at p. 39 (February 21, 2025). https://edr.state.fl.us/content/conferences/revenueimpact/archives/2025/_pdf/impact0221.pdf (last viewed March 22, 2025).

VII. Related Issues:

Rule 12A-1.0371, F.A.C. will need to be amended to conform to the amendments in this bill.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 212.08.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
