



5050 West Tennessee Street, Tallahassee, FL 32399

floridarevenue.com

**QUESTIONS:**

1. Whether any coins or currency currently used as legal tender of the United States are subject to Florida sales and use tax when sold for an amount that exceeds their face value or sold based on their precious metal content?
2. Whether any coins or currency previously used as legal tender of the United States are subject to Florida sales and use tax when sold for an amount that exceeds their face value or sold based on their precious metal content?

**ANSWERS:**

1. Coins or currency currently used in the United States as legal tender and sold for an amount that exceeds their face value or sold based on their precious metal content are not subject to Florida sales and use tax.
2. Coins or currency previously used in the United States as legal tender and sold for an amount that exceeds their face value or sold based on their precious metal content are subject to Florida sales and use tax.

May 01, 2024

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Via e-mail: [REDACTED]

Re: Technical Assistance Advisement – TAA #: 24A-006  
[REDACTED]. (“Taxpayer”)  
Sales and Use Tax – Coins or Currency  
Sections 212.05, 212.0596, and 212.08(13), Florida Statutes - (F.S.)  
Rule 12A-1.0371(1)(b), (3)(a)1., Florida Administrative Code - (F.A.C.)  
BP #: [REDACTED]  
Sales and Use Tax# [REDACTED]  
FEI#: [REDACTED]

Dear [REDACTED]:

This is in response to your letter received [REDACTED], requesting this Department’s issuance of a Technical Assistance Advisement (“TAA”) pursuant to Section(s.) 213.22, F.S., and Rule Chapter

12-11 F.A.C, Florida Administrative Code, regarding the matter discussed below. Your request has been carefully examined, and the Department finds it to be in compliance with the requisite criteria set forth in Chapter 12-11, F.A.C. This response to your request constitutes a TAA and is issued to you under the authority of s. 213.22, F.S.

### **REQUESTED ADVISEMENTS**

Whether any coins previously or currently as legal tender of the United States are subject to Florida sales and use tax when sold for an amount that exceeds their face value or sold based on their precious metal content?

### **FACTS**

Taxpayer is a [REDACTED] and an online retailer of precious metals primarily comprised of bars, rounds, and coins.

Taxpayer is a registered Florida sales and use tax dealer. Taxpayer's corporate office is located in the state of [REDACTED]. Although Taxpayer does not have any physical presence in the State of Florida, it had previously determined that it is considered a "dealer" engaging in remote sales of tangible personal property into the state of Florida and meets the economic nexus thresholds set forth in s. 212.0596, F.S. As such, Taxpayer is required to collect and remit sales tax on some of the products it sells to residents located in Florida.

### **LAW AND DISCUSSION**

Section 212.05(1)(j)1., F.S., provides:

1. Notwithstanding any other provision of this chapter, there is hereby levied a tax on the sale, use, consumption, or storage for use in this state of any coin or currency, whether in circulation or not, when such coin, or currency:
  - a. Is not legal tender<sup>1</sup>;
  - b. If legal tender, is sold, exchanged, or traded at a rate in excess of its face value; or
  - c. Is sold, exchanged, or traded, at a rate on its precious metal content.
  
2. Such tax shall be at a rate of 6 percent of the price at which the coin or currency is sold, exchanged, or traded, except that, with respect to a coin or currency which is legal tender of the United States, and which is sold, exchanged, or traded such tax shall not be levied.
  
3. There are exempt from this tax exchanges of coins or currency which are in general circulation in, and legal tender of, one nation for coins or currency which are in

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<sup>1</sup> "Legal tender" means coins or currency that, at the time of the sale transaction, a creditor would be required to accept in payment of a debt. See, 12A-1.0371(1)(b), F.A.C.

general circulation in, and legal tender of, another nation when exchanged solely for use as legal tender and at an exchange rate based on the relative value of each as a medium of exchange.

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

As provided in Section 212.08(13), F.S., no transactions shall be exempt from the tax imposed by Chapter 212, F.S., except those expressly exempted therein.

The Department's interpretation of subsection 212.05(1)(j), F.S., is that subparagraph 1., levies Florida sales and use tax on the sale, use, consumption, or storage for use in Florida of any coins or currency, whether in circulation or not. However, subparagraph 2., provides that coins or currency which is legal tender of the United States, and which is sold, exchanged, or traded, such tax shall not be levied. What this language means in totality is that a specific exemption is exclusively provided for the sale of legal tender of the United States.

For coins and currency that are legal tender of the United States, no Florida sales tax is imposed regardless of whether the sales price exceeds the face value. It does not matter whether the coins or currency are in circulation. This exemption specifically applies to United States coins or currency.

For coins and currency that are not legal tender tax is imposed at the rate of 6% of the sales price, plus any applicable discretionary sales surtax, unless the coins or currency have a sales price that exceeds \$500. When the sales price exceeds \$500 for a single sale, the transaction is exempt from sales and use tax. See Rule 12A-1.0371(3)(a)1., F.A.C.

### **CONCLUSIONS**

Coins or currency currently used in the United States as legal tender and sold for an amount that exceeds their face value or sold based on their precious metal content are not subject to Florida sales and use tax.

Coins or currency previously used in the United States as legal tender and sold for an amount that exceeds their face value or sold based on their precious metal content are subject to Florida sales and use tax.

This response constitutes a TAA under s. 213.22, F.S., which is binding on the Department only under the facts and circumstances described in the request for this advice, as specified in s. 213.22, F.S. Our response is predicated on those facts and the specific situation summarized above. You are advised

that subsequent statutory or administrative rule changes, or judicial interpretations of the statutes or rules, upon which this advice is based, may subject similar future transactions to a different treatment than expressed in this response.

You are further advised that this response, your request, and related backup documents are public records under Chapter 119, F.S., and are subject to disclosure to the public under the conditions of s. 213.22, F.S. Confidential information must be deleted before public disclosure. In an effort to protect confidentiality, we request you provide the undersigned with an edited copy of your request for TAA, the backup material and this response, deleting names, addresses and any other details which might lead to identification of the Taxpayer. Your response should be received by the Department within ten (10) days of the date of this letter.

If you have any further questions with regard to this matter and wish to discuss them, you may contact me directly at (850)717-7759.

Sincerely,



Alesia Pride  
Tax Law Specialist  
Technical Assistance & Dispute Resolution

Record ID: 7001094769

## TADR Satisfaction Survey

The Florida Department of Revenue invites you to complete the online TADR Satisfaction Survey to help us identify ways to improve our service to taxpayers. The survey is an opportunity to provide feedback on your recent experience with the Department's office of Technical Assistance and Dispute Resolution (TADR). To access the survey, place the following address in your browser's access bar:

<https://tadr.questionpro.com>

When you open the survey, you'll be asked to enter the following information. This information will enable you to complete and submit the survey.

Notification number: 7001094769

Respondent code: 44

Tax type: Sales and Use Tax

Correspondence type: Technical Assistance

If you need technical assistance accessing the survey, please email Douglas Charity at [douglas.charity@floridarevenue.com](mailto:douglas.charity@floridarevenue.com).

Thank you.