



**QUESTION:** Is the sale/purchase of palladium exempt from Florida sales and use tax under the provisions of s. 212.08(7)(ww), F.S., and Rule 12A-1.0371(3)(b)1. F.A.C.?

**ANSWER:** The sale/purchase of palladium is not exempt from Florida sales and use tax under the provisions of s. 212.08(7)(ww), F.S., and Rule 12A-1.0371(3)(b)1. F.A.C.

December 3, 2024

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

Re: Technical Assistance Advise ment – TAA #: 24A-014  
[REDACTED] (“Taxpayer”)  
Sales and Use Tax – Sale/purchase of Palladium  
Sections 212.02(19), 212.05, 212.055, 212.08(7)(ww), Florida Statutes - (“F.S.”)  
Rule 12A-1.0371(3)(b)1., Florida Administrative Code - (“F.A.C.”)  
BP #: [REDACTED]

Dear [REDACTED],

This is in response to your letter dated [REDACTED], requesting this Department’s issuance of a Technical Assistance Advise ment (“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 ADVISEMENT**

Is the sale/purchase of palladium exempt from Florida sales and use tax under the provisions of s. 212.08(7)(ww), F.S., and Rule 12A-1.0371(3)(b)1. F.A.C.?

**FACTS**

On [REDACTED], Taxpayer was invoiced<sup>1</sup> by [REDACTED] [REDACTED] [REDACTED], for the purchase of three items. The quantity, item description, amounts per item, the subtotal, tax, and total were indicated as follows:

Quantity	Item	Price
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
1	[REDACTED]	[REDACTED]
Subtotal		[REDACTED]
Tax (7%)		[REDACTED]
Total		[REDACTED]

As evidenced by the invoice provided, Taxpayer was only charged the 7% tax on the purchase of the palladium.

**LAW AND DISCUSSION**

Unless a specific exemption applies<sup>3</sup>, s. 212.05, F.S., provides it is the legislative intent that every person is exercising a taxable privilege that engages in the business of selling tangible personal property<sup>4</sup> in this state. For exercising such privilege, a tax is levied on each taxable transaction or incident. The tax is due and payable at the rate of 6 percent, plus any applicable surtaxes imposed under s. 212.055, F.S., on the total consideration received for each item or article of tangible personal property when sold at retail in this state.

By definition, gold, silver, and palladium would be considered tangible personal property, and any sale of such items would be subject to Florida sales and use tax, unless a specific exemption applied.

Section 212.08(7)(ww), F.S., provides that the sale of gold, silver, or platinum bullion, or any combination thereof, in a single transaction is exempt if the sales price exceeds \$500. *See also* Rule 12A-1.0371(3)(b)1. F.A.C.

<sup>1</sup> Sales Order [REDACTED]

<sup>2</sup> [REDACTED]

<sup>3</sup> The Department must point out that while taxing statutes are strictly construed against the taxing authority, statutes that grant an exemption are strictly construed against the taxpayer. *See Asphalt Pavers v. Dept. of Revenue*, 584 So.2d 55 (Fla. 1<sup>st</sup> DCA 1991), at 57 (citing the rule that exemptions from tax are strictly construed against the taxpayer, with any ambiguity resolved in favor of the administrative agency); *State ex rel. Szabo Food Services Inc. v. Dickinson*, 286 So.2d 529 (Fla. 1973) (“Exemptions to taxing statutes are special favors granted by the Legislature and are to be strictly construed against the taxpayer.”). *See also, United States Gypsum Co. v. Green*, 110 So.2d 409 (Fla. 1959) (also stating that exemptions from tax are strictly construed against the taxpayer) and *Wanda Marine Corp. v. Dep’t of Revenue*, 305 So.2d 65, 69 (Fla. 1<sup>st</sup> DCA 1975).

<sup>4</sup> Tangible personal property means and includes personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses. *See* s. 212.02(19), F.S.

Metals are chemical elements - there are over ninety (90) metals in the Periodic Table. Gold, silver, platinum and palladium are separate and distinct types of metals, including in their appearance, melting point, density, and atomic number.

The statute and rule are clear on the types of metals and the circumstances that would qualify a sale/purchase transaction for the exemption from Florida sales and use tax provided. The exempt metals specified are gold, silver, and platinum. The exemption does not include palladium. As stated above, exemptions are strictly construed against the taxpayer and in this instance the plain language of the statute is clear as to what items are exempted.

### **CONCLUSION**

The sale/purchase of palladium is not exempt from Florida sales and use tax under the provisions of s. 212.08(7)(ww), F.S., and Rule 12A-1.0371(3)(b)1. F.A.C.

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)717-6735.

Sincerely,



Alan R. Fulton  
Revenue Program Administrator I  
Office of Technical Assistance

CC: Gary Gray, Taxpayer Rights Advocate  
Gary.Gray@FloridaRevenue.com

Record ID: 7001307007

### Office of Technical Assistance Satisfaction Survey

The Florida Department of Revenue invites you to complete the online Office of Technical Assistance 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 Office of Technical Assistance. To access the survey, place the following address in your browser's address 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: 7001307007

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.