What is a burner & buffer address? What's the difference?

Burner and Buffer address refer to a specific type of digital wallet address used for different purposes.



Burner Address: An address used to permanently remove tokens from circulation. This address has no known private key, making it impossible for anyone to access or use the tokens sent there. Tokens sent to a burner address are considered "burned" and are effectively out of the circulating supply of tokens, potentially increasing scarcity and value.



Buffer Address: An address that acts as a temporary holding place for tokens. This type of address is used within certain protocols or platforms to manage token flows or to hold funds temporarily for operation purposes. Unlike burner addresses, buffer addresses are controlled by entities or automated protocols, which means the tokens can eventually be moved or utilized according to specific needs or rules.

Difference: Difference lies between the purpose and the permanence of the token storage. Tokens sent to a burner address are permanently removed and unrecoverable, serving as a method to decrease supply. In contrast, tokens stored in a buffer address are held temporarily & can be accessed or moved by the controlling party or protocol, serving various operational or strategic purposes.