

Shared Responsibility for Safer Communities



How a Simple Gun Business Tax Can
Save Community Safety Programs

A POLICY & COMMUNICATIONS PLANNING RESOURCE

 **GUNS DOWN
AMERICA**

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Overview

What is the gun business tax?

The gun business tax (or firearms excise tax) is an excise tax levied on firearms and/or firearms accessories and ammunition. Unlike a sales tax, an excise tax is imposed on businesses when a product is manufactured, imported, sold, or used.

Do taxes on the gun business already exist?

The first tax on the gun industry was implemented in 1919, with revenue going to wildlife conservation. There are also several state and local excise taxes that fund gun violence intervention.

Why tax the gun business to fund community safety programs?

Gun violence is estimated to cost Americans over 500 billion dollars every year. Community safety programs that could help reduce gun violence, meanwhile, are underfunded. The gun industry currently bears little to no financial burden for this impact. The gun business tax helps the industry share responsibility for community safety and moves some of the the burden from people to businesses. It's a way to improve safety by saving proven programs while still respecting individual rights.

FAQ

Do excise taxes on the gun industry violate the 2nd Amendment?

↳ Nope! A 1937 ruling upheld excise taxes as a valid exercise of Congress's taxing power. It's also key to remember these are taxes on businesses, not people.

How much money could a gun business tax generate for community services in my state?

↳ Gun business taxes are still new at the state and local levels, but projections range from \$35-58 million annually.

Will a gun business tax hurt law-abiding gun owners and low-income communities?

↳ No. Funds raised from taxes on the gun business support community safety programs which benefit law abiding guns owners and low-income communities.

Would a gun business tax make guns more expensive?

↳ Not necessarily. Because an excise tax is levied on the business and not the consumer, it's up to the business to decide how to absorb the cost.

How can I pursue a gun business tax for my community?

↳ Visit gunsdownamerica.org/excise-tax

Executive Summary

Recent actions under the Trump administration have created a hostile environment for the gun violence prevention movement, including funding cuts for community violence intervention work and the walking back of popular gun safety policies. State-based gun excise taxes are a new and under-explored method of addressing the outcomes of gun availability and violence at the local level.

Unlike other potential proposed legislation, gun excise taxes do not violate the Second Amendment, and have been upheld by multiple courts. In fact, the first federal gun business tax was enacted in 1919 and is still in place today.

While the federal gun business tax is allocated to wildlife conservation, modern gun business taxes focus on offsetting the economic and taxpayer impact of gun violence, which is estimated to cost Americans hundreds of billions of dollars related to things like healthcare costs, lost business revenues, and a reduction in jobs.

The guns industry bears no cost for these outcomes. The proposed excise tax ensures fairness by having the industry pay its share. As such, the tax is levied on the business, not the consumer and is based on use rather than applied to the general population. This means all Americans—guns owners or not—can benefit from the tax particularly if the tax funds are allocated to general use cases such as community violence intervention or victims services, which help to disrupt cycles of violence and crime over time.

Guns Down America seeks to outline the critical funding gaps holding back the gun violence prevention movement; create a centralized resource detailing the past, present, and future of U.S. gun excise tax policy; analyze which factors contribute to the successes and failures of these policies; and provide a policy roadmap and communications guidance for those seeking to introduce their own state-based gun excise tax.

Q: How can gun business tax be used to help make American communities safer?

A: The gun business tax creates a revenue source for existing programs like community violence intervention, victims services, mental health services, and school safety that can be customized to suit the needs of each state or county where its implemented.

Gun Business Excise Tax Background



Key Takeaways:

- Gun excise taxes have been in use since 1919 in the U.S.
- At least 12 states have considered or successfully implemented a gun excise tax
- Gun excise taxes can be allocated to underfunded community safety programs

In March 2025, Guns Down America researched the history of proposed and implemented excise taxes on the gun industry. An excise tax is often imposed at the time that products are manufactured, but can be at when it's imported, sold, or used. The purpose of this research is to inform local and state leaders of the use of the existing and potential use of such taxes to secure budgets for community safety applications such as community violence intervention, domestic violence support, youth mental health, veteran's assistance, crime victims services, and similar. To make this policy easier to understand and clarify to what it is applied, the report will refer to it as the gun business tax.

Q: Are taxes on the gun industry constitutional?

A: The first tax on the gun industry was implemented in 1919 and has been in place since, surviving several legal challenges. Lobbying groups like the NRA and NSSF have publically supported the federal tax, which goes to wildlife conservation.

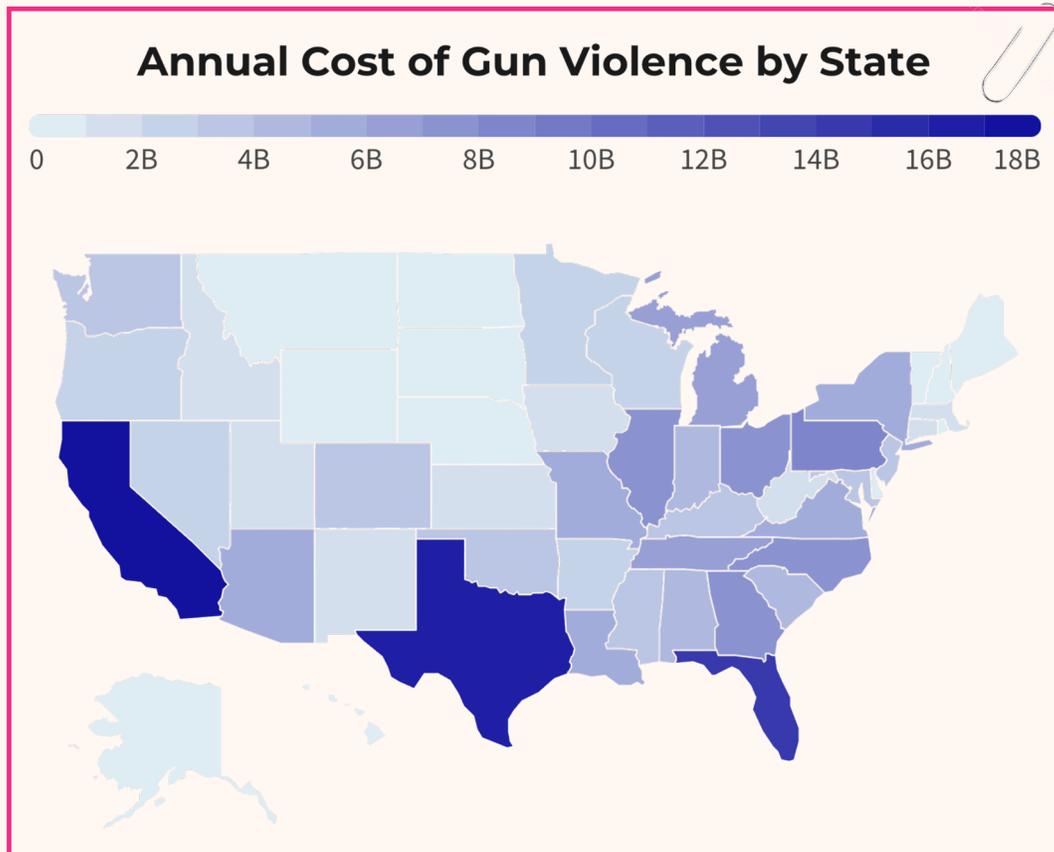
The gun business tax is especially relevant in the face of lagging Victims of Crime Act (VOCA) funds, and the Trump administration's funding cuts for programs that address gun violence, including student mental health and community violence intervention. The focus on the guns industry for this tax is due largely to the economic burden of gun violence on Americans, rising to an estimated \$557 billion annually.

Excise taxes have been levied on the gun industry at the federal level since 1919 and have been supported by gun industry lobbying groups including the National Shooting Sports Foundation (NSSF) and the National Rifle Association (NRA). The federal tax principally goes to the Wildlife Restoration Fund. The earliest state laws for such a tax date to the 19th century, though few states have pursued such a tax until recent years.

California was the first mover in 2023 when the State Legislature approved an 11% excise tax on guns and ammunition. Collection of the tax began in the summer of 2024, and it raised an

estimated \$58 million in its first year. Colorado followed suit in November 2024 when voters approved Proposition KK to add a 6.5% excise tax on guns and ammunition; the state began collecting the new tax in April 2025.

Now at least 12 states have considered or implemented excise taxes on the sale of guns and/or ammunition in order to cover budget gaps—especially for programs assisting victims of crime. Seven of the 10 states with the largest cuts in victims services have enacted or proposed gun business tax legislation.



Excise taxes are often applied to transaction that impose a harm or cost on people who are not necessarily directly involved in the purchase. Cigarettes are one example of using excise taxes to offset the impact of a product. The tobacco industry, for example, is taxed at the state- and federal-levels with the funds going to programs that counter their societal impact. In Pennsylvania, that tax goes to programs like the Children’s Health Insurance Program (CHIP) and farmland preservation.

Victims services and community violence intervention are two key programs that deal with the direct and indirect consequences of the gun market that are both in critical need of funding. The excise tax could be the solution to that shortfall, derived directly from the private business that currently bears a disproportionately low cost compared to the impact of their products. These programs receive bipartisan support.

Proposition KK Case Study

In 2024, the Colorado state legislature passed the gun business excise tax, which was then referred to voters for approval as Proposition KK. Driven by a coalition of victims services organizations, the grassroots ballot initiative campaign sought to save programs at risk due to VOCA funding cuts. The group had success by designing the policy and messaging toward state needs and voter concerns.

| Voter Concern | Solution |
|---|---|
| Voters supported the policy most when language and allocation were specific and clear to understand | Policy was designed to backfill existing popular programs rather than create new ones |
| Voters wanted to see a limited number of programs well-funded and support declined if too much was promised | Prop KK focused the allocations on five key areas: gun violence prevention, mental health, veteran’s support, school safety, and victims services |
| Mental health was the #1 concern for Colorado voters and gun violence prevention & school safety as primary desire for services to fund | This funding was prioritized in the policy and the messaging |
| Ballot initiatives require over 50% support to pass in Colorado and can be expensive to campaign | Prop KK assembled an intersectional coalition of existing orgs who would benefit from the funding to campaign their constituent groups to build support |

Proposition KK Timeline

2024 **2025** **2025+**

legislation passed and was subsequently approved by voters in **2024**

Prop KK went into effect **April 1, 2025**

an estimated **\$39 million** in revenue generated for veterans, at-risk youth, and victims of crimes

History of Firearm-Related Excise Tax Proposals

1919 First federal firearms excise tax introduced via the **Revenue Act of 1918**

1937 **Pittman-Robertson Act** excise tax on firearms and ammo enacted to fund wildlife conservation



1991 Excise tax administration shifted from IRS to Bureau of Alcohol, Tobacco & Firearms (ATF)



1970s **Pittman-Robertson Act** amended to include handguns & archery equipment

2013 **Cook County, IL** enacts excise tax on firearms & ammo



2016 **Seattle, WA** enacts excise tax on firearms & ammo



2023 **California** enacts excise tax on firearms, ammo, & precursor parts



2019 **Tacoma, WA** enacts excise tax on firearms & ammo



2024 **Colorado** passes the Proposition KK ballot initiative, an excise tax on firearms & ammo



202? **YOUR STATE** could be the next to successfully enact a firearm excise tax!

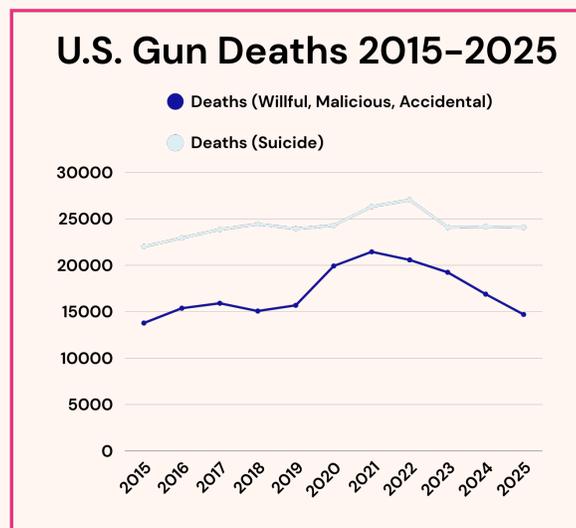
Victims Services Funding Background



Key Takeaways:

- Victims services are life-saving, offering support to people who have suffered from domestic violence or other crimes that are often perpetrated with guns
- These services help victims recover from crimes and break cycles of violence
- Victims services have volatile funding that fluctuates annually

The Victims of Crime Act of 1984 (VOCA) is legislation that aims to protect and support services that help crime victims like those suffering from domestic violence, child abuse, trafficking and drunk driving to name a few. It is the primary federal program helping victims deal with the financial burden of their crime. VOCA funds victims support services like rape crisis centers and women's and children shelters, helps survivors pay medical bills, and more.



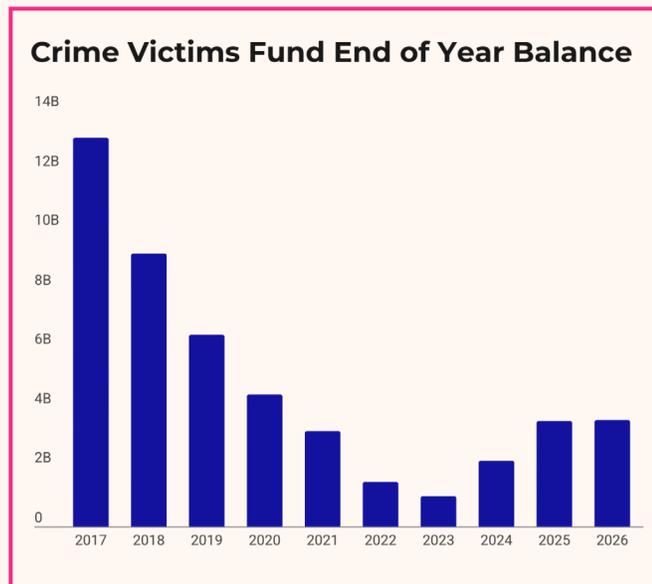
Data Courtesy of the Gun Violence Archive

Funds are not derived from taxes, but paid out from federal criminal monetary penalties collected in the Crime Victims Fund. The federal government provides states with two primary funding streams to support victim compensation and assistance programs, both of which are administered by the Justice Department's Office for Victims of Crime. OVC Victim Compensation Formula Grants reimburse state victim compensation programs for 75% of the amount of eligible compensation claims they paid out the previous year. The second funding stream, OVC Victim Assistance Formula Grants, is more volatile. Victim Assistance Grants are subject to annual spending caps set by Congress and are distributed to states using a population-based formula.

State funding is not based on the immediate needs of victims and instead calculated based on these formulas, and additional volatility stems from the wide variation in criminal penalties and outside funding collected year over year.

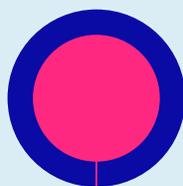
Victims services are severely underfunded. In 2024, states saw their Victim Assistance Formula Grants cut by an average of 41%. It was the second straight year of across-the-board cuts, although states saw a milder 5.7% average cut in 2023. In 2022, states saw their Victim Assistance Formula Grants increase by an average of 36.5%. Nationwide, Victim Assistance Formula grants fell to approximately \$779 million in 2024, down from a peak of more than \$1.4 billion in 2022.

This lack of sustained support — the recent significant cut comes after a high of \$1.2 billion just two years ago in 2022 — prevents victims from getting necessary and consistent support and victims support organizations from tendering services.



These programs must find a sustainable funding source in order for Americans to access necessary services. This support not only helps victims and their families, but it also helps the economy by preventing further harm, helping people return to work, and relieving individual taxpayer burden.

The Gun Industry's Burden on Taxpayers



\$12.6 billion
estimated annual cost of gun violence to taxpayers

\$9 billion
estimated annual revenue generated by the civilian gun industry

How does the public pay for gun violence?

- | | |
|-------------------|---------------------|
| mental healthcare | emergency transport |
| criminal justice | medical care |
| policing | research |

Community Violence Intervention Funding Background

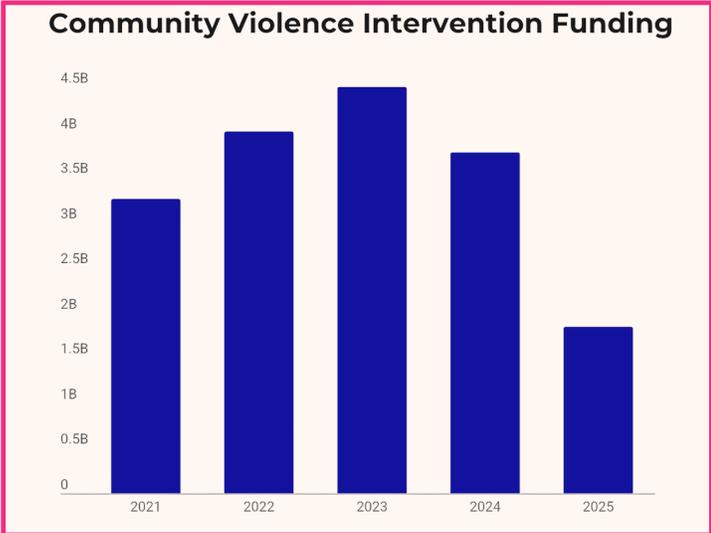


Key Takeaways:

- Community violence intervention (CVI) focuses on preventing violence before it happens by addressing root causes
- Its one of the most proven gun violence reduction strategies
- Hundreds of millions in CVI funding were cut under the Trump Administration

Like direct victims services, community violence intervention (CVI) is proven and life-saving programming.

CVI programs take a preventative, instead of a reactive, approach to stopping gun violence by providing targeted services to individuals most at risk of being a victim of or committing an act of gun violence. Services are tailored to the local community and are often run by community members. Mentorship, job training, community events, mediation, group counseling, and individual therapy are just some of the ways CVI saves lives.



While victims services mitigate harm already caused, CVI reduces strains on the system by stopping victimization before it occurs. Together, they help to break cycles of violence and create the conditions needed to make people and communities safer.

CVI funding typically comes from federal, state, and local governments, but can also come from philanthropic organizations. CVI had a historic level of investment from the federal government under the Biden administration, including approximately \$94 million

in supplemental Community Violence Intervention and Prevention Initiative (CVIPI) grants provided through an allocation in the Bipartisan Safer Communities Act (BSCA). In the following years, there was an immediate observed impact, including historically low violent crime.

This downward trend in violence is imperiled after the Trump administration unilaterally cancelled roughly \$500 million in grants in April 2025.

Due to the volatility of the current administration and its friendly position with the corporate interests of the gun industry, community violence prevention has an immediate and critical need for funding.

Public Safety Funding Cuts

community violence prevention

\$205 million

law enforcement support, training, & safety

\$82 million

correctional reform & institutional safety

\$81 million

juvenile justice and youth development

\$75 million

victims assistance

\$66 million

substance abuse & recovery

\$58 million

mental health & crisis response

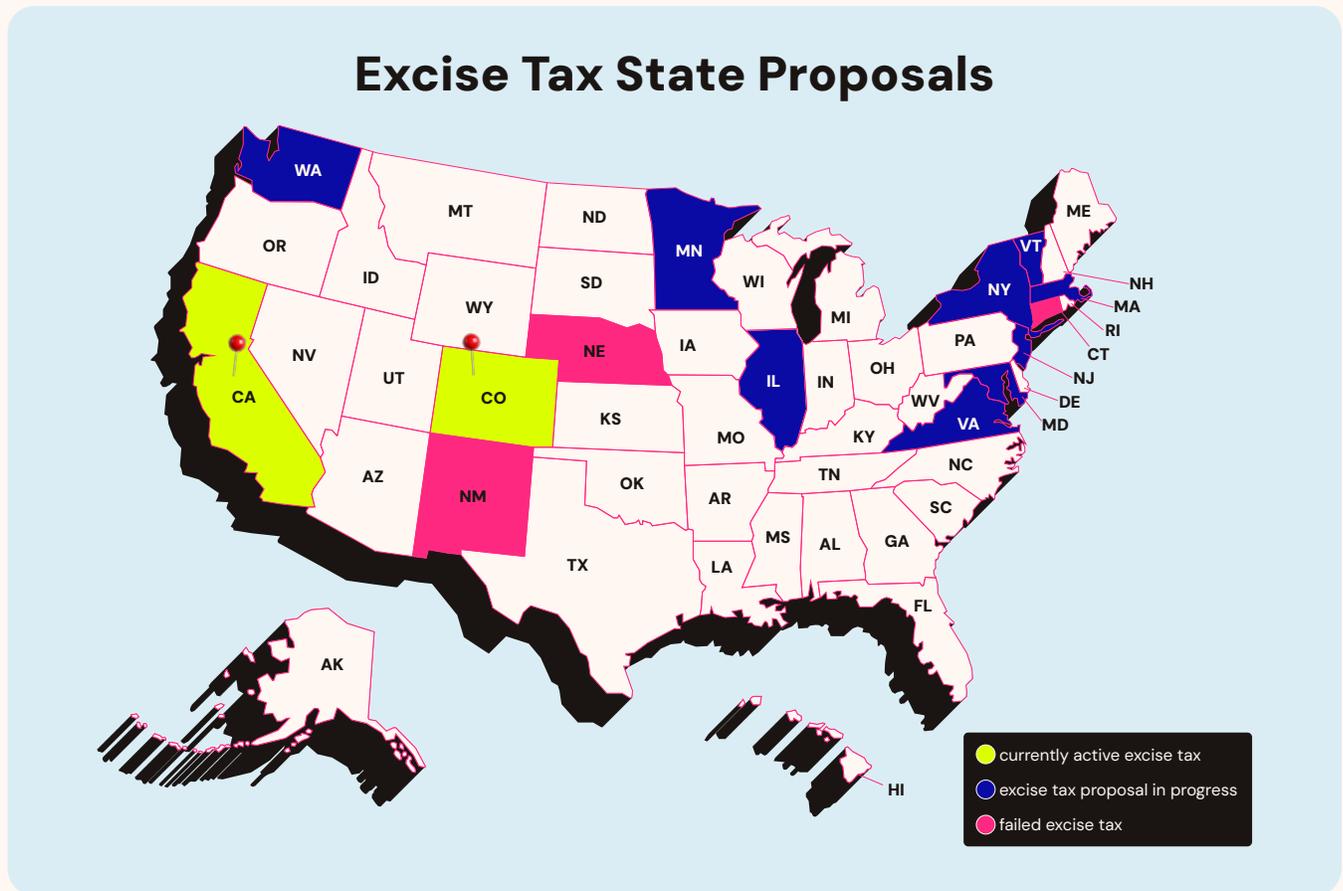
\$29m

school violence prevention

\$24m

* Data from The Trace. The funding cuts represented here are just a fraction of the total grant dollars that were cut under the Trump administration in 2025. The administration has terminated, redirected, or delayed more than \$1 billion in federal grants related to gun violence, public safety, mental health, and other efforts to save lives.

Gun Business Tax Policy Proposals Overview



A number of gun business tax proposals are either in process, have been enacted, or have failed in just the last two legislative sessions at the state-level. These proposals vary significantly in detail, scope, justification, and reception.

It's also important to note that gun business taxes can also be implemented at local levels. Cook County, Illinois (Chicago area) and two Washington jurisdictions (Tacoma and Seattle) have implemented gun business taxes to fund community safety programs.

The state and local policies and policy proposals are detailed in the following tables. Evaluating trends in successes and failures could lead to a more comprehensive policy roadmap for state legislators and groups to utilize.

Current Policies and Positions by Jurisdiction:

SUCCEEDED

| Jurisdiction | Legislation | Tax Rate | Allocation | Status | VAF Grant Shortfall 2023-24 | CVIPI Funding Change 2023-24 <small>(pre 4/24 funding cuts)</small> |
|-----------------|------------------|---|--|---------------------------|-----------------------------|--|
| CA | CA AB 28 | 11% of gun & accessory sales | <ul style="list-style-type: none"> • CVI • School safety programs • Court-based gun relinquishment for criminals • Law enforcement gun investigations | Effective July 1, 2023 | -\$66,709,850 | -7.42% (-\$801,413) |
| CO | Proposition KK | 6.5% of gun & accessory sales | <ul style="list-style-type: none"> • Crime victims services • Veterans mental health services • Children and youth behavioral health • Crisis response system • School security | Effective April 1, 2025 | -\$9,876,675 | n/a - first funds (\$1,999,702) |
| Cook County, IL | | \$25 for each gun and 1-5 cents per round of ammunition | | Effective April 1, 2013 | | |
| Seattle, WA | Ordinance 124833 | \$25 for each gun and 2-5 cents per round of ammunition | <ul style="list-style-type: none"> • Public safety • Gun violence prevention | Effective January 1, 2016 | | |
| Tacoma, WA | Ordinance 28624 | \$25 for each gun and 2-5 cents per round of ammunition | <ul style="list-style-type: none"> • Public safety • Gun violence prevention | Effective July 1, 2020 | | |

Current Policies and Positions by Jurisdiction:

IN PROGRESS

| State | Bill | Tax Rate | Allocation | Status | VAF Grant Shortfall 2023-24 | CVIPI Funding Change 2023-24 (pre 4/24 funding cuts) |
|-------|--|--|--|---|-----------------------------|--|
| IL | Proposed Bill No. IL HB 1177 | 3.75% surcharge on guns and gun component parts | <ul style="list-style-type: none"> State and Local Sales Tax Reform Fund County and Mass Transit District Fund | <p>Introduced on January 9, 2025</p> <p>Re-referred to Rules Committee</p> | -\$21,531,414 | +294.32% (\$7,386,691) |
| MA | Proposed Bill No. MA HB 3082 | <ul style="list-style-type: none"> 4.75% of the wholesale value of such gun sold or supplied \$1,000 penalty for failure to report sales return \$75 of the \$100 application fee for selling application | <ul style="list-style-type: none"> Public Health and Safety Fund (community-based public health interventions, gun violence prevention research, services for gun violence survivors and family members) State general fund Guns Fingerprint Identity Verification Fund | <p>Referred to Joint Committee on Revenue</p> <p>Reporting date extended to February 20, 2026</p> | -\$11,865,090 | -77.56% (-\$6,902,812) |
| MD | Proposed Bill No. MD SB 118 | 11% of gross receipts from gun sales | <ul style="list-style-type: none"> Maryland Violence Intervention Program, Center for Gun Violence Prevention Coordinated Community Supports Partnership Survivors of Homicide Victims Program Trauma Physician Services Fund The Cowley Shock Trauma Center | Introduced on January 16, 2025 | -\$10,479,618 | -100% (\$4,000,000) |
| MN | Gov. Tim Walz' Gun Violence Prevention Package | 10% tax on the sale of handguns and 11% tax on sales of long guns and ammunition. | Funding for a new primary auditor to identify, educate and register unregistered retailers | Gov. Walz announced the package on Feb. 24, 2026. | | |

Current Policies and Positions by Jurisdiction:

IN PROGRESS

| State | Bill | Tax Rate | Allocation | Status | VAF Grant Shortfall 2023-24 | CVIPI Funding Change 2023-24 (pre 4/24 funding cuts) |
|-------|-------------------------------|--|---|---------------------------------|-----------------------------|--|
| NJ | Proposed Bill No. NJ S 2306 | 2.5% of gross receipts from retail sales of guns and 10% of gross receipts from retail sales of ammunition | State treasury | Introduced on January 13, 2026 | -\$15,731,731 | 0% (\$0) |
| NY | Proposed Bill No. NY SB S5813 | 11% of guns and ammunition sales | <ul style="list-style-type: none"> • Gun violence prevention • School Safety Fund | Introduced on March 3, 2025 | -\$33,796,162 | +304.17% (+ \$9,024,594) |
| VT | Proposed Bill No. VT HO418 | 11% excise tax of retail sale of guns, gun precursor parts, and ammunition | Domestic and Sexual Violence Special Fund | Introduced on February 27, 2025 | -\$1,102,725 | n/a |

Current Policies and Positions by Jurisdiction:

FAILED

| State | Bill | Tax Rate | Allocation | Status | VAF Grant Shortfall 2023-24 | CVIPI Funding Change 2023-24 (pre 4/24 funding cuts) |
|-------|--|--|--|--|-----------------------------|--|
| CT | Proposed Bill No. CT 5653 | 2¢/round for single projectile ammunition and 5¢/ round for all other ammunition | Community gun violence prevention & intervention program | Introduced on January 14, 2026 died in committee | -\$6,204,812 | -100% (-\$1,834,829) |
| NE | Proposed Bill No. NE LB 65 | 5% of the retail sale of ammunition | <ul style="list-style-type: none"> Property Tax Credit Cash Fund Wildlife Management Grant Program Fund Post-Traumatic Stress Disorder Grant Program Fund | Failed on August 20, 2024 | -\$3,333,199 | n/a - first funds (-\$2,000,000) |
| NM | Proposed Bill No. NM SB 90 | 11% of the gross receipts from gun and ammunition | <ul style="list-style-type: none"> Crime Victims Reparation Fund Family Representation and Advocacy Fund | Introduced on January 17, 2024 died in chamber | -\$3,602,176 | n/a |
| VA | Proposed Bill No. VA HB 919 Proposed Bill No. VA SB 763 | 11% of the gross receipts from the retail sale of any gun or ammunition | Virginia Gun Violence Intervention and Prevention Fund | House bill introduced on January 13-14, 2026 Senate substitute introduced on February 3, 2026 Assembly ended its session without voting on the bills | -\$14,739,250 | 100% (-\$2,000,000) |
| WA | Proposed Bill No. WA HB 1386 | 11% of guns, gun parts, and ammunition sales | <ul style="list-style-type: none"> Suicide prevention Gun-related domestic violence reduction Victims services | Introduced on January 20, 2025 Legislature adjourned March 12, 2026 without acting on the bill | -\$13,219,008 | 100% (-\$8,000,000) |

Resources

The following pages contain resources to help you develop learn about the history of excise tax proposals, how to draft a robust excise tax proposal, and how to communicate successfully about excise taxes.

Contents include:

- Opposition and Legal Challenges
- Rhetoric vs. Reality
- Policy Checklist
- Communication Guidelines

For additional support and to further engage, please visit <https://guns-down.org/tax>.

Opposition and Legal Challenges

New York State Rifle & Pistol Association, Inc. v. Bruen was decided in 2022. The landmark U.S. Supreme Court case set a precedent that gun regulations must be consistent with the nation's historical tradition of firearm regulation, changing the course of firearms regulation. The Bruen decision inspired a wave of lawsuits against gun restrictions, and federal courts have ruled on over 2,000 such challenges.

By requiring a historical basis for firearm regulation, Bruen has changed the landscape for gun rights. Though many lawsuits have been filed with *Bruen* as their basis, excise taxes have largely stood up to the legal test. Analyzing litigation against excise taxes can help strengthen future policy proposals.

PREVIOUSLY DECIDED

Cook County, Illinois

- Struck down by IL Supreme Court
- County modified tax language to specify allocation to gun violence prevention resources
- Despite the change, a Cook County judge said the IL Supreme Court's ruling still stands
- A spokesperson from Cook County said the tax remains enforceable and the county is continuing collection of the tax
- Guns Save Lives, who brought the original suit, is looking to bring the issue to the Supreme Court



Seattle, Washington

- NRA and other anti-gun reform groups sued Seattle, arguing the tax violated a WA law prohibiting cities from regulating firearms
- WA Supreme Court upheld the tax, ruling that taxation is different from regulation



PENDING LITIGATION

California

- NRA and other anti-gun reform groups filed a lawsuit against Nicolas Maduros, Director of the CA Dept. of Tax and Fee Administration, claiming unconstitutionality under *Bruen*
- Maduros objected that the lawsuit was legally insufficient because the court lacked jurisdiction and plaintiffs lacked standing
- The plaintiffs withdrew their lawsuit to avoid losing on the procedural grounds
- Plaintiffs' lawyer CA setting the excise tax at 11%, made it difficult for plaintiffs to argue that it was clearly designed to discriminate against gun owners
- Plaintiffs plan on returning to court after exhausting other options



Colorado

- The day before the excise tax went into effect, the NRA and other anti-gun reform organizations sued to stop the tax
- Plaintiffs contend that the tax violates the Second Amendment, and is unconstitutional under *Bruen*
- The Colorado Department of Revenue requested that the lawsuit be thrown out



Rhetoric vs. Reality

| Rhetoric | Reality |
|--|---|
| <p>“This is a punitive tax on law-abiding gun owners.”</p> | <ul style="list-style-type: none"> • Gun violence imposes an economic cost that society bears and taxpayers cover. <ul style="list-style-type: none"> • Gun ownership is linked to higher homicide rates, higher suicide rates, especially for children and veterans, and higher violent crime in homes and communities. • The tax is also levied on the business, not the consumer. It is up to the business to absorb the cost they create or make it a burden to consumers. • Depending on allocation, the entire public, including gun owners, can benefit from the tax (because of its use to prevent and contain crimes, provide services to crime victims, or fund wildlife). |
| <p>“It violates the Second Amendment.”</p> | <p>Courts including <i>Sonzinsky v. U.S.</i> (1937) have upheld excise taxes, including the federal guns excise tax, as valid exercises of Congress’s taxing power</p> |
| <p>“It won’t stop criminals and only punishes legal buyers.”</p> | <ul style="list-style-type: none"> • Both VOCA funds and CVI funds are or can be used for violence prevention initiatives <ul style="list-style-type: none"> • Violence prevention ultimately reduces the overall burden on victims services, communities, and taxpayers • Violence prevention programs have been found to be some of the most effective uses of dollars <ul style="list-style-type: none"> • Cure Violence in NYC showed a ~14% reduction in shootings and a benefit-cost ratio of 6.5:1. • In Pennsylvania, higher investment in violence intervention was correlated to higher homicide clearance rates (criminal cases closed by law enforcement), with 2021–2023 having a national clearance rate of 5%, and Pittsburgh and Philadelphia’s clearance rates at 13% and 22% respectively. |
| <p>“It’s regressive and hurts low-income people most.”</p> | <p>Tax proceeds are often invested in programs benefiting communities disproportionately impacted by gun violence.</p> |
| <p>“It’s just a money grab by politicians.”</p> | <p>For the federal excise tax and in states where the tax has been passed — see California and Colorado — funds are legally earmarked (e.g. trauma care, mental health, school safety), not absorbed into general revenue—ensuring accountability in spending per legislative intent.</p> |
| <p>“It opens the door to taxing other constitutional rights.”</p> | <p>Courts distinguish between regulating access to a right and taxing commercial transactions. Gun taxes apply to transactions—not prohibitive fees on exercising the right itself. Supreme Court precedent doesn't treat them as infringements.</p> |
| <p>“It will destroy small gun shops.”</p> | <p>Many state policies include exclusions for businesses of certain sizes or sales levels. This is an option to make the tax less potentially harmful to small businesses.</p> <p>It bears noting that being small does not make a business harmless. If a product imposes measurable costs on society, the businesses profiting from it should help pay for those costs, regardless of size. Further, where excise taxes have been implemented, there is currently no evidence that it has closed gun shops.</p> |
| <p>“It duplicates the federal gun excise tax.”</p> | <p>The federal tax funds wildlife conservation under Pittman–Robertson. In contrast, state/local excise taxes focus on human-centered services (e.g., trauma care, violence prevention), with clear non-duplication in use.</p> |

Policy Checklist

- Clear explanation of tax purpose
 - Document the economic cost of gun violence in-state
 - Document funding shortfalls for programs that will receive revenue from the tax
 - Establish a rational basis for taxation based on this gap
- Tax is applied to businesses, not consumers
 - Policy must be levied on manufacturers, wholesalers, or retail sellers
 - Clarify that the policy is a revenue measure and not a regulatory restriction on firearm ownership
- Clearly defined tax base
 - Choose a clear taxing mechanism, which can be one or multiple of the following dependent on your funding needs:
 - % of gross receipts
 - % of wholesale value
 - Flat per-firearm tax
 - Per-round ammunition tax
 - Tiered or progressive model
 - Ensure rate is moderated
 - Set a defensible rate under historical precedent (typically under 11% on firearms sales) to avoid “prohibitive tax” claims
- Revenue modeling
 - Provide an estimated projected annual revenue or range based on seasonally adjusted firearms sales trends
 - Ensure tax base can credibly meet the gap through this modeling
 -  Reach out to Guns Down America for support on revenue modeling!
- Explicit earmarking of funds and quantified allocation
 - Be specific, avoiding vague language or allocations. For example:
 - Percent allocations by fund type (40% CVI, 40% victims services, 10% mental health, 10% veterans support)
 - Establish through an existing state infrastructure
 - Revenues going to existing programs helps build voter and legislator confidence
 - Included detailed use of categories
 - Establish a separate statutory fund to ensure revenue is protected and properly allocated
 - Consider adding reporting requirements or criteria to increase accountability
- Clear plans for oversight
 - Include reporting requirements and compliance penalties for non-reporting retailers
 - Define what departments are responsible for enforcement and how it will be conducted
- Additional considerations
 - Small business exemptions can help reduce the revenue impact on smaller retailers
 - Low-income community exemptions can prevent the tax from making firearms purchase prohibitive if this is a concern
 - Consider excluding law enforcement sales to prevent additional tax burden
 - Product language
 - Firearm: Use this language instead of “gun” or “rifle”
 - Ammunition: Use this language instead of “ammo” or “projectiles”

Communication Guidelines

Below are insights on messaging frames that have helped increase understanding and support for gun excise tax policies. These frames can help inform both the policy formulation and public messaging.

PRIMARY POSITIONING

The gun business tax is a funding stabilization measure designed to **save community safety programs** that break cycles of violence. It ensures the gun industry shares some financial responsibility for the significant economic impact associated with gun violence.

This policy is structured as a revenue measure, **not a restriction on lawful gun ownership**. Its purpose is to stabilize and strengthen programs that are already improving community safety including community violence intervention, victims services, mental health, veterans services, and school safety.

KEY TAKEAWAYS

When crafting strong messaging for this policy, it should be...

Focused on saving community programs

There is a serious lack of funding for life-saving community safety services that make our neighborhoods better, safer places. This tax ensures the gun business shares the responsibility for offsetting the impact of violent crimes by keeping these programs viable.

Solutions-first

Bills that focus on what the tax will solve—alleviating tax burden while saving proven community programs—often demonstrate greater resonance with supporters over messaging that focuses only on the problem.

Specific

Ensure your allocation is specific, clearly communicated, and routed to existing programs. For example, Bills that failed often lacked specificity for where the revenue would be routed. Prop KK is an example of a bill that succeeded in large part because of the communication around saving existing programs and the specificity of how those programs would be supported through the policy.

Familiar

The existing programming language could be key for some voting blocks. Allocations that go to programs that have demonstrated past success help shape a better policy and make it easier to communicate the benefits to voters.

Localized

Meet the social needs and voter priorities of your specific state or locales. For example, Prop KK was led predominantly by organizations working in domestic violence, but a survey they ran showed that Colorado voters better understood the policy when it was formulated around popular issues they understood and supported. The policy then grew to include mental health funding, veteran's support, and school safety.

Communication Guidelines

PRIMARY MESSAGING

Primary messaging should be crafted around the specifics of the policy. When crafting your communications, make sure you're answering the following...

- ↳ **What is being funded?**
- ↳ **Why is this important for your state or community?**
- ↳ **What do you stand to lose if this policy does not pass?**

SUPPORTING MESSAGING

Supporting messaging points that can be used in coordination with the policy specifics include...

Saving community safety programs

The gun business tax creates a dedicated, reliable funding stream for violence prevention, victim services, mental health support, veterans' services, and school safety initiatives. Instead of leaving these essential programs vulnerable to budget cuts and political cycles, it ensures consistent investment in community safety over the long term.

Relieving pressure on taxpayers and local budgets

Cities and states currently absorb the bulk of costs tied to gun-related injuries — from emergency response and trauma care to long-term disability services and law enforcement. This policy helps offset those expenses, easing strain on local budgets and reducing the need to divert funds from schools, infrastructure, and other essential services.

Ensuring shared responsibility for the costs of gun violence

- The gun business tax restores fairness by requiring businesses to offset a small fraction of the costs associated with consumer access to guns.
- This policy asks the industry to contribute in a measured way to the community safety services that benefit everyone — gun owners and non-gun owners alike.
- Taxpayers shoulder a significant part of the economic impact of gun violence.

Communication Guidelines

✓ MESSAGING DOs

- Emphasize that the tax applies to commercial gun sales, not individual ownership.
- Highlight historical precedent for industry-specific excise taxes tied to public costs.
- Stress that revenue supports existing, widely backed community safety programs.
- Focus on stabilizing long-term funding for prevention and victim services.
- Frame the policy as offsetting documented public costs currently borne by taxpayers.
- Use “shared responsibility” language rather than punitive framing.
- Underscore that funds are dedicated and protected for safety-related purposes.
- Describe it as a sustainable, predictable funding stream.
- Be clear that this is a business-level excise tax, not a tax on lawful gun owners.

✗ MESSAGING DON'Ts

- Avoid framing the policy as a penalty or punishment.
- Do not characterize it as targeting lawful gun owners.
- Avoid language suggesting ownership restrictions or access limitations.
- Do not describe it as “gun control.”
- Avoid zero-sum framing (e.g., “us vs. them” or industry vs. consumers).
- Do not suggest the tax is designed to reduce lawful sales.
- Avoid overstating claims or using emotionally charged statistics without context.

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