

Gun Business Tax Overview

What is the gun business tax?

The gun business tax (or firearm 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 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 gun 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