

Gun Business Tax 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> |