
reason why careful shooters who obey all applicable laws should subsidize the results of violent criminal conduct. There is no connection between the two.

CONCLUSION

Whether a firearm is used responsibly or irresponsibly is completely dependent upon the user. **These tax proposal plans would compel careful shooters, who pride themselves on lawful and safe gun handling, to subsidize not only careless shooters, but those who intentionally prey upon others with guns used illegally. It is a total inversion of responsibility.** Many illegal gun users are habitual criminals, mentally defective, or drug abusers, all of whom are already legally prohibited from owning firearms. It makes no sense to tax the lawful owners to subsidize the activities of unlawful users. These taxes amount to a form of "absolute liability" on the part of firearms manufacturers for any use of their products, without the existence of any defect. This thoroughly discredited legal theory has been thrown out by all courts considering it as violating fundamental notions of justice and personal responsibility.

The illegal use of firearms by criminals is a tremendously serious problem, but to impose the cost of this intentional wrongdoing upon those who obey the law and have no control over distant criminal actions is manifestly unfair. Doing so as part of a health care tax scheme reduces the stern societal reprobation against criminal conduct by reducing it to the level of a treatable disease and thus trivializes this serious crime problem.

Some proponents of the excise tax attempt to justify the tax as an attempt to help defray health care costs for uninsured victims of violence. Others are more forthright and state that the purpose is to limit, or in some cases, effectively ban certain types of firearms and ammunition. Neither purpose is an appropriate use of the power to tax.

MEMBERSHIP

Members of the Sporting Arms and Ammunition Manufacturers' Institute include:

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SPORTING ARMS AND AMMUNITION MANUFACTURERS' INSTITUTE, INC.

EXCISE TAXES ON FIREARMS AND AMMUNITION

Background Paper #4

INTRODUCTION

Recently, several bills have been introduced in Congress, including S.1798 by Sen. Bradley, NJ and S.178 by Sen. Moynihan, NY, to significantly increase the current excise taxes on firearms and ammunition.

Two rationales are provided for these proposed increases:

1. To limit or, in some cases, to effectively prohibit the purchase of certain types of firearms and ammunition as a means of "gun control;"
2. To pay for the health care of uninsured victims of violent crime.

The members of the Sporting Arms and Ammunition Manufacturers' Institute (SAAMI) believe that to tax the legitimate user of a product—whether that product is a firearm, an automobile, an alcoholic beverage or a telephone—to pay for the damages inflicted by the criminal use of that product is an illogical, if not unprecedented, concept in America.

The Sporting Arms and Ammunition Manufacturers' Institute proposed and actively supported passage of the current 10% and 11% excise taxes on sporting firearms and ammunition to support conservation, wildlife management and firearms safety programs. However, this organization believes there can be no rational argument for the proposed increases, **which would, in effect, subsidize the consequences of criminal activity, rather than seek to curb its existence.** The members of SAAMI actively support meaningful efforts to reduce violence and crime within our society. Prohibitive excise taxes on the purchase of firearms and ammunition would not reduce crime. On the contrary, it would:

- ◆ Misdirect responsibility for violent crime away from the criminal.

- ◆ Penalize those millions of law abiding citizens who use firearms safely and wisely while having no deterrent effect on crime or violence.
- ◆ Improperly use the system of taxation as an indirect means of impeding or eliminating the sale of a consumer product.
- ◆ Result in reduced funds being available for current firearms safety, conservation and wildlife management programs, all of which have been notably successful.

THE PROPOSED EXCISE TAX INCREASES ARE OFF-TARGET

Violence and crime is an issue of concern to all Americans—none more so than the millions of law abiding citizens who use firearms for legitimate purposes such as sport, hunting, collecting and personal protection. An excise tax on the purchase of firearms and ammunition, however, would penalize the millions of consumers who historically are one of the most law abiding groups in the nation in order to pay for the consequences of the acts of the criminal few.

Less than 1% of firearms purchased lawfully from licensed dealers at retail are ever involved with any human gunshot wounds, whether accidental or intentional. Target shooters, who consume the most ammunition per capita, are not the group that causes crime, but would bear an inordinate share of any ammunition tax.

CONSERVATION AND FIREARMS SAFETY WILL SUFFER

In 1937, the sporting firearms and ammunition industry voluntarily imposed upon itself an 11% excise tax on firearms and ammunition, with revenues going toward wildlife conservation. This tax was expanded to handguns in 1970, again at our industry's request, with a portion of the proceeds available for firearms safety training.

The firearms and hunter safety education programs funded by this existing tax have been remarkably successful. Approximately 650,000 people per year attend courses in hunter safety and firearms safety supported by these funds. These programs are largely responsible for a 40% decrease in accidental firearms fatalities over the past two decades. **These programs have, thus, obviously directly resulted in injury prevention, a much more efficient and beneficial result than subsidizing the cost of injuries once they occur.**

Inevitably, an additional excise tax will raise prices, decrease sales, and thereby diminish existing conservation and safety revenues, seriously impacting worthwhile measures which benefit all outdoor users, both shooters and non-shooters alike. **The Strategic Planning Institute of Boston, Mass., has estimated that a 30% excise tax, as currently proposed by Sen. Bradley, would result in an overall loss of tax revenue to these existing conservation and safety programs of approximately 10%.**

THE TAX IS A SUBSIDY FOR CRIMINAL ACTS

In reality, the proposed excise tax is no more than a subsidy for criminal, reckless, negligent, or careless acts by persons, who in most instances, have no legal right even to be in possession of the product. Most major cities already have severe gun laws, which place severe restrictions upon licensed firearms ownership. The persons who comply with these laws are not the cause of firearm-related violence. The criminals simply ignore all laws. The SAAMI member companies do not direct their advertising and promotional activities to criminal users, but instead stress and depict the intended use of their products in legitimate sporting and personal protection activities. Criminal use of firearms and ammunition represent the most infinitesimal fraction of the many billions of rounds fired each year by recreationists. **There is no**