

# SENATE BILL 118

Q7, E4, J1

(PRE-FILED)

6lr0970

CF HB 197

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By: Senator Benson

Requested: September 25, 2025

Introduced and read first time: January 14, 2026

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

### 2 **Comprehensive Community Safety Funding Act**

3 FOR the purpose of imposing an excise tax on certain gross receipts of certain firearms  
4 dealers derived from the sales of firearms, firearm accessories, and ammunition in  
5 the State and sales of firearms to residents of the State; and generally relating to a  
6 tax on gross receipts derived from sales of firearms, firearm accessories, and  
7 ammunition.

8 BY repealing and reenacting, without amendments,

9 Article – Education

10 Section 7–447.1(p)(2)

11 Annotated Code of Maryland

12 (2025 Replacement Volume and 2025 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – Education

15 Section 7–447.1(p)(6)

16 Annotated Code of Maryland

17 (2025 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, without amendments,

19 Article – Health – General

20 Section 19–130(b)(1)

21 Annotated Code of Maryland

22 (2023 Replacement Volume and 2025 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article – Health – General

25 Section 19–130(c)

26 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2023 Replacement Volume and 2025 Supplement)

2 BY repealing and reenacting, without amendments,  
3 Article – Public Safety  
4 Section 4–902(a), 5–101(a) and (h), and 5–133.1(a)  
5 Annotated Code of Maryland  
6 (2022 Replacement Volume and 2025 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Article – Public Safety  
9 Section 4–902(e)(1)  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, without amendments,  
13 Article – Tax – General  
14 Section 1–101(a) and 13–508(b)  
15 Annotated Code of Maryland  
16 (2022 Replacement Volume and 2025 Supplement)

17 BY adding to  
18 Article – Tax – General  
19 Section 1–101(h–1); 2–4B–01 and 2–4B–02 to be under the new subtitle “Subtitle 4B.  
20 Firearm, Firearm Accessory, and Ammunition Excise Tax Revenue  
21 Distribution”; 7.7–101 through 7.7–301 to be under the new title “Title 7.7.  
22 Firearm, Firearm Accessory, and Ammunition Excise Tax”; and  
23 13–201(4)(xx), 13–825(j), and 13–1001(h)  
24 Annotated Code of Maryland  
25 (2022 Replacement Volume and 2025 Supplement)

26 BY repealing and reenacting, with amendments,  
27 Article – Tax – General  
28 Section 2–102(a), 13–201(4)(xviii) and (xix), 13–508(a) and (c), 13–509, and 13–1002  
29 Annotated Code of Maryland  
30 (2022 Replacement Volume and 2025 Supplement)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
32 That the Laws of Maryland read as follows:

33 **Article – Education**

34 7–447.1.

35 (p) (2) There is a Coordinated Community Supports Partnership Fund.  
36 (6) The Fund consists of:

1 (i) Money appropriated in the State budget to the Fund;

2 (ii) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF**  
3 **THE TAX – GENERAL ARTICLE;**

4 (III) Interest earnings; and

5 [(iii)] (IV) Any other money from any other source accepted for the  
6 benefit of the Fund.

7 **Article – Health – General**

8 19–130.

9 (b) (1) There is a Maryland Trauma Physician Services Fund.

10 (c) The Fund consists of:

11 (1) Motor vehicle registration surcharges paid into the Fund in accordance  
12 with § 13–954(b)(2) of the Transportation Article;

13 (2) At least 20% of the fines collected under § 21–902(a)(1), (b)(2), (c)(2),  
14 and (d)(1) of the Transportation Article; [and]

15 (3) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF THE**  
16 **THE TAX – GENERAL ARTICLE; AND**

17 (4) Any other money transferred from the General Fund of the State.

18 **Article – Public Safety**

19 4–902.

20 (a) There is a Maryland Violence Intervention and Prevention Program Fund.

21 (e) (1) The Fund consists of:

22 (i) money appropriated in the State budget to the Fund;

23 (ii) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF**  
24 **THE TAX – GENERAL ARTICLE;**

25 (III) investment earnings of the Fund; and

26 [(iii)] (IV) money from any other source accepted for the benefit of  
27 the Fund.

1 5–101.

2 (a) In this subtitle the following words have the meanings indicated.

3 (h) (1) “Firearm” means:

4 (i) a weapon that expels, is designed to expel, or may readily be  
5 converted to expel a projectile by the action of an explosive;

6 (ii) the frame or receiver of such a weapon; or

7 (iii) an unfinished frame or receiver, as defined in § 5–701 of this title.

8 (2) “Firearm” includes a starter gun.

9 5–133.1.

10 (a) In this section, “ammunition” means a cartridge, shell, or any other device  
11 containing explosive or incendiary material designed and intended for use in a firearm.

## 12 Article – Tax – General

13 1–101.

14 (a) In this article the following words have the meanings indicated.

15 **(H–1) “FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX”**  
16 **MEANS THE TAX IMPOSED UNDER TITLE 7.7 OF THIS ARTICLE.**

17 2–102.

18 (a) In addition to the duties set forth elsewhere in this article and in other articles  
19 of the Code, the Comptroller shall administer the laws that relate to:

20 (1) the admissions and amusement tax;

21 (2) the boxing and wrestling tax;

22 (3) the digital advertising gross revenues tax;

23 (4) **THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE**  
24 **TAX;**

25 (5) the income tax;

- 1                   [(5)] (6)     the Maryland estate tax;
- 2                   [(6)] (7)     the Maryland generation-skipping transfer tax;
- 3                   [(7)] (8)     the motor carrier tax;
- 4                   [(8)] (9)     the motor fuel tax;
- 5                   [(9)] (10)    the sales and use tax; and
- 6                   [(10)] (11)   the savings and loan association franchise tax.

7                   **SUBTITLE 4B. FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX**  
8                   **REVENUE DISTRIBUTION.**

9                   **2-4B-01.**

10                  **FROM THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX**  
11                  **REVENUE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO**  
12                  **ADMINISTER THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX**  
13                  **LAWS TO AN ADMINISTRATIVE COST ACCOUNT.**

14                  **2-4B-02.**

15                  **(A) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 2-4B-01 OF**  
16                  **THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE REMAINING FIREARM,**  
17                  **FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX REVENUE AS FOLLOWS:**

18                  **(1) 26% TO THE MARYLAND VIOLENCE INTERVENTION AND**  
19                  **PREVENTION PROGRAM FUND ESTABLISHED UNDER § 4-902 OF THE PUBLIC**  
20                  **SAFETY ARTICLE;**

21                  **(2) 26% TO THE CENTER FOR FIREARM VIOLENCE PREVENTION AND**  
22                  **INTERVENTION WITHIN THE MARYLAND DEPARTMENT OF HEALTH;**

23                  **(3) 20% TO THE COORDINATED COMMUNITY SUPPORTS**  
24                  **PARTNERSHIP FUND ESTABLISHED UNDER § 7-447.1 OF THE EDUCATION ARTICLE;**

25                  **(4) 20% TO THE SURVIVORS OF HOMICIDE VICTIMS GRANT**  
26                  **PROGRAM WITHIN THE GOVERNOR'S OFFICE OF CRIME PREVENTION AND POLICY;**

27                  **(5) 4% TO THE MARYLAND TRAUMA PHYSICIAN SERVICES FUND**  
28                  **ESTABLISHED UNDER § 19-130 OF THE HEALTH - GENERAL ARTICLE; AND**

(6) 4% TO THE R ADAMS COWLEY SHOCK TRAUMA CENTER AT THE  
UNIVERSITY OF MARYLAND MEDICAL SYSTEM.

**6 TITLE 7.7. FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX.**

## **SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.**

8 7.7-101.

9 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
10 INDICATED.

11 (B) "AMMUNITION" HAS THE MEANING STATED IN § 5-133.1 OF THE PUBLIC  
12 SAFETY ARTICLE.

13 (C) "FEDERALLY LICENSED FIREARMS DEALER" MEANS A PERSON  
14 LICENSED BY THE FEDERAL BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND  
15 EXPLOSIVES TO DEAL IN FIREARMS.

16 (D) "FIREARM" HAS THE MEANING STATED IN § 5-101 OF THE PUBLIC  
17 SAFETY ARTICLE.

18 (E) "FIREARM ACCESSORY" MEANS:

19 (1) A MAGAZINE OR MAGAZINE LOADER:

20 (2) A FIREARM SCOPE OR OPTIC;

21 (3) A STOCK:

22 (4) A GRIP:

## 23 (5) A HANDGUARD:

26 (7) A FIREARM SILENCER AS DEFINED UNDER § 5-621 OF THE  
27 CRIMINAL LAW ARTICLE.

4 (I) THE COST OF THE PROPERTY SOLD;

5 (II) THE COST OF THE MATERIALS USED, LABOR OR SERVICE  
6 COST, INTEREST PAID, LOSSES, OR ANY OTHER EXPENSE; OR

7 (III) THE COST OF TRANSPORTATION OF THE PROPERTY.

**9 (I) CASH DISCOUNTS ALLOWED AND TAKEN ON SALES;**

10 (II) THE SALE PRICE OF PROPERTY RETURNED BY CUSTOMERS  
11 WHEN THAT AMOUNT IS REFUNDED IN CASH OR CREDIT UNLESS THE CUSTOMER, IN  
12 ORDER TO OBTAIN THE REFUND, IS REQUIRED TO PURCHASE OTHER PROPERTY AT  
13 A PRICE GREATER THAN THE AMOUNT CHARGED FOR THE PROPERTY THAT IS  
14 RETURNED;

15 (III) THE PRICE RECEIVED FOR LABOR OR SERVICES USED IN  
16 INSTALLING OR APPLYING THE PROPERTY SOLD; OR

17 (IV) THE AMOUNT OF ANY TAX IMPOSED BY THE UNITED STATES,  
18 THE STATE, A COUNTY, OR A MUNICIPAL CORPORATION ON OR WITH RESPECT TO  
19 RETAIL SALES WHETHER IMPOSED ON THE PERSON OR THE CONSUMER.

20 (G) "LARGE RETAILER" MEANS A BUSINESS WHOSE RETAIL FACILITY HAS A  
21 FOOTPRINT OF AT LEAST 20,000 SQUARE FEET.

22 (H) "LAW ENFORCEMENT AGENCY" MEANS:

23 (1) A STATE, COUNTY, OR MUNICIPAL POLICE DEPARTMENT OR  
24 AGENCY;

25 (2) A SHERIFF'S OFFICE; OR

27 (I) "LAW ENFORCEMENT OFFICER" MEANS AN INDIVIDUAL WHO IN AN  
28 OFFICIAL CAPACITY IS AUTHORIZED BY STATE OR FEDERAL LAW TO MAKE ARRESTS

1 AND REQUIRED, AS PART OF THE INDIVIDUAL'S EMPLOYMENT, TO CARRY A  
2 FIREARM.

3 (J) "RETAIL SALE" MEANS A SALE FOR A PURPOSE OTHER THAN RESALE IN  
4 THE REGULAR COURSE OF BUSINESS.

5 **7.7-102.**

6 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION AND  
7 SUBJECT TO SUBSECTIONS (C) AND (D) OF THIS SECTION, AN EXCISE TAX IS IMPOSED  
8 ON THE GROSS RECEIPTS OF A FEDERALLY LICENSED FIREARMS DEALER DERIVED  
9 FROM:

10 (1) THE RETAIL SALE OF FIREARMS, FIREARM ACCESSORIES, AND  
11 AMMUNITION IN THE STATE; AND

12 (2) IN THE CASE OF A FEDERALLY LICENSED FIREARMS DEALER THAT  
13 IS LOCATED OUTSIDE THE STATE, THE RETAIL SALE OF FIREARMS TO RESIDENTS OF  
14 THE STATE.

15 (B) (1) THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION  
16 DOES NOT APPLY TO THE SALE OF A FIREARM, A FIREARM ACCESSORY, OR  
17 AMMUNITION TO:

18 (I) A LAW ENFORCEMENT AGENCY;

19 (II) THE ARMED FORCES OF THE UNITED STATES;

20 (III) THE NATIONAL GUARD; OR

21 (IV) A LAW ENFORCEMENT OFFICER.

22 (2) THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION  
23 DOES NOT APPLY TO THE SALE OF A FIREARM ACCESSORY OR AMMUNITION TO A  
24 RESIDENT OF THE STATE IF THE SALE:

25 (I) IS MADE IN PERSON IN ANOTHER STATE; AND

26 (II) IS NOT REQUIRED TO BE PROCESSED THROUGH A  
27 MARYLAND-BASED FEDERALLY LICENSED FIREARMS DEALER.

4 (I) THE FEDERALLY LICENSED FIREARMS DEALER PAYS  
5 ANOTHER STATE A TAX ON THE SALE OF OR THE GROSS RECEIPTS FROM THE SALE  
6 OF THE FIREARM, FIREARM ACCESSORY, OR AMMUNITION; AND

9 (C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE TAX  
10 IMPOSED UNDER SUBSECTION (A) OF THIS SECTION APPLIES TO:

15 (D) IF THE FEDERALLY LICENSED FIREARMS DEALER IS LOCATED OUTSIDE  
16 THE STATE, THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION APPLIES  
17 ONLY IF THE FEDERALLY LICENSED FIREARMS DEALER, DURING THE PREVIOUS  
18 CALENDAR YEAR OR THE CURRENT CALENDAR YEAR:

19 (1) DERIVES GROSS REVENUE FROM THE SALE OF FIREARMS TO  
20 RESIDENTS OF THE STATE THAT EXCEEDS \$100,000; OR

23 77=103

24 THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX RATE IS  
25 11%.

26 **SUBTITLE 2 RETURNS**

27 77-201

28 (A) A FEDERALLY LICENSED FIREARMS DEALER SHALL COMPLETE, UNDER  
29 OATH, AND FILE WITH THE COMPTROLLER A FIREARM EXCISE TAX RETURN:

11 (B) A PERSON REQUIRED TO FILE A RETURN UNDER THIS SECTION SHALL  
12 FILE WITH THE RETURN AN ATTACHMENT THAT STATES ANY INFORMATION THAT  
13 THE COMPTROLLER REQUIRES TO DETERMINE THE GROSS RECEIPTS DERIVED  
14 FROM THE RETAIL SALES OF FIREARMS, FIREARM ACCESSORIES, AND AMMUNITION  
15 IN THE STATE OR, IN THE CASE OF A FEDERALLY LICENSED FIREARMS DEALER THAT  
16 IS LOCATED OUTSIDE THE STATE, RETAIL SALES OF FIREARMS TO RESIDENTS OF  
17 THE STATE.

18 7.7-202.

19       A PERSON REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS SUBTITLE  
20    SHALL MAINTAIN RECORDS OF THE FIREARMS, FIREARM ACCESSORIES, AND  
21    AMMUNITION SOLD IN THE STATE OR, IN THE CASE OF A FEDERALLY LICENSED  
22    FIREARMS DEALER THAT IS LOCATED OUTSIDE THE STATE, FIREARMS SOLD TO  
23    RESIDENTS OF THE STATE, AND THE BASIS FOR THE CALCULATION OF THE  
24    FIREARM, FIREARM ACCESSORIES, AND AMMUNITION EXCISE TAX OWED.

### **SUBTITLE 3. TAX PAYMENT.**

26 7.7-301.

27 (A) EACH PERSON REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS  
28 TITLE SHALL PAY THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE  
29 TAX IN THE MANNER THAT THE COMPTROLLER REQUIRES WITH THE RETURN THAT  
30 COVERS THE PERIOD IN WHICH THE PERSON SOLD FIREARMS, FIREARM  
31 ACCESSORIES, OR AMMUNITION IN THE STATE OR, IN THE CASE OF A FEDERALLY  
32 LICENSED FIREARMS DEALER THAT IS LOCATED OUTSIDE THE STATE, SOLD  
33 FIREARMS TO RESIDENTS OF THE STATE.

34 (B) IF A CORPORATION OTHER THAN A NONSTOCK, NONPROFIT  
35 CORPORATION IS REQUIRED TO PAY THE FIREARM, FIREARM ACCESSORY, AND

1 AMMUNITION EXCISE TAX, PERSONAL LIABILITY FOR THE TAX AND INTEREST AND  
2 PENALTIES ON THE TAX EXTENDS TO ANY OFFICER OF THE CORPORATION WHO  
3 EXERCISES DIRECT CONTROL OVER ITS FISCAL MANAGEMENT.

4 (C) IF A LIMITED LIABILITY COMPANY OR LIMITED LIABILITY  
5 PARTNERSHIP, INCLUDING A LIMITED PARTNERSHIP REGISTERED AS A LIMITED  
6 LIABILITY LIMITED PARTNERSHIP, IS REQUIRED TO PAY THE FIREARM, FIREARM  
7 ACCESSORY, AND AMMUNITION EXCISE TAX, PERSONAL LIABILITY FOR THE TAX AND  
8 INTEREST AND PENALTIES ON THE TAX EXTENDS TO ANY PERSON WHO EXERCISES  
9 DIRECT CONTROL OVER THE FISCAL MANAGEMENT OF THE LIMITED LIABILITY  
10 COMPANY OR LIMITED LIABILITY PARTNERSHIP.

11 13–201.

12 In this subtitle, “tax information” means:

13 (4) any information contained in:

14 (xviii) a tobacco tax return; [or]

15 (xix) a transportation services assessment return; OR

16 (xx) A FIREARM, FIREARM ACCESSORY, AND AMMUNITION  
17 EXCISE TAX RETURN.

18 13–508.

19 (a) Within 30 days after the date on which a notice of assessment of the  
20 admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax, digital  
21 advertising gross revenues tax, FIREARM, FIREARM ACCESSORY, AND AMMUNITION  
22 EXCISE TAX, income tax, motor carrier tax, motor fuel tax, public service company  
23 franchise tax, financial institution franchise tax, sales and use tax, or tobacco tax is mailed,  
24 a person or governmental unit against which the assessment is made may submit to the  
25 tax collector:

26 (1) an application for revision of the assessment; or

27 (2) except for the public service company franchise tax, if the assessment  
28 is paid, a claim for refund.

29 (b) If a person or governmental unit fails to submit an application for revision or  
30 claim for refund within the time allowed in subsection (a) of this section, the assessment  
31 becomes final.

9 (ii) after the hearing:

1. shall act on the application for revision; and

2. may assess any additional tax, penalty, and interest due;

mail to the person or governmental unit a notice of final

15 13-509.

16 (a) Notwithstanding a person's failure to file a timely application for revision or  
17 claim for refund of an assessment of the admissions and amusement tax, alcoholic beverage  
18 tax, boxing and wrestling tax, digital advertising gross revenues tax, **FIREARM, FIREARM**  
19 **ACCESSORY, AND AMMUNITION EXCISE TAX**, income tax, motor carrier tax, motor fuel  
20 tax, sales and use tax, or tobacco tax under § 13–508(a) of this subtitle, the Comptroller or  
21 the Comptroller's designee may issue an order decreasing or abating an assessment to  
22 correct an erroneous assessment.

23 (b) If action is taken under subsection (a) of this section, the order shall state  
24 clearly the reasons for decreasing or abating the assessment.

25 (c) Any order issued by the Comptroller under subsection (a) of this section shall  
26 be final and not subject to appeal.

27 (d) The Comptroller's refusal to enter an order under subsection (a) of this section  
28 shall be final and not subject to appeal.

29 13-825.

30 (J) THE COMPTROLLER MAY REQUIRE A PERSON SUBJECT TO THE  
31 FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX TO POST SECURITY  
32 FOR THE FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX IN THE  
33 AMOUNT THAT THE COMPTROLLER DETERMINES.

1 13–1001.

2       **(H) A PERSON WHO IS REQUIRED TO FILE A FIREARM, FIREARM ACCESSORY,**  
3 **AND AMMUNITION EXCISE TAX RETURN AND WHO WILLFULLY FAILS TO FILE THE**  
4 **RETURN AS REQUIRED UNDER TITLE 7.7 OF THIS ARTICLE IS GUILTY OF A**  
5 **MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$5,000**  
6 **OR IMPRISONMENT NOT EXCEEDING 5 YEARS OR BOTH.**

7 13–1002.

8       (a) A person who willfully files a false alcoholic beverage tax return **OR A FALSE**  
9 **FIREARM, FIREARM ACCESSORY, AND AMMUNITION EXCISE TAX RETURN** is guilty of  
10 perjury and, on conviction, is subject to the penalty for perjury.

11       (b) A person, including an officer of a corporation, who willfully files a false digital  
12 advertising gross revenues tax return, a false financial institution franchise tax return, a  
13 false public service company franchise tax return, or a false income tax return with the  
14 intent to evade the payment of tax due under this article is guilty of perjury and, on  
15 conviction, is subject to the penalty for perjury.

16       (c) Subsections (a) and (b) of this section apply to the alcoholic beverage, digital  
17 advertising gross revenues, **FIREARM, FIREARM ACCESSORY, AND AMMUNITION**  
18 **EXCISE**, financial institution franchise, public service company franchise, and income  
19 taxes.

20       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
21 1, 2027.