

February 13, 2025

The Honorable Vanessa E. Atterbeary
Chair, House Ways and Means Committee
House Office Building, Room 131
Annapolis, Maryland 21401

Re: House Bill 937 – Sales and Use Tax – Firearms, Firearm Accessories, and Ammunition – Rate Alteration

Dear Chair Atterbeary, Vice Chair Wilkins, and Members of the House Ways and Means Committee:

On behalf of the National Shooting Sports Foundation (NSSF), the trade association for America's firearms, ammunition, hunting, and recreational shooting sports industry, I write to express our strong opposition to House Bill 937. This legislation seeks to impose a discriminatory tax increase on the sale of firearms, ammunition, and firearm accessories, disproportionately impacting law-abiding Maryland gun owners, hunters, and sportsmen.

Background on NSSF and the Firearms Industry

The NSSF represents thousands of industry members, which include firearms manufacturers, retailers, shooting ranges, and distributors. Companies that manufacture, distribute, and sell firearms, ammunition, and hunting equipment employ as many as 154,611 people in the United States and generate an additional 229,826 jobs in supplier and ancillary industries. In 2023, the industry was responsible for more than \$90 billion in total economic activity. Not only does the industry create jobs, but it also generates sizeable tax revenues. In the United States, the industry and its employees pay over \$10.90 billion in taxes. In Maryland alone, the firearms industry has an economic impact of over \$1 billion and supports more than 4,000 jobs across the state.

Opposition to HB 937

1. Unjust and Unnecessary Taxation
 - HB 937 unfairly targets law-abiding Maryland residents by raising the sales tax rate to 12% on firearms, ammunition, and accessories—essential items protected under the Second Amendment.
 - Firearms and ammunition are already among the most heavily regulated and taxed products in the country at the federal and state levels.
2. Harm to Small Businesses and the Maryland Economy
 - Maryland has over 400 federally licensed firearms dealers (FFLs), many of which are small, family-owned businesses that cannot absorb a 12% tax increase.

- Raising taxes on legal firearm sales will push consumers to purchase firearms and accessories in neighboring states, resulting in lost business and state tax revenue.
- This tax would also impact low-income Marylanders the most, as it makes lawful firearm ownership more expensive for those who rely on firearms for personal protection, hunting, and sport shooting.

3. No Measurable Impact on Public Safety

- There is no evidence that these increased taxes will reduce crime.
- Criminals do not purchase firearms legally, meaning this tax will only affect law-abiding citizens and businesses while doing nothing to deter violent crime.

4. Negative Impact on Conservation Funding

- Hunters and recreational shooters are the primary funders of wildlife conservation efforts through excise taxes on firearms and ammunition under the Pittman-Robertson Act.
- By discouraging firearm and ammunition purchases in the state, this bill will reduce conservation funding that supports Maryland's wildlife programs, hunter education, and public lands.
- The very individuals who contribute the most to conservation efforts will be punished with higher taxes, reducing their participation in hunting and shooting sports.

Conclusion

HB 937 is a discriminatory and punitive attempt to restrict lawful firearm ownership through excessive taxation. It harms small businesses, discourages conservation efforts, disproportionately impacts lower-income individuals, and does nothing to improve public safety.

For these reasons, **we respectfully request an "Unfavorable Report" on House Bill 937** from the House Ways and Means Committee.

Sincerely,

Christopher G. Kopacki, Ph.D.