

HB 197
Comprehensive Community Safety Funding Act

UNFAVORABLE

HB 197 would impose an 11% excise tax, in addition to the 6% sales tax, on the retail sale price of firearms, ammunition, and firearm accessories. This bill is **UNCONSTITUTIONAL** because the sale of firearms is inextricably linked with the exercise of the **Second Amendment** right to acquire firearms or ammunition for lawful purposes. *See: Minneapolis Star and Tribune Co. v. Minnesota Commissioner of Revenue, 460 U.S. 575 (1983), a state may not single out persons and businesses for special taxes where such taxes could create even the possibility of unjustified burdens on the exercise of a constitutional right.*

In addition, the tax revenues would be distributed to favored groups which is essentially a transfer of wealth from a disfavored group (firearm purchasers) to a favored group pre-selected and administered by the government for content-based reasons. *This would amount to content based discriminatory taxation which is a violation of the **First Amendment**. See, e.g., Leathers v. Medlock, 499 U.S. 439, 447 (1991).*

The Supreme Court has repeatedly held that Second Amendment rights are not “a second-class right, subject to an entirely different body of rules than the other Bill of Rights guarantees.” *See: NYSRPA v. Bruen, 597 U.S. 1, 70 (2022), quoting McDonald v. City of Chicago, 742, 780 (2010) (plurality opinion).*

Please remember that purchases by law-abiding citizens are subject to background checks on every purchase of a firearm and are not the cause of so-called “gun violence” and use of trauma centers. The cost of trauma centers should be shared by all Marylanders rather than exacted disproportionately on a group of law-abiding purchasers and gun owners.

HB 197 could be perceived as Maryland's imposition of a "sin tax" on firearms, equating a core constitutional freedom with gambling and drug use. You are essentially raising the price of self-defense out of reach for many Marylanders.

Firearm sales have a significant impact on Maryland's economy, creating well-paying jobs in Maryland, and paying significant amounts in taxes to the state and federal governments. And there is a broader economic impact of firearm sales throughout our economy which generates business for firms seemingly unrelated to firearms such as banking, retail, metal working, printing, yet all dependent on the firearms industry for their livelihoods. This punitive tax will have a detrimental economic impact on Maryland's economy and jobs. With the loss of jobs, this bill will not help solve the state's budget deficit, nor will it be able to assist with additional funding for trauma centers, trauma physicians, and violence prevention programs, let alone cover the administrative costs.

In addition, the Racial Equity Impact Note states, "Evidence from government and academic sources suggests that the excise tax imposed by the bill would be passed on to consumers in whole or in part. As such, the tax may disproportionately affect lower-income households and, by extension, communities of color to the extent the tax is passed on to consumers. Any equity benefits realized from programs receiving funding from the tax are indirect and may not offset the more immediate effects of the tax."

I respectfully request an UNFAVORABLE report on HB 197. Thank you for your consideration.

Sincerely,

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