To amend the Internal Revenue Code of 1986 to impose a tax on the total revenue of manufacturers and importers of semi-automatic assault weapons.

IN THE HOUSE OF REPRESENTATIVES

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which was referred to the Committee on ______________________

A BILL

To amend the Internal Revenue Code of 1986 to impose a tax on the total revenue of manufacturers and importers of semi-automatic assault weapons.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,  

SECTION 1. SHORT TITLE; FINDINGS.  

(a) SHORT TITLE.—This Act may be cited as the “Firearm Industry Fairness Act”.  

(b) FINDINGS.—Congress finds the following:  

(1) AR-15s are abnormally dangerous weapons meant for the battlefield. AR-15-style rifles have
been the weapon of choice for the killers responsible for the deadliest mass shootings in American history, including the recent mass murders in Buffalo, New York, Uvalde, Texas, and Highland Park, Illinois.

(2) Major gun manufacturers have been enjoying record-breaking sales and profits from AR-15-style rifles, even as gun deaths and mass shootings have risen in the United States. Studies have shown that gun violence and the human and economic toll associated with the more than 40,000 annual firearm deaths in America are strongly correlated with the availability of firearms.

(3) Large capacity magazines have been shown to lead to increasingly deadly mass shootings because they allow the shooter to continue firing for longer periods of time and reduce the opportunities for law enforcement or other bystanders to intervene to stop the killing.

(4) Despite widespread diversion of weapons from major manufacturers to unlawful use, the firearm industry has failed to monitor the downstream distribution of their weapons to distributors or other sellers, with the result that an inordinate number of
guns used in crimes of violence are funneled through a small number of dealers.

(5) An investigation into the gun industry’s practices and profits by the Committee on Oversight and Reform found that five leading gun manufacturer’s collected more than $1,000,000,000 from the sale of AR-15-style weapons in the last decade.

SEC. 2. TAX ON TOTAL REVENUE OF MANUFACTURERS AND IMPORTERS OF SEMI-AUTOMATIC ASSAULT WEAPONS.

(a) In General.—Subtitle A of the Internal Revenue Code of 1986 is amended by inserting after chapter 6 the following new chapter:

“CHAPTER 7—MANUFACTURERS AND IMPORTERS OF SEMI-AUTOMATIC ASSAULT WEAPONS

Sec. 1571. Imposition of tax on total revenue.

“SEC. 1571. IMPOSITION OF TAX ON TOTAL REVENUE.

“(a) In General.—There is hereby imposed (in addition to any other tax imposed by this title) for each taxable year a tax equal to 20 percent of the total revenue of each semi-automatic assault weapons manufacturer or importer.
“(b) TOTAL REVENUE.—For purposes of this section, the term ‘total revenue’ means total gross receipts reduced by the cost of goods sold.

“(c) SEMI-AUTOMATIC ASSAULT WEAPONS MANUFACTURER OR IMPORTER.—For purposes of this section—

“(1) IN GENERAL.—The term ‘semi-automatic assault weapons manufacturer or importer’ means, with respect to any taxable year, any manufacturer, producer, or importer (within the meaning of section 4181) of any semi-automatic assault weapon or large capacity ammunition feeding device, and any person related to any such manufacturer, producer, or importer, if the aggregate number of semi-automatic assault weapons and large capacity ammunition feeding devices manufactured, produced, or imported by such manufacturer, producer, or importer (and all persons related to such manufacturer, producer, or importer) during such taxable year exceeds 100.

“(2) EXCEPTION.—For purposes of determining under paragraph (1) the number of such weapons and devices manufactured, produced, or imported by any person, there shall not be taken into account any such weapon or device manufactured, produced, or imported solely for use by the United States government, any State or local government, or any de-
partment, agency, or political subdivision thereof.

The Secretary shall prescribe such regulations and other guidance as is necessary to prevent avoidance of the purposes of this paragraph.

“(3) RELATED PERSONS.—A person shall be treated as related to another person if such person is in the same controlled group (within the meaning of section 1563(a), applied by substituting ‘more than 50 percent’ for ‘at least 80 percent’ each place it appears therein) as such other person. Under regulations or other guidance prescribed by the Secretary, principles similar to the principles of the preceding sentence shall apply to a group of persons under common control where 1 or more of such persons is not a corporation.

“(d) SEMI-AUTOMATIC ASSAULT WEAPONS; LARGE CAPACITY AMMUNITION FEEDING DEVICE.—For purposes of this section—

“(1) SEMI-AUTOMATIC ASSAULT WEAPON.—The term ‘semi-automatic assault weapon’ means any of the following, regardless of country of manufacture or caliber of ammunition accepted:

“(A) A semiautomatic rifle that—

“(i) has the capacity to accept a detachable ammunition feeding device; and
“(ii) has any 1 of the following:

“(I) A pistol grip.

“(II) A forward grip.

“(III) A folding, telescoping, or detachable stock, or a stock that is otherwise foldable or adjustable in a manner that operates to reduce the length, size, or any other dimension, or otherwise enhances the concealability, of the weapon.

“(IV) A grenade launcher.

“(V) A barrel shroud.

“(VI) A threaded barrel.

“(B) A semiautomatic rifle that has a fixed ammunition feeding device with the capacity to accept more than 15 rounds, except for an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition.

“(C) Any part, combination of parts, component, device, attachment, or accessory that is designed or functions to accelerate the rate of fire of a semiautomatic firearm but not convert the semiautomatic firearm into a machinegun.

“(D) A semiautomatic pistol that—
“(i) has an ammunition feeding device that is not a fixed ammunition feeding device; and

“(ii) has any 1 of the following:

“(I) A threaded barrel.

“(II) A second pistol grip.

“(III) A barrel shroud.

“(IV) The capacity to accept a detachable ammunition feeding device at some location outside of the pistol grip.

“(V) A semiautomatic version of an automatic firearm.

“(VI) A manufactured weight of 50 ounces or more when unloaded.

“(VII) A buffer tube, stabilizing brace or similar component that protrudes horizontally behind the pistol grip, and is designed or redesigned to allow or facilitate a firearm to be fired from the shoulder.

“(E) A semiautomatic pistol with a fixed ammunition feeding device that has the capacity to accept more than 15 rounds.

“(F) A semiautomatic shotgun that—
“(i) has the capacity to accept a detachable ammunition feeding device or a fixed ammunition feeding device that has the capacity to accept more than 5 rounds; and

“(ii) has any 1 of the following:

“(I) A folding, telescoping, or detachable stock.

“(II) A pistol grip or bird’s head grip.

“(III) A forward grip.

“(IV) A grenade launcher.

“(G) Any shotgun with a revolving cylinder.

“(H) All of the following rifles, copies, duplicates, variants, or altered facsimiles with the capability of any such weapon thereof:

“(i) All AK types, including the following:

“(I) AK, AK47, AK47S, AK–74, AKM, AKS, ARM, MAK90, MISR, NHM90, NHM91, Rock River Arms LAR–47, SA85, SA93, Vector Arms AK–47, VEPR, WASR–10, and WUM.
(II) IZHMASH Saiga AK.

(III) MAADI AK47 and ARM.

(IV) Norinco 56S, 56S2, 84S, and 86S.

(V) Poly Technologies AK47 and AKS.

(VI) SKS with a detachable ammunition feeding device.

(ii) All AR types, including the following:

(I) AR–10.

(II) AR–15.

(III) Alexander Arms Overmatch Plus 16.

(IV) Armalite M15 22LR Carbine.

(V) Armalite M15–T.

(VI) Barrett REC7.

(VII) Beretta AR–70.

(VIII) Black Rain Ordnance Recon Scout.

(IX) Bushmaster ACR.

(X) Bushmaster Carbon 15.

(XI) Bushmaster MOE series.

(XII) Bushmaster XM15.
“(XIII) Chiappa Firearms

Four rifles.

“(XIV) Colt Match Target rifles.

“(XV) CORE Rifle Systems

CORE15 rifles.


“(XVII) Devil Dog Arms 15 Series rifles.

“(XVIII) Diamondback DB15 rifles.

“(XIX) DoubleStar AR rifles.

“(XX) DPMS Tactical rifles.

“(XXI) DSA Inc. ZM–4 Carbine.

“(XXII) Heckler & Koch MR556.


“(XXV) Knight’s Armament SR–15.

“(XXVI) Lancer L15 rifles.

“(XXVII) MGI Hydra Series rifles.
“(XXVIII) Mossberg MMR Tactical rifles.

“(XXIX) Noreen Firearms BN 36 rifle.

“(XXX) Olympic Arms.

“(XXXI) POF USA P415.

“(XXXII) Precision Firearms AR rifles.

“(XXXIII) Remington R–15 rifles.

“(XXXIV) Rhino Arms AR rifles.


“(XXXVI) Sig Sauer SIG516 rifles and MCX rifles.

“(XXXVII) Smith & Wesson M&P15 rifles.

“(XXXVIII) Stag Arms AR rifles.

“(XXXIX) Sturm, Ruger & Co. SR556 and AR–556 rifles.

“(XL) Uselton Arms Air-Lite M–4 rifles.
“(XLI) Windham Weaponry AR rifles.

“(XLII) WMD Guns Big Beast.

“(XLIII) Yankee Hill Machine Company, Inc. YHM–15 rifles.


“(v) Beretta CX4 Storm.

“(vi) Calico Liberty Series.

“(vii) CETME Sporter.

“(viii) Daewoo K–1, K–2, Max 1, Max 2, AR 100, and AR 110C.


“(x) Feather Industries AT–9.

“(xi) Galil Model AR and Model ARM.

“(xii) Hi-Point Carbine.

“(xiii) HK–91, HK–93, HK–94, HK–PSG–1, and HK USC.

“(xiv) IWI TAVOR, Galil ACE rifle.

“(xv) Kel-Tec Sub-2000, SU–16, and RFB.
“(xvi) SIG AMT, SIG PE–57, Sig Sauer SG 550, Sig Sauer SG 551, and SIG MCX.


“(xviii) Steyr AUG.

“(xix) Sturm, Ruger & Co. Mini-14 Tactical Rifle M–14/20CF.

“(xx) All Thompson rifles, including the following:

“(I) Thompson M1SB.

“(II) Thompson T1100D.

“(III) Thompson T150D.

“(IV) Thompson T1B.

“(V) Thompson T1B100D.

“(VI) Thompson T1B50D.

“(VII) Thompson T1BSB.

“(VIII) Thompson T1–C.

“(IX) Thompson T1D.

“(X) Thompson T1SB.

“(XI) Thompson T5.

“(XII) Thompson T5100D.

“(XIII) Thompson TM1.

“(XIV) Thompson TM1C.

“(xxi) UMAREX UZI rifle.
“(xxii) UZI Mini Carbine, UZI Model 1 Carbine, and UZI Model B Carbine.


“(xxiv) Vector Arms UZI Type.

“(xxv) Weaver Arms Nighthawk.

“(xxvi) Wilkinson Arms Linda Carbine.

“(I) All of the following pistols, copies, duplicates, variants, or altered facsimiles with the capability of any such weapon thereof:

“(i) All AK types, including the following:

“(I) Centurion 39 AK pistol.

“(II) CZ Scorpion pistol.

“(III) Draco AK–47 pistol.

“(IV) HCR AK–47 pistol.

“(V) IO Inc. Hellpup AK–47 pistol.

“(VI) Krinkov pistol.

“(VII) Mini Draco AK–47 pistol.

“(VIII) PAP M92 pistol.

“(IX) Yugo Krebs Krink pistol.

“(ii) All AR types, including the following:
“(II) Bushmaster Carbon 15 pistol.
“(III) Chiappa Firearms M4 Pistol GEN II.
“(IV) CORE Rifle Systems CORE15 Roscoe pistol.
“(V) Daniel Defense MK18 pistol.
“(VI) DoubleStar Corporation AR pistol.
“(VII) DPMS AR–15 pistol.
“(IX) Olympic Arms AR–15 pistol.
“(X) Osprey Armament MK–18 pistol.
“(XI) POF USA AR pistols.
“(XII) Rock River Arms LAR 15 pistol.
“(XIII) Uselton Arms Air-Lite M–4 pistol.
“(iii) Calico pistols.
“(iv) DSA SA58 PKP FAL pistol.

“(v) Encom MP–9 and MP–45.

“(vi) Heckler & Koch model SP–89 pistol.


“(viii) IWI Galil Ace pistol, UZI PRO pistol.

“(ix) Kel-Tec PLR 16 pistol.

“(x) All MAC types, including the following:

“(I) MAC–10.

“(II) MAC–11.

“(III) Masterpiece Arms MPA A930 Mini Pistol, MPA460 Pistol, MPA Tactical Pistol, and MPA Mini Tactical Pistol.

“(IV) Military Armament Corp. Ingram M–11.

“(V) Velocity Arms VMAC.

“(xi) Sig Sauer P556 pistol.

“(xii) Sites Spectre.

“(xiii) All Thompson types, including the following:

“(I) Thompson TA510D.
“(II) Thompson TA5.

“(xiv) All UZI types, including Micro-UZI.

“(J) All of the following shotguns, copies, duplicates, variants, or altered facsimiles with the capability of any such weapon thereof:

“(i) DERYA Anakon MC–1980, Anakon SD12.

“(ii) Doruk Lethal shotguns.

“(iii) Franchi LAW–12 and SPAS 12.

“(iv) All IZHMASH Saiga 12 types, including the following:

“(I) IZHMASH Saiga 12.

“(II) IZHMASH Saiga 12S.

“(III) IZHMASH Saiga 12S EXP–01.

“(IV) IZHMASH Saiga 12K.

“(V) IZHMASH Saiga 12K–030.

“(VI) IZHMASH Saiga 12K–040 Taktika.

“(v) Streetsweeper.

“(vi) Striker 12.

“(K) All belt-fed semiautomatic firearms, including TNW M2HB and FN M2495.
“(L) Any combination of parts from which a firearm described in subparagraphs (A) through (K) can be assembled.

“(M) The frame or receiver of a rifle or shotgun described in subparagraph (G), (H), (J), or (K).

“(2) LARGE CAPACITY AMMUNITION FEEDING DEVICE.—The term ‘large capacity ammunition feeding device’—

“(A) means a magazine, belt, drum, feed strip, or similar device, including any such device joined or coupled with another in any manner, that has an overall capacity of, or that can be readily restored, changed, or converted to accept, more than 15 rounds of ammunition; and

“(B) does not include an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition.

“(3) OTHER DEFINITIONS.—

“(A) SEMIAUTOMATIC PISTOL.—The term ‘semiautomatic pistol’ means any repeating pistol that—

“(i) utilizes a portion of the energy of a firing cartridge to extract the fired car-
trige case and chamber the next round;

and

“(ii) requires a separate pull of the
trigger to fire each cartridge.

“(B) SEMIAUTOMATIC SHOTGUN.—The
term ‘semiautomatic shotgun’ means any re-
peating shotgun that—

“(i) utilizes a portion of the energy of
a firing shell to extract the fired shell cas-
ing and chamber the next round; and

“(ii) requires a separate pull of the
trigger to fire each shell.

“(C) BARREL SHROUD.—The term ‘barrel
shroud’—

“(i) means a shroud that is attached
to, or partially or completely encircles, the
barrel of a firearm so that the shroud pro-
tects the user of the firearm from heat
generated by the barrel; and

“(ii) does not include—

“(I) a slide that partially or com-
pletely encloses the barrel; or

“(II) an extension of the stock
along the bottom of the barrel which
does not encircle or substantially encircle the barrel.

“(D) Detachable Ammunition Feeding Device.—The term ‘detachable ammunition feeding device’ means an ammunition feeding device that can be removed from a firearm without disassembly of the firearm action.

“(E) Fixed Ammunition Feeding Device.—The term ‘fixed ammunition feeding device’ means an ammunition feeding device that is contained in and not removable from or is permanently fixed to the firearm, but does not include an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition.

“(F) Folding, Telescoping, or Detachable Stock.—The term ‘folding, telescoping, or detachable stock’ means a stock that folds, telescopes, detaches or otherwise operates to reduce the length, size, or any other dimension, or otherwise enhances the concealability, of a firearm.

“(G) Forward Grip.—The term ‘forward grip’ means a grip located forward of the trigger that functions as a pistol grip.
“(H) GRENADE LAUNCHER.—The term ‘grenade launcher’ means an attachment for use on a firearm that is designed to propel a grenade or other similar destructive device.

“(I) PISTOL GRIP.—The term ‘pistol grip’ means a grip, a thumbhole stock or Thordsen-type grip or stock, or any other characteristic that can function as a grip.

“(J) THREADED BARREL.—The term ‘threaded barrel’ means a feature or characteristic that is designed in such a manner to allow for the attachment of a device such as a firearm silencer or a flash suppressor.

“(K) BELT-FED SEMIAUTOMATIC FIREARM.—The term ‘belt-fed semiautomatic firearm’ means any repeating firearm that—

“(i) utilizes a portion of the energy of a firing cartridge to extract the fired cartridge case and chamber the next round;

“(ii) requires a separate pull of the trigger to fire each cartridge; and

“(iii) has the capacity to accept a belt ammunition feeding device.

“(L) OTHER TERMS.—Terms used in this subsection which are also used in section 921 of
title 18, United States Code, shall have the
same meaning as when used in such section.”.

(b) Clerical Amendment.—The table of chapters
for subtitle A of such Code is amended by inserting after
the item relating to chapter 6 the following new item:

“CHAPTER 7. MANUFACTURERS AND IMPORTERS OF SEMI-AUTOMATIC
ASSAULT WEAPONS.”.

(c) Effective Date.—The amendments made by
this section shall apply to taxable years beginning after
the date of the enactment of this Act.

SEC. 3. FUNDING COMMUNITY VIOLENCE INTERVENTION
AND PREVENTION.

(a) Community Violence Intervention and Pre-
vention Trust Fund.—Subchapter A of chapter 98 is
amended by adding at the end the following new section:

“SEC. 9512. COMMUNITY VIOLENCE INTERVENTION AND
PREVENTION TRUST FUND.

“(a) Creation of Trust Fund.—There is estab-
lished in the Treasury of the United States a trust fund
to be known as the ‘Community Violence Intervention and
Prevention Trust Fund’, consisting of such amounts as
may be appropriated or credit to such Trust Fund as pro-
vided in this section or section 9602(b).

“(b) Transfers to Trust Fund.—There are here-
by appropriated to the Community Violence Intervention
and Prevention Trust Fund amounts equivalent to taxes received in the Treasury under section 1571.

“(c) EXPENDITURES.—Amounts in the Community Violence Intervention and Prevention Trust Fund shall be available, as provided by appropriations Acts, for making expenditures to carry out the Bureau of Justice Assistance Community Violence Intervention and Prevention Initiative.”.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end the following new item:

“Sec. 9512. Community Violence Intervention and Prevention Trust Fund.”.