



HB 0618
SALES AND USE TAX –
EXEMPTION – FIREARM SAFETY
DEVICES

February 20, 2020
Ways and Means Committee
Sponsored by Delegate Neil C. Parrott



Firearm safety devices help **reduce** the chances of non-owners gaining access to or using a firearm.

We should encourage and reward responsible gun ownership



I was in Judiciary Yesterday waiting for a bill hearing and was listening to a bill about how it is important to have gun safely locked

- This Bill, HB 618, would encourage guns to be safely locked by incentivizing the purchase of useable gun safes.

What Does This Bill Do?

- HB 0618 provides a tax exemption under the sales tax and use tax for the sale of certain firearm safety devices
- Provides an incentive for firearm holders to purchase safety devices for their firearms



5.9 states already have firearm safety tax exemptions:

- Connecticut
- Massachusetts
- New Jersey
- Washington
- Michigan
- Virginia (Imminently)

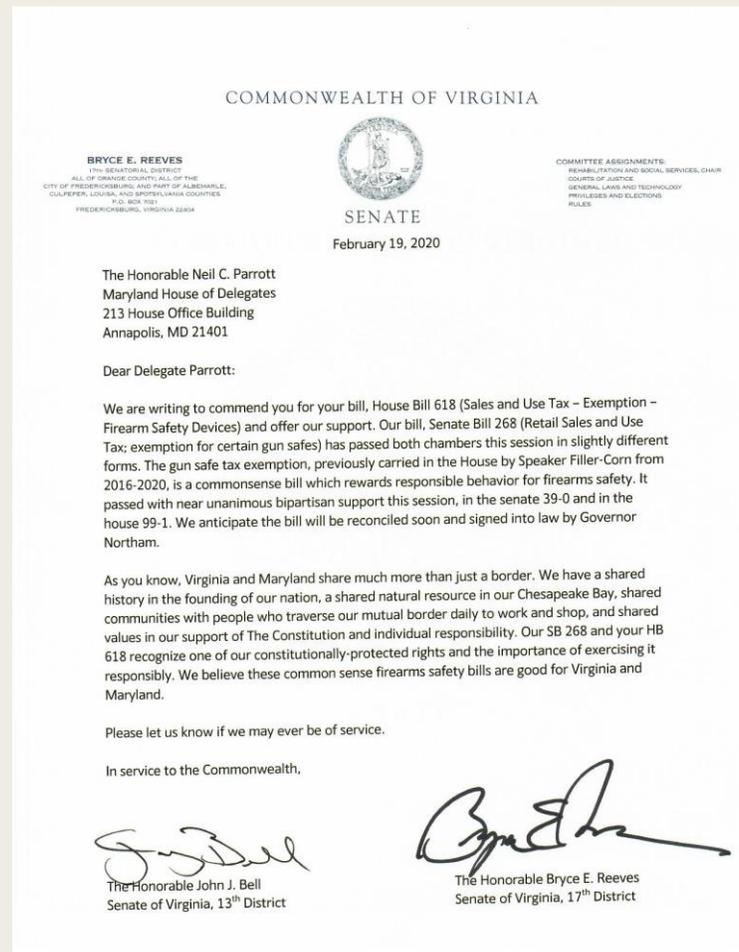


Our Neighbor to the south just passed this same law a few days ago in both chambers. The Governor of Virginia will sign it soon.

- The Bi-partisan Bill, Sponsored by Democrat John Bell and Co-Sponsored by Republican Bryce Reeves, received near unanimous support in the Virginia General Assembly
- The vote was 39-0 in the Virginia Senate
- The vote was 99-1 in the Virginia House of Delegates



Senators Bell and Reeves have sent a letter from Virginia urging passage of HB 618



“We are writing to...offer our support... We believe these common sense firearms safety bills are good for Virginia and Maryland.

-Virginia Senators Democrat John Bell and Republican Bryce Reeves



A study found that in homes with children and firearms...



HAD FIREARMS IN UNLOCKED PLACES



KEPT GUNS WITH NO TRIGGER LOCKS IN UNLOCKED PLACES

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“Removing the sales and use taxes on safety devices is just one practical way to encourage and promote safe gun habits.”

- Michigan Senator Tonya Schuitmaker

SIMPLE SAFETY DEVICES CAN PREVENT ACCIDENTAL DEATHS

About a third of accidental deaths caused by firearms can be prevented by the use of a child-proof safety lock and a device that indicates whether a firearm is loaded.



CHILD-PROOF SAFETY LOCK

INDICATOR

+



LOADING INDICATOR

=

31%
FEWER ACCIDENTAL DEATHS

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Benefits of HB 0618

- Creates better safety in the home
- Protects against unauthorized use and accidental discharge
- Encourages people to buy more expensive and more effective gun safes

Revenue Loss is Minimal, but Safety is Enhanced

The price of firearm safety devices vary from as little as \$10 for a simple trigger lock to \$1,000 or more for a sophisticated gun safe. It is not currently known how many gun owners in the State currently have some sort of firearm safety device and how many would purchase a device as a result of the bill.

The Department of State Police report the following sales of firearms in Maryland: 51,676 in 2017; 53,338 in 2018; 53,481 in 2019; and 6,359 so far this year.

Revenue Loss is Minimal, but Safety is Enhanced

As a point of reference, Michigan passed legislation similar to this bill in 2015. The Michigan Department of Treasury estimated the revenue loss associated with the sales tax exemption to be approximately \$1.0 million per year.

Data from the U.S. Census Bureau indicates that Maryland's population is approximately 60% of Michigan's.

Assuming a similar level of per capita purchases of firearm safety devices as estimated in Michigan, general fund revenues may decrease by approximately \$600,000.

This is a small price to pay for enhanced gun safety and the opportunity to save lives.

Revenue Loss is Minimal, but Safety is Enhanced

- Massachusetts no longer records loss of revenue for firearm safety devices revenue loss because it is so miniscule (under 1,000,000 dollars)
- New Jersey estimated that the state would only lose 1.5 million dollars a year but that is inaccurate –
 - *“Many firearms are purchased by people who may already own a gun vault, such as hobbyists and collectors. Since gun vaults are capable of holding more than one weapon, **it is likely that the annual number of gun vault sales will be significantly less than the annual number of firearm sales**” (Fiscal Note State of New Jersey)*

The state should be doing ALL it can to
promote gun safety. This Bill
Encourages Gun Safety And Could
Save a Life

Please vote favorably for HB 0618.

Questions???