

SENATE, No. 1140

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

SYNOPSIS

Imposes gross receipts tax on firearms and firearms ammunition.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT imposing a gross receipts tax on retail sales of firearms and
2 firearms ammunition in this State, supplementing Title 54 of the
3 Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. a. (1) There is imposed on each person making retail sales
9 of firearms or firearms ammunition a tax at the rate of 2.5 percent
10 of the gross receipts from retail sales of firearms in this State and a
11 tax at the rate of 10 percent of the gross receipts from retail sales of
12 firearms ammunition in this State.

13 (2) Gross receipts from the retail sales of firearms and firearms
14 ammunition in this State shall not include receipts from retail sales
15 of firearms or firearms ammunition that the seller delivers to a
16 common carrier for delivery outside this State, places in the United
17 States mail or parcel post directed to the purchaser outside this
18 State, or delivers to the purchaser outside this State by means of the
19 seller's own delivery vehicles.

20 b. Gross receipts from retail sales of firearms and firearms
21 ammunition in this State shall not include receipts from retail sales
22 of firearms and firearms ammunition to the United States of
23 America or any of its agencies and instrumentalities, or to this
24 State, or any of its agencies, instrumentalities, public authorities,
25 public corporations, including a public corporation created pursuant
26 to agreement or compact with another state, or political
27 subdivisions.

28 c. As used in this section:

29 "Firearms" means weapons that expel a projectile with
30 potentially lethal force via the action of an explosive or other form
31 of combustion, which weapons are capable of being transported and
32 fired by a person.

33 "Firearms ammunition" means self-contained cartridges or
34 shotgun shells and their components sold for use in loading firearms
35 ammunition, including, but not limited to, primers, bullets, shot,
36 slugs, missiles or other projectiles, casings, shells and hulls, black
37 powder, smokeless powder and other propellants, and other
38 products incorporated in firearms cartridges and shells or used in
39 muzzle loads, such as wads and sealants.

40 Other terms have the meaning given those terms pursuant to the
41 "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

42 d. The Director of the Division of Taxation in the Department
43 of the Treasury shall collect and administer the tax imposed
44 pursuant to this section. In carrying out the provisions of this
45 section, the director shall have all of the powers and authority
46 granted in P.L.1966, c.30 (C.54:32B-1 et seq.) The tax shall be
47 reported and paid to the director on a monthly basis in a manner to
48 be prescribed by the director.

1 e. The tax imposed pursuant to this section shall be governed
2 by the provisions of the State Uniform Tax Procedure law,
3 R.S.54:48-1 et seq.

4 f. Notwithstanding any provision of the “Administrative
5 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
6 contrary, the director may adopt immediately upon filing with the
7 Office of Administrative Law such regulations as the director
8 deems necessary to implement the provisions of this section, which
9 regulations shall be effective for a period not to exceed 360 days
10 following the effective date of P.L. , c. (C.) (pending before the
11 Legislature as this bill) and may thereafter be amended, adopted, or
12 readopted by the director in accordance with the requirements of
13 P.L.1968, c. 410 (C.52:14B-1 et seq.).
14

15 2. This act shall take effect immediately and apply to gross
16 receipts from sales made beginning on or after the first day of the
17 first calendar quarter beginning at least 30 days after the date of
18 enactment.
19
20

21 STATEMENT
22

23 This bill imposes on a person making retail sales of firearms or
24 ammunition in this State: a 2.5 percent tax on gross receipts from
25 retail sales of firearms, and a 10 percent tax on gross receipts from
26 retail sales of firearms ammunition. Sales to agencies of federal,
27 State, or local government are exempt from the taxes imposed by
28 the bill.

29 The bill defines “firearms” as any weapons that expel a projectile
30 with potentially lethal force via the action of an explosive or other
31 form of combustion, which weapons are capable of being
32 transported and fired by a person. “Firearms ammunition” is
33 defined as self-contained cartridges or shotgun shells and their
34 components sold for use in loading firearms ammunition, including,
35 but not limited to, primers, bullets, shot, slugs, missiles or other
36 projectiles, casings, shells and hulls, black powder, smokeless
37 powder and other propellants, and other products incorporated in
38 firearms cartridges and shells or used in muzzle loads, such as wads
39 and sealants.

40 The bill takes effect upon enactment and applies to gross receipts
41 from sales made beginning on or after the first day of the first
42 calendar quarter beginning at least 30 days after the date of
43 enactment.