

FIREARMS

1432-4

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS
SECOND SESSION

ON

H.R. 4029

AN ACT TO AMEND THE INTERNAL REVENUE CODE OF 1954 TO ELIMINATE THE PRORATION OF THE OCCUPATIONAL TAX ON PERSONS DEALING IN MACHINEGUNS AND CERTAIN OTHER FIREARMS, TO REDUCE OCCUPATIONAL AND TRANSFER TAXES ON CERTAIN WEAPONS, TO MAKE THE TRANSFEROR AND TRANSFEREE JOINTLY LIABLE FOR THE TRANSFER TAX ON FIREARMS, AND TO MAKE CERTAIN CHANGES IN THE DEFINITION OF A FIREARM

APRIL 26, 1960

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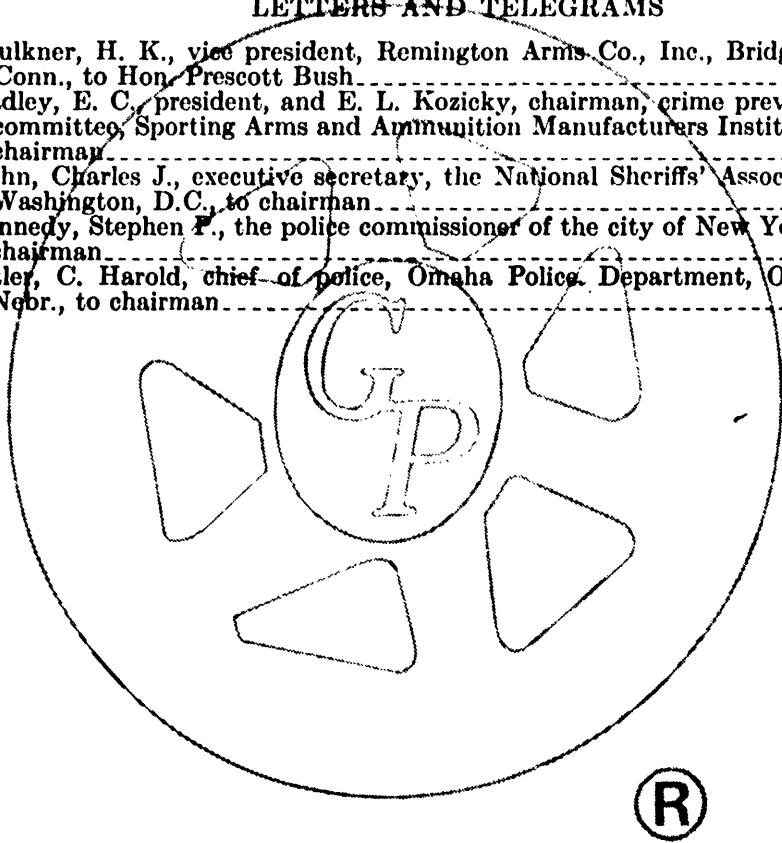
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III



FIREARMS

TUESDAY, APRIL 26, 1960

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The committee met, pursuant to notice, at 10:15 a.m., in room 2221, New Senate Office Building, Senator Harry F. Byrd (chairman) presiding.

Present: Senators Byrd (presiding), Frear, Carlson, and Bennett.
Also present: Elizabeth B. Springer, chief clerk.

The CHAIRMAN. The committee will come to order. The hearing today is on H.R. 4029, relating to taxes on persons manufacturing, importing, and dealing in machineguns and certain other firearms. I submit for the record a copy of the bill, and an explanation of the bill which appeared in the report of the House Committee on Ways and Means.

(The material referred to follows:)

[H.R. 4029, 86th Cong., 1st sess.]

AN ACT To amend the Internal Revenue Code of 1954 to eliminate the proration of the occupational tax on persons dealing in machineguns and certain other firearms, to reduce occupational and transfer taxes on certain weapons, to make the transferor and transferee jointly liable for the transfer tax on firearms, and to make certain changes in the definition of a firearm

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5801 of the Internal Revenue Code of 1954 (relating to special (occupational) taxes on persons manufacturing, importing, and dealing in machineguns and certain other firearms) is amended to read as follows:

“SEC. 5801. TAX.

“(a) RATE.—On first engaging in business, and thereafter on or before the first day of July of each year, every importer, manufacturer, and dealer in firearms shall pay a special tax at the following rates:

“(1) IMPORTERS OR MANUFACTURERS.—Importers or manufacturers, \$500 a year or fraction thereof;

“(2) DEALERS OTHER THAN PAWNBROKERS.—Dealers, other than pawnbrokers, \$200 a year or fraction thereof;

“(3) PAWNBROKERS.—Pawnbrokers, \$300 a year or fraction thereof:

Provided, That manufacturers and dealers in guns with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading, and manufacturers and dealers in guns classified as ‘any other weapon’ under section 5848(5), shall pay the following taxes: Manufacturers, \$25 a year or fraction thereof; dealers, \$10 a year or fraction thereof.

“(b) CROSS REFERENCE.—

“For license to transport, ship, or receive firearms or ammunition under the Federal Firearms Act, see section 3 of the Act of June 30, 1938 (52 Stat. 1251; 18 U.S.C. 903).”

SEC. 2. Subsections (a) and (b) of section 5811 of the Internal Revenue Code of 1954 (relating to transfer tax on machineguns and certain other firearms) are amended to read as follows:

"(a) RATE.—There shall be levied, collected, and paid on firearms transferred in the United States a tax at the rate of \$200 for each firearm: *Provided*, That the transfer tax on any gun with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading, and on any gun classified as 'any other weapon' under section 5848(5), shall be at the rate of \$5. The tax imposed by this section shall be in addition to any import duty imposed on such firearm.

"(b) BY WHOM PAID.—Such tax shall be paid by the transferor: *Provided*, That if a firearm is transferred without payment of such tax the transferor and transferee shall become jointly and severally liable for such tax."

SEC. 3. Paragraph (1) of section 5848 of the Internal Revenue Code of 1954 (defining the term "firearm") is amended to read as follows:

"(1) FIREARM.—The term 'firearm' means a shotgun having a barrel or barrels of less than 18 inches in length, or a rifle having a barrel or barrels of less than 16 inches in length, or any weapon made from a rifle or shotgun (whether by alteration, modification, or otherwise) if such weapon as modified has an overall length of less than 26 inches, or any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person, or a machinegun, and includes a muffler or silencer for any firearm whether or not such firearm is included within the foregoing definition."

SEC. 4. Subsections (a) and (b) of section 5685 of the Internal Revenue Code of 1954 (relating to penalty for possession of firearms, etc., when violating liquor laws) are each amended by striking out "shotgun or rifle having a barrel or barrels less than 18 inches in length," and inserting in lieu thereof "shotgun having a barrel or barrels less than 18 inches in length, or a rifle having a barrel or barrels less than 16 inches in length."

SEC. 5. The amendments made by this Act shall take effect on the first day of the first month which begins more than 10 days after the date of the enactment of this Act and, for purposes of the rate of the special tax imposed by section 5801 of the Internal Revenue Code of 1954, shall apply with respect to periods beginning after June 30, 1959.

Passed the House of Representatives August 18, 1959.

Attest:

RALPH R. ROBERTS, *Clerk*.

I. SUMMARY OF BILL

In general, this bill amends the special excise taxes in the Internal Revenue Code which relate to short-barreled firearms, machineguns and the so-called "any other weapon" category by making the following changes:

(1) It exempts from the special occupational and transfer taxes rifles with barrels between 16 inches and 18 inches in length (an exemption is already provided in the case of those with a caliber of .22 or smaller). These are primarily sporting guns which will, therefore, become taxable under the regular 11 percent manufacturers' firearms tax.

(2) It subjects to these occupational and transfer taxes (and also the so-called making tax) any weapons made from a rifle or shotgun if the modified weapon has an overall length of less than 26 inches (whether or not concealable).

(3) It lowers the manufacturer and dealer occupational taxes and the transfer and making taxes with respect to "any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if the weapon is capable of being concealed on the person." At present the manufacturers' and dealers' occupational taxes applicable to these weapons (other than certain handguns) generally are \$500 and \$200, and under the bill will be \$25 and \$10, respectively. The transfer and making taxes under present law are \$200 in this case, and under the bill will be \$5.

(4) The dealers' taxes with respect to certain combination shotgun and rifles and also certain guns designed to be held in one hand are raised from \$1 to \$10 a year in the case of dealers and the applicable transfer and making taxes are raised from \$1 to \$5 per transaction.

(5) The occupational taxes are the same whether the individual involved is in the specified business for part, or all, of a year, or, in other words the pro-ration feature of existing law is repealed.

(6) The transferor and transferee of the specified firearms are made jointly and severally liable for the transfer tax imposed.

These amendments become effective as of the first of the month which begins more than 10 days after the date of enactment of the bill, and the changes in the occupational tax rates also apply with respect to periods beginning after June 30, 1959.

This bill is favored by the Treasury Department and has been reported unanimously by your committee.

II. GENERAL STATEMENT

This bill is concerned with the sections of the Internal Revenue Code which originated in the National Firearms Act, approved June 26, 1934 (48 Stat. 1237). The primary purpose of that act was to make it more difficult for the gangster element to obtain certain types of weapons. The type of weapon with which these provisions are concerned are the types it was thought would be used primarily by the gangster-type element. The weapons presently included in the term "firearm" as it is defined (sec. 5448) for the purposes of these sections are:

(1) Shotguns or rifles having a barrel less than 18 inches in length (except rifles if the caliber is .22 or smaller and the barrel is 16 inches or more in length);

(2) Weapons capable of being concealed on the person other than pistols or revolvers;

(3) Machineguns; and

(4) Mufflers and silencers for any firearm.

Special occupational taxes are imposed on persons in the business of importing, manufacturing, or dealing in (including pawnbrokers) these firearms and a special tax is imposed on their transfer or "making." In addition, registration is required by the manufacturers, dealers, pawnbrokers, and persons making firearms, and records must be furnished the Treasury with respect to the transfer, manufacture, and making of these firearms. These special National Firearms Act taxes are wholly separate from the 10- or 11-percent taxes applying to the manufacturer's or importer's sale of pistols, revolvers, and other ordinary firearms (sec. 4181).

Problems have been presented with respect to certain features of these national firearms taxes by gun collectors, rifle associations, and others. It has been made clear to your committee that these organizations do not want to interfere with the effective administration of the National Firearms Act taxes, but are concerned with what is believed to be unnecessary interferences with their avocations. As a result, the interested parties have worked out the recommendations contained in this bill in conferences with representatives of the Internal Revenue Service and law enforcement agencies, with the purpose of finding solutions to the problems with which these organizations were concerned without interfering with the administration of the National Firearms Act. At the same time, as a result of these conferences, a number of features were added to this bill which are designed to aid in enforcement and simplify the administration of these provisions.

As indicated previously, a shotgun or rifle having a barrel of less than 18 inches in length under present law is classified as a "firearm" for purposes of these special taxes, except that in the case of rifles of a .22 or smaller caliber, the specified barrel length is only 16 inches. The purpose of this was, of course, to include within the category of weapons subject to these taxing and control provisions the sawed-off shotguns and sawed-off rifles likely to be used by the gangster element. However, it has been called to the attention of your committee that a number of popular sporting rifles have a barrel length just slightly under 18 inches with the result that they are classified as a "firearm" subject to these special taxes and control provisions. It is not believed that these guns constitute a type of weapon, such as a sawed-off rifle or shotgun, which is likely to be used by the criminal element.

Your committee's bill therefore redefines firearms for purposes of these special provisions to exclude from this definition all rifles if they have a barrel of 16 inches or more in length. However, the bill also expands the definition of firearm for purposes of these taxing and control provisions to include any weapon

made from a rifle or shotgun if the weapon as modified has an overall length of less than 26 inches. This is a change which it is believed will aid in the enforcement of the National Firearms Act and also ease administration, since it will no longer be necessary, in order to tax these weapons and require their registration, to determine whether they are capable of concealment on the person.

The effect of excluding the sporting rifles with barrels just under 18 inches in length from the definition of firearms and the inclusion within this definition of weapons made from rifles or shotguns having an overall length of less than 26 inches is to exclude in the first case, and include in the second case, these weapons in the category subject to the occupational taxes on manufacturers, dealers and pawnbrokers of \$500, \$200, and \$300 a year, respectively. Also, the rifles no longer included in the definition of firearms for this purpose will no longer be subject to the \$200 a year transfer tax or to the special control provisions. The reverse, of course, will be true of the weapons made from shotguns or rifles where the overall length is less than 26 inches.

Another problem area under present law for the gun collector arises in the case of a category of gun referred to as "any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapons is capable of being concealed on the person." As has been indicated previously, these weapons are included in the definition of a firearm and are subject to the indicated occupational, transfer and making taxes.

It is understood that firearms in the "any other weapon" category include gadget-type and unique weapons, which are often sought after by gun collectors. Moreover, it appears doubtful that criminal elements use these types of weapons to any significant extent in their criminal activities, particularly since the alternatives of a pistol or a revolver, neither of which is subject to this firearms tax, are available.

In view of these considerations, your committee concluded that this "other weapon" category should give rise to occupational taxes of \$10 a year in the case of dealers, or \$25 a year in the case of manufacturers. This is in lieu of the \$200-a-year tax presently applicable in the case of dealers of these guns and \$500-a-year tax in the case of manufacturers of these guns. It also concluded that these "any other weapons" should upon sale be subject to a transfer tax of \$5 instead of the \$200 now generally applicable. However, this "any other weapon" category will continue to be subject to the present control provisions applicable to all firearms under present law. As a result, the safeguards of present law are maintained, while the applicable taxes are lowered to the level which makes it possible for gun collectors to obtain novel weapons in this category. In connection with these same changes, your committee has also raised the occupational tax with respect to dealers in "guns with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading." Under present law this tax is \$1 a year and under your committee's bill will be \$10 a year. Similarly, the transfer tax with respect to this category of guns is raised from \$1 per transfer to \$5 per transfer. The same occupational tax increase and transfer tax increase is also provided under the bill in the case of "guns designed to be held in one hand when fired and having a barrel 12 inches or more but less than 18 inches in length, from which only a single discharge can be made without manual reloading." These slight increases in tax in the case of these special categories of guns are made to provide uniform treatment with the "any other weapon" category referred to above, and all of the taxes are raised to the levels indicated in order to give assurance that the administrative costs of issuing the stamps and recording the transfers will be covered by the fees received.

Your committee's bill also makes two changes designed to ease administration and aid compliance with respect to these National Firearms Act taxes. Under present law the occupational taxes, those with respect to importers or manufacturers, dealers (other than pawnbrokers), and pawnbrokers are prorated where the taxpayer commences operations after the beginning of the taxable year. Thus, for example, where liability for the tax first occurs in the second month of the year, eleven-twelfths of the tax is payable, where it first occurs in the third month of the year, ten-twelfths of the tax is payable, and so on. In the interest of simplification, these taxes are made annual taxes by your committee's bill with the full amount of the occupational tax payable where the individual falls in the category for any portion of the year. It is believed that the elimina-

tion of the proration of the occupational taxes also will make it more difficult for persons who are not actually engaged in the business as dealers to obtain firearms for their personal use without payment of the transfer taxes. Thus it will no longer be possible to wait until near the end of the year to enter into the transactions and pay only a small occupational tax while receiving an exemption from the transfer tax.

A change also has been made by your committee in the transfer tax in order to improve compliance. Under present law the transfer tax is payable by the transferor. Your committee amends this to provide that if a firearm is transferred without the payment of tax, both the transferor and the transferee are jointly and severally liable for the tax. It is believed that this will give the Internal Revenue Service a means of coping with illegal transfers of firearms of all types.

The amendments made by this bill generally are to take effect on the first day of the first month beginning more than 10 days after the date of the enactment of this bill. However, the changed rates of taxes with respect to the occupational taxes are to apply with respect to periods beginning after June 30, 1959, the beginning of the occupational tax year. Thus, where the tax rate applicable to a manufacturer or importer is reduced from \$500 to \$25, the taxpayer will become entitled to a refund of the difference on the effective date. Also, where the tax rate is increased (from \$1 to \$10 in the case of certain dealers, or from a prorated to a full amount in any case where the elimination of the proration feature of existing law applies) the difference will become due on the effective date.

The bill will have some effect on revenues although it is believed that the effect will be minor. Some increases in revenue will occur as a result of the elimination of the "proration" feature of the occupational taxes under present law. On the other hand, some decreases are likely to occur as a result of lowering the applicable taxes with respect to the "any other weapon" category and the exemption of certain rifles with barrels between 16 inches and 18 inches in length (in this latter case the regular 11 percent firearms tax will be applicable to manufacturers' sales). However, in both of these cases it is believed that any revenue reduction will in part be offset by more frequent transactions by gun collectors.

III. CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italics*, existing law in which no change is proposed is shown in roman) :

INTERNAL REVENUE CODE OF 1954

SEC. 5801. TAX.

(a) **RATE.**—On first engaging in business, and thereafter on or before the first day of July of each year, every importer, manufacturer, and dealer in firearms shall pay a special tax at the following rates :

(1) **IMPORTERS OR MANUFACTURERS.**—Importers or manufacturers, \$500 a year or fraction thereof ;

(2) **DEALERS OTHER THAN PAWNBROKERS.**—Dealers, other than pawnbrokers, \$200 a year or fraction thereof ;

(3) **PAWNBROKERS.**—Pawnbrokers, \$300 a year [:] or fraction thereof ;

Provided, That manufacturers and dealers in guns with combination shotgun and rifle barrels, 12 inches or more but less than 18 inches in length, from which only a single discharge can be made from either barrel without manual reloading, [guns designed to be held in one hand when fired and having a barrel 12 inches or more but less than 18 inches in length, from which only a single discharge can be made without manual reloading, or guns of both types,] and manufacturers and dealers in guns classified as "any other weapon" under section 5848(5), shall pay the following taxes: Manufacturers, \$25 a year or fraction thereof; dealers, [\$1] \$10 a year or [any part] fraction thereof.

[(b) **COMPUTATION OF TAX.**—Where the tax is payable on the first day of July in any year it shall be computed for 1 year; where the tax is payable on any other day it shall be computed proportionately from the first day of the month in which the liability to the tax accrued to the first day of July following. This subsection shall not apply to the special tax imposed at the rate of \$1 a year or any part thereof.]

[(c)] (b) CROSS REFERENCE.

For license to transport, ship, or receive firearms or ammunition under the Federal Firearms Act, see section 8 of the Act of June 30, 1938 (52 Stat. 1251; 18 U.S.C. 903).

The CHAIRMAN. The Treasury Department has submitted a favorable report on this bill, copy of which I submit for the record.
(The report follows:)

OFFICE OF THE SECRETARY OF THE TREASURY,

Washington, January 19, 1960.

Hon. HARRY F. WARD,

Chairman, Committee on Finance, U.S. Senate,
New Senate Office Building, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on H.R. 4029, relating to the occupational and transfer taxes on firearms imposed by chapter 53 of the Internal Revenue Code.

Chapter 53 of the code provides, by use of the taxing power, for control over the manufacture, "making," transfer, and ownership of certain types of firearms. The chapter is cited as the "National Firearms Act" and is derived from the National Firearms Act, approved June 26, 1934, as amended. Major features of the law include annual occupational taxes on importers, manufacturers, dealers, and pawnbrokers who handle the listed weapons and transfer taxes on the disposal of such weapons other than between registered importers, manufacturers, and dealers. Transfer tax is not incurred if the firearm is unserviceable and is transferred as a curiosity or ornament, or is transferred to a governmental unit or any peace officer. There is also a tax of \$200 on the making of a firearm of the type specified in chapter 53 by other than a registered manufacturer.

At the present time the basic rates for the occupational taxes are: \$500 a year for importers or manufacturers; \$200 a year for dealers other than pawnbrokers; and \$300 a year for pawnbrokers. The general rate for the transfer of a firearm is \$200. These rates apply in the case of shotguns and rifles having a barrel of less than 18 inches in length (16 inches for a rifle of .22 caliber or less); machine-guns; silencers; or any other weapon (other than a pistol or revolver) from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person. Lower tax rates are specified in the case of guns with combination shotgun and rifle barrels 12 inches or more but less than 18 inches in length from which only a single discharge can be made from either barrel without manual reloading and guns designed to be held in one hand when fired and having a barrel 12 inches or more but less than 18 inches in length from which only a single discharge can be made without manual reloading. In these two cases the tax for manufacturers is \$25 a year; dealers, \$1 a year; and the transfer tax is \$1 per weapon, but the occupational tax for importers and pawnbrokers is at the general rates of \$500 and \$300, respectively.

As part of these taxing provisions, importers, manufacturers, and dealers are required to register annually with the Treasury Department. Transfers of the prescribed weapons may be made only upon receipt by the transferor of a written application (in duplicate) on a form issued by the Treasury. The form requires the fingerprints and photograph of the would-be transferee, if an individual. Upon completion of the transfer, copy of the form is sent to the Treasury, and the original, with the stamp purchased in payment of the tax affixed thereto, is returned to the transferee.

H.R. 4029 would amend these provisions in the following manner:

(1) All rifles with barrels between 16 and 18 inches in length would be removed from the scope of chapter 53, instead of only those of .22 caliber or less.

(2) Any weapon made from a rifle or shotgun and having an overall length of less than 26 inches would fall within the category of weapons subject to the basic rates of tax. Under present law, such "sawed-off" weapons are subject to tax under this chapter only if the barrel is less than 18 inches in length, or it has been determined that they are capable of being concealed on the person.

(3) The occupational and transfer taxes on weapons falling in the "any other weapon" category would be reduced from \$500 to \$25 per year for manufacturers; \$200 to \$10 per year for dealers other than pawnbrokers, and \$200 to \$5 per weapon for transfers. The \$500 and \$300 per year occupational taxes on importers and pawnbrokers, respectively, would not be reduced, nor would the \$200 per weapon "making" tax be changed.

(4) The occupational tax for dealers in the combination shotguns and rifles and handguns mentioned above would be increased from \$1 to \$10 per year and the transfer tax for these weapons would be raised from \$1 to \$5 per transaction. The present manufacturers' occupational tax of \$25 per year for such guns would be retained as well as the \$500 per year importers' occupational tax and the \$300 per year pawnbrokers' tax.

(5) The occupational taxes would be due for the full amount specified irrespective of the length of time during the year a taxpayer is in business. Under present law, the \$500, \$200, and \$300 taxes are prorated from the first day of the first month a taxpayer commences business to the end of the taxable year.

(6) The transferor and transferee would be jointly and severally liable for transfer tax if a firearm is transferred without payment of tax. The transferor would continue as at present to be initially liable for the tax.

In addition to these changes, the bill contains an amendment to section 5685 of the code relating to penalty for possession of firearms when violating liquor laws to reflect therein the amended definition of a firearm as proposed by H.R. 4029 for purposes of chapter 53.

The present bill is primarily the result of dissatisfaction of gun collectors with rulings of the Department that certain weapons are covered in the term "any other weapon." The weapons in question include the shot revolver advertised as a "hip holster shotgun" and the "Chicago Palm Protector." Objection to these rulings appears to be based on the desire of gun collectors to purchase weapons falling into the "any other weapon" category without payment of the \$200 per weapon transfer tax. This can be done under present law if the purchasers are willing to have the weapons altered (usually by welding certain parts together), so that they neither are, nor can again be made, serviceable. Some collectors, however, are said to be unwilling to have this alteration. They want a collection of operating weapons.

As a result of this dissatisfaction, bills were introduced in the 85th Congress which would have deleted the "any other weapon" category from the terms of chapter 53. The Treasury Department in 1957 reported to the House Committee on Ways and Means that it felt that removal of such weapons from coverage under this law would be inconsistent with its basic purpose of preventing firearms from being acquired and utilized by criminals. The "any other weapon" category encompasses mostly "gadget"-type weapons, including such things as fountain pen, walking stick, and flashlight guns, which have no practical use by sportsmen and other law-abiding citizens. As a consequence, the Department stated that "removal of the noted weapons from Federal control could be expected to result in a great increase in their production and use, thereby aggravating the problem of law enforcement agencies."

Since no action was taken by the Congress to remove the "any other weapon" category from the law, persons interested in acquiring such weapons then suggested the alternative approach embodied in H.R. 4029 of reducing the occupational and transfer taxes for such weapons to a nominal level. This will permit of continued control over the production, sale, and acquisition of these weapons under the provisions of chapter 53. Collectors can acquire the guns at a tax cost of \$5 per weapon, while the criminal penalties will still be applicable where the weapons are acquired without payment of tax and the furnishing of the transfer application to the Treasury Department.

Three of the provisions of H.R. 4029 will improve the control purposes of the National Firearms Act. The addition to the basic tax category of any weapon made from a rifle or shotgun if less than 26 inches in overall length will, as indicated above, avoid the need for determining whether such weapons are capable of being concealed on the person which is now required for taxation when such modified weapons have a barrel of 18 inches or more in length. Removal of the proration feature of the occupational taxes will make it less advantageous for persons who are not actually dealers to try to qualify as dealers near the end of the year, pay a fraction of the annual occupational tax, and then obtain firearms for their personal use without payment of the transfer tax. Making both the transferor and transferee jointly and severally liable for the transfer tax where a transfer has been made without payment of the tax will strengthen the control over illegal purchases.

The Treasury Department supports these features of the bill. The Department also approves of the proposal to raise the occupational tax from \$1 to \$10 for dealers (other than pawnbrokers) handling only combination rifles and shotguns and handguns with barrels of 12 to 18 inches in length. Transfer tax for these weapons at the same time would be increased from \$1 to \$5. The

present \$1 rates do not cover the Treasury's handling costs. It costs at least \$4 to process a firearm transfer.

The proposed exemption of short-barreled rifles (rifles with barrels between 16 and 18 inches in length) and the rate reduction for "any other weapon" represent a liberalization of the control features of the National Firearms Act. Whether the changes would have undesirable effects is not entirely clear. We understand that the International Association of Police Chiefs polled its members on the proposed exemption for short-barreled rifles and received a divided reaction as to whether such guns are of the type that would be used by criminals. The proposed reduction of taxes on guns in the "any other weapon" category does not affect the information requirements (including fingerprints and photographs of transferees) and penalties for violation of these and other requirements associated with the taxes. Insofar as these, rather than the rate of tax, are the significant deterrents to criminals from obtaining these weapons from others, the basic purpose of the law will be served. If a high tax rate, such as is intended to be retained on sawed-off shotguns, machineguns, and silencers, also has value in preventing purchase of weapons by criminals, then the tax reductions for "any other weapon" could be considered undesirable.

As to these two features of the bill, the Treasury Department is of the opinion that the possible inducement to criminal use of such weapons from the proposed changes is not such as to warrant its objecting to the changes.

The combined revenue effect of the proposed exemption, rate increases, and rate reductions in H.R. 4020 would be difficult to estimate but could hardly be of any real significance. Total collections from the occupational and transfer taxes in the fiscal year 1959 were only \$20,000.

The Bureau of the Budget has advised the Treasury Department that there is no objection to the presentation of this report.

Sincerely yours,

JAY W. GLASMANN,
Assistant to the Secretary.

The CHAIRMAN. We are very much honored to have Congressman King with us today. He is a very prominent and able member of the Ways and Means Committee.

Senator CARLSON. I should like to say that I, too, feel honored because I had the privilege of serving this distinguished Congressman on the House Ways and Means Committee and I also enjoyed our service together.

STATEMENT OF HON. CECIL R. KING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. KING. Mr. Chairman, I enjoyed those kind remarks. It appears that several Members of the House are obliged to perform other duties and are not able to be here at the time announced—three Members, I believe. So I wish, with the chairman's permission, to introduce Mr. Frank Daniel, the secretary of the National Rifle Association, who collaborated with me in drafting the bill which is now before you.

The CHAIRMAN. If Representatives H. Allen Smith, John P. Saylor, and Bob Sikes who were scheduled to appear come in we shall hear them at that time. Otherwise, they will be permitted to submit written statements for the record if they so desire.

(The following statement was subsequently submitted by Representative Bob Sikes:)

STATEMENT BY CONGRESSMAN BOB SIKES

Mr. Chairman, for years there has been a recognized need for clarification of the statutes pertaining to firearms and to remove the inequities which are known to exist in those statutes. During the 85th Congress a concerted effort

was made to bring about the passage of new legislation in this field. These efforts enjoyed the support of sportsmen, firearms dealers, and gun collectors throughout the Nation. Subsequent to the adjournment of the 85th Congress, a number of meetings were held in order to reach a common ground of understanding between the various segments of the industry in preparation for further efforts in behalf of improved firearms legislation. Included were representatives of the Alcohol and Tobacco Tax Division, representatives from the National Rifle Association, Sporting Arms and Ammunition Manufacturers Institute, the American Gun Dealers Association, the Importers Association, the National Chiefs of Police Association, Metropolitan Police Department, and many individual gun collectors. Out of these meetings came a fine degree of mutual understanding and accord. General agreements were reached on a proposed series of changes in present laws which it is felt will be beneficial. From these meetings and the accompanying agreements have come proposed bills which were introduced in the 86th Congress by a number of sponsors. One of these, H.R. 4020, by Hon. Cecil King of California is now before you. Identical bills were introduced by me and by a number of others.

The purpose of these measures is to amend the National Firearms Act to eliminate the proration of the occupational tax on persons dealing in machine guns and certain other firearms, to reduce the occupational and transfer taxes on certain firearms, to make the transfer and transferee jointly liable for the transfer tax on firearms, and to make certain technical changes in the definition of the term "firearm."

The National Firearms Act—sometimes referred to as the Machine Gun Act—was enacted by the 73d Congress in 1934 to provide a making and transfer tax of \$200 on machineguns and certain specified firearms which had become a national crime problem in the prohibition era. In addition to machineguns, the act applies to a silencer for a firearm and to sawed-off rifles and shotguns. The law does not apply to pistols and revolvers or to ordinary sporting rifles and shotguns. Any weapon defined as a firearm by the National Firearms Act is required to be registered with the Department of the Treasury and becomes subject to the prohibitive tax provision of the act. Several technical provisions of the law have resulted in a severe hardship on law-abiding gun owners, and particularly gun collectors without adding to the effectiveness of the act as a crime-prevention measure. Also, at least one provision in the law has left open a loophole by means of which unscrupulous persons have been able to evade the tax which Congress decreed should be placed upon the transfer of machineguns. It is the purpose of our bills to correct these technical shortcomings.

The National Firearms Act provides, in part, that a shotgun or a rifle having a barrel of less than 18 inches in length is a firearm and subject to the \$200 making and transfer tax, except that rifles of .22 caliber are exempt if the barrel length is 16 inches. An area of inequity arises here from the fact that a number of popular sporting rifles and a number of rifles having great value to gun collectors have barrel lengths just slightly under 18 inches. While such rifles could not be considered concealable, and while they do not enter into the crime picture they still must be classed as a firearm subject to the taxation provisions of the law. It is one of the purposes of my bill so to amend the definition of the term "firearm" under the law, that it will not apply to any rifle which has a barrel of at least 16 inches in length. This will mean that all rifles having a barrel length of at least 16 inches will be exempt from the law, not .22 caliber rifles alone as at present.

Another area of inequity from the standpoint of law-abiding shooters and gun collectors arises from the provision in the law which defines as a firearm, in addition to a machinegun or sawed-off rifle or shotgun, "any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person." It is apparent from this language that Congress did not intend the prohibitive taxing provision of the Machine Gun Act to apply to pistols or revolvers. The law, however, does not define the term "pistol or revolver," and it therefore becomes a matter of administrative interpretation as to what is a pistol, excepted under the act, and what is any other weapon prohibited under the act. We see here a complex administrative problem. If a particular weapon is clearly recognizable as a pistol or revolver it meets a specific exception in the National Firearms Act. However, if the weapon is concealable and is not clearly recognizable as a pistol or revolver, then it must fall into the loose category of any

other weapon and becomes immediately subject to a prohibitive \$200 transfer tax.

Highly valued items to gun collectors are the guns which mark stages in the development of firearms from their earliest beginning. In the process of experimentation, trial and error, and plain American inventiveness which has led to the modern pistol and revolver, many strange firearms have had their brief moments on the scene. Some are clearly recognizable as a step in the development of a modern pistol; others are not. Many, by administrative edict, now fall in the "any other weapon" category under the National Firearms Act and are, therefore, subject to its prohibitive controls.

Since pistols and revolvers make up the vast majority of weapons capable of being concealed on the person and, since for good and sufficient reasons the Congress felt that pistols and revolvers should not be included in the Machine Gun Act, it would seem just and equitable that the full \$200 transfer tax not be applied to the very small minority of concealable weapons which may be interpreted to be neither a pistol nor a revolver. To the contrary, it would appear that the purpose of the act would be better served by a nominal tax on this category of weapon which would permit them to be possessed and traded by gun collectors while retaining the records and controls now exercised by the Department of the Treasury under the National Firearms Act.

Experience through the years has demonstrated that the type of concealable weapon controlled under the National Firearms Act which has most frequently occurred as a crime is the weapon that is made from a rifle or shotgun by cutting it down in length so as to make it concealable on the person. Under the present law if a rifle or shotgun is altered by cutting off the barrels so that the barrel length is less than that prescribed in the definition of a firearm then the weapon clearly becomes subject to the criminal provisions of the law. In many cases, however, the criminal not only cuts off the barrel of a conventional rifle or shotgun but may also cut off the shoulder stock and thus create a one-hand weapon of greater concealability than had he sawed off the barrel alone. In the past criminals apprehended with such weapons have attempted to avoid prosecution on the ground that the weapon they created by cutting off the barrel and the stock of a shotgun or a rifle was in fact a pistol since it was a one-hand weapon. In the view that it was just this type of criminal weapon that Congress sought to control in the National Firearms Act, I am suggesting an amendment to the definition of the term "firearm" by adding the language, "or any weapon made from a rifle or shotgun—whether by alteration, modification, or otherwise—if such weapon as modified has an overall length of less than 26 inches."

The amendments will improve the enforcement of the National Firearms Act with respect to machineguns and sawed-off shotguns and will, at the same time, alleviate some of the inequities that plague gun collectors and shooter-sportsmen without contributing to the effectiveness of the law.

H.R. 4029 has passed the House and I sincerely hope we may have the support of the Senate in securing the approval of this measure and that the committee will speedily accord us action toward bringing a bill to the floor.

The CHAIRMAN. Mr. Daniel, we will be glad to hear from you.

STATEMENT OF FRANK C. DANIEL, SECRETARY, NATIONAL RIFLE ASSOCIATION

Mr. DANIEL. Mr. Chairman, my name is Frank Daniel. I am secretary of the National Rifle Association of America. I am appearing in support of H.R. 4029.

This bill amends the National Firearms Act to eliminate the pro-ration of the occupational tax on persons dealing in machineguns and certain other firearms, to reduce the occupation and transfer taxes on certain firearms, to make the transferor and transferee jointly liable for the transfer tax on firearms, and to make certain technical changes in the definition of the term "firearm."

The National Firearms Act, sometimes referred to as the Machine Gun Act, was enacted by the 73d Congress in 1934 to provide a

making and transfer tax of \$200 on machineguns and certain other specified firearms which had become a national crime problem in the prohibition era. In addition to machineguns, the act applies to a silencer for a firearm and to sawed-off rifles and shotguns. The law does not apply to pistols and revolvers or to ordinary sporting rifles and shotguns.

Any weapon defined as a firearm by the National Firearms Act is required to be registered with the Treasury Department and is subject to the prohibitive tax imposed by the act. Several technical provisions of the law have resulted in a hardship on law-abiding gun owners, particularly gun collectors, without adding to the effectiveness of the act as a crime-prevention measure. Also, at least one provision in the law has left open a loophole by means of which unscrupulous persons have been able to evade the tax which Congress decreed should be placed upon the transfer of a machinegun. It is the purpose of H.R. 4029 to correct these technical shortcomings.

The National Firearms Act provides in part that a shotgun or a rifle having a barrel of less than 18 inches in length is a firearm and subject to the \$200 making and transfer tax, except that rifles of .22 caliber are exempt if the barrel length is 16 inches. An inequity arises here from the fact that a number of popular sporting rifles and a number of rifles having great value to gun collectors have barrel lengths just slightly under 18 inches. While such rifles could not be considered concealable, and while they do not enter into the crime picture, they still must be classed as a taxable firearm under the law as it is now written. One of the purposes of H.R. 4029 is to amend the definition of the term "firearm" under the law so that it will not apply to any rifle which has a barrel of at least 16 inches in length. This will mean that all rifles having a barrel length of at least 16 inches will be exempt from the law, not only .22 caliber rifles as at present.

Mr. Chairman, if I can interpolate here just one second, I would like to show you how far-fetched inequity can become at times.

This, Mr. Chairman, is a .22 caliber cartridge. It has a bullet diameter of $22/100$ of an inch, so that it is a .22. And a rifle chambered for that cartridge could now under the existing law have a 16-inch barrel. This is a .25 caliber cartridge. A rifle chambered for that cartridge would be required to have an 18-inch barrel. The inequity arises here. The bullet from that larger cartridge leaves the rifle at a speed in excess of 4,000 feet a second and with a muzzle energy in excess of 1,800 foot-pounds. The other cartridge which must now have an 18-inch barrel has half the speed and one-third the muzzle energy.

Another area of inequity from the standpoint of law-abiding shooters and gun collectors arises from the provision in the law which defines as a firearm, in addition to the machinegun or sawed-off rifle or shotgun, "any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person." It is apparent from this language that Congress did not intend the prohibitive tax provision of the Machine Gun Act to apply to pistols or revolvers. The law, however, does not define the terms "pistol" or "revolver," and it, therefore, becomes a matter of administrative interpretation as to

what is a pistol, which is excepted under the act, and what is "any other weapon," which is taxable under the act.

We see here a complex administrative problem. If a particular weapon is clearly recognizable as a pistol or revolver, it meets a specific exception in the National Firearms Act. However, if the weapon is concealable and is not clearly recognizable as a pistol or revolver, then it must fall into the loose category of "any other weapon" and becomes immediately subject to a prohibitive \$200 transfer tax.

Highly valued items to gun collectors are the guns which mark stages in the development of firearms from their earliest beginning. In the process of experimentation, trial and error, and plain American inventiveness which have led to the modern pistol and revolver, many strange firearms have had their brief moments on the scene. Some are clearly recognizable as a step in the development of a modern pistol; others such as the "Chicago Palm Pistol" are not. Many, by administrative edict, now fall in the "any other weapon" category under the National Firearms Act and are, therefore, subject to its prohibitive controls.

Since pistols and revolvers make up the vast majority of weapons capable of being concealed on the person, and since for good and sufficient reasons the Congress felt that pistols and revolvers should not be included in the Machine Gun Act, it would seem just and equitable that the full \$200 transfer tax not be applied to the very small minority of concealable weapons which may be administratively interpreted to be neither a pistol nor a revolver. To the contrary, it would appear that the purpose of the act would be better served by a nominal tax on this category of weapon, thus permitting them to be possessed and traded by gun collectors while retaining the records and controls now maintained by the Treasury Department under the National Firearms Act.

Long experience has demonstrated that the type of concealable weapon controlled under the National Firearms Act which has most frequently figured as a crime problem is that made from a rifle or shotgun by cutting it down in length so as to make it concealable on the person. Under the present law, if a rifle or shotgun is altered by cutting off the barrels so that the barrel length is less than that prescribed in the definition of a firearm, then the weapon clearly becomes subject to the criminal provisions of the law. In many cases, however, the criminal not only cuts off the barrel of a conventional rifle or shotgun, but also may cut off the shoulder stock and thus create a one-hand weapon of greater concealability than had he sawed off the barrel only. In the past, criminals apprehended with such weapons have attempted to avoid prosecution on the ground that the weapon they created by cutting off the barrel and the stock of a shotgun or a rifle was in fact a pistol since it was a one-hand weapon. In our view, it was just this type of criminal weapon that Congress sought to control in the National Firearms Act. H.R. 4029 would amend the definition of the term "firearm" by adding the language—

or any weapon made from a rifle or shotgun (whether by alteration, modification, or otherwise), if such weapon as modified has an overall length of less than 26 inches * * *.

The National Firearms Act provides for an annual \$200 tax for persons engaged in the business of dealing in machineguns and those

categories of weapons defined as "firearms." At present, the payment of this occupational tax may be prorated on a monthly basis established on the fiscal year. Certain persons other than bona fide dealers have been able to take advantage of this provision to avoid the payment of the transfer tax on machineguns by paying the dealers' occupational tax for 1 month only.

A person engaged in the business of dealing in machineguns and who has qualified for and paid the occupational tax provided in the law is permitted an exemption from the transfer tax. As the law now stands, a man may qualify as a machinegun dealer in June by paying only one-twelfth of the normal \$200 dealers' occupational tax. He may then purchase machineguns without paying the \$200 transfer tax and, at the end of June, may simply elect not to renew his dealer's status by paying his occupational tax for the following year. It is one of the purposes of H.R. 4029, at the suggestion of the Treasury Department, to remove the pro rata feature with respect to the occupational tax so that a person qualifying as a dealer, engaged in the business of dealing in machineguns, will pay the \$200 occupational tax for a year or fraction thereof.

Another weakness in the present language of the law has been that the transferor alone has been responsible for the transfer tax on machineguns. If through false pretenses, an individual not actually a bona fide dealer has been able to secure a machinegun transfer tax exempt, the Government has no recourse since no liability for the tax rested on the transferee. H.R. 4029 would correct this by providing that, if a firearm is improperly transferred without payment of the transfer tax, the transferor and transferee shall become jointly and severally liable for the tax.

The amendments proposed by H.R. 4029 will improve the enforcement of the National Firearms Act with respect to machineguns and sawed-off shotguns and will, at the same time, alleviate some of the inequities that plague gun collectors and shooter-sportsmen without contributing to the effectiveness of the law.

The language of these amendments was arrived at through repeated conferences between personnel of the Treasury Department, representatives of gun collecting organizations, sportsmen's groups, and law enforcement agencies.

We of the National Rifle Association of America feel these amendments are desirable and needed, and we urge favorable consideration by your committee.

Mr. Chairman, if I may have just a minute to discuss these pictures which I believe you have in front of you.

The first photograph is of a Swedish military bolt action carbine, much desired by sportsmen and collectors in this country. It has on the muzzle end just in front of the front sight a sleeve soldered to the barrel which is less than half an inch long. The purpose of that sleeve is to bring the barrel length of that carbine from just under 18 inches to just over 18, so that it can be a legal weapon under the law as it now stands.

The next picture is a standard sporting model of Savage 99 rifle. It is not a firearm under the National Act, because the barrel is over 18 inches.

The picture that follows it, however, is a picture of our standard military .30 caliber carbine. Many of these are privately owned, and in many States they are a legal deer rifle. However, under the specifications under which they were built for the Government, the length of the barrel is a very critical thing. Some of them are 18 inches, some of them are a fraction over 18, and some of them a fraction under. The one in the picture happens to have a barrel $17\frac{7}{8}$ inches long. It would immediately become a firearm under the National Act, subject to a \$200 transfer tax.

The next picture is of the Winchester Model 1873. That is the old lever-action Winchester that made the West, and that is the one you see principally in the TV pictures. It is not a firearm because the barrel is well in excess of 18 inches.

However, the following picture is the saddle scabbard model of the same rifle. It has a barrel 16 inches long. It is quite rare; they didn't make very many of them. They are highly prized by gun collectors, and quite valuable when they can be found; but under the present wording of the National Firearms Act that is a firearm and cannot be transferred from one person to another without the payment of a \$200 tax.

The following picture is a standard .38 caliber pocket model pistol. This is not a firearm under the National Act, because there is a specific exception for pistols and revolvers.

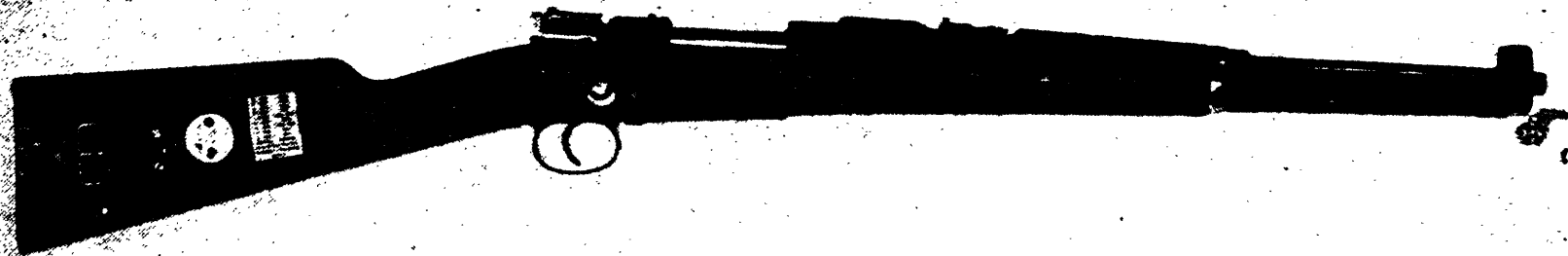
However, the picture that follows was taken from the patent records of the Chicago palm pistol. Now, this is an aberrant step in the development of the model pistol. It was patented back in the 1800's—around 1850, somewhere around that. The gun was intended to be held in the palm of the hand, the little short barrel protruded between the fingers and it was fired by squeezing this grip on the back. The thing was never any good. It never worked. They are extremely rare today, and extremely valuable because they are rare. You can no longer find ammunition for them. However, because it doesn't look like a pistol or revolver, it has been ruled by the Treasury Department not to be; in fact, they say it is a firearm and subject to the \$200 transfer tax for any collector who wishes to collect one.

The next one is a standard target model .44 caliber revolver. This is the one you would be most apt to find on the target ranges but it is not a firearm.

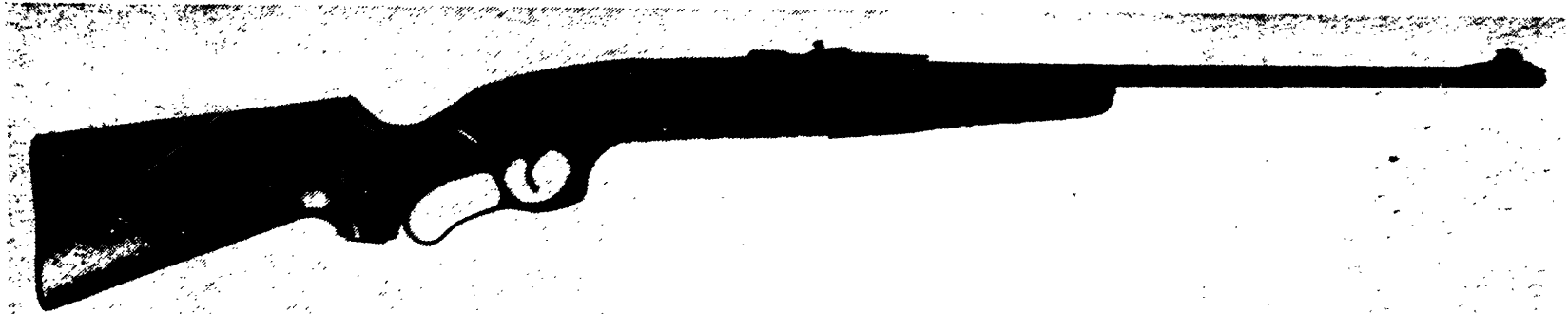
The picture which follows has been ruled to be a firearm. It may look to you to be exactly the same weapon. I will tell you what the difference is.

On the last picture in the book you will notice that a little projection of tube has been added to the muzzle. The rifling has been removed from the barrel, and it has been done so that the weapon can fire very fine birdshot with some degree of control of the pattern. It is a shot revolver. It will also fire a solid projectile, but the rifling has been removed so that it wouldn't fire a solid projectile as accurately as it would before, but it does fire shot with somewhat better pattern control. The Treasury Department has ruled that this is not a pistol or revolver, that it is in fact a saved-off shotgun and is, therefore, a firearm and subject to the \$200 tax.

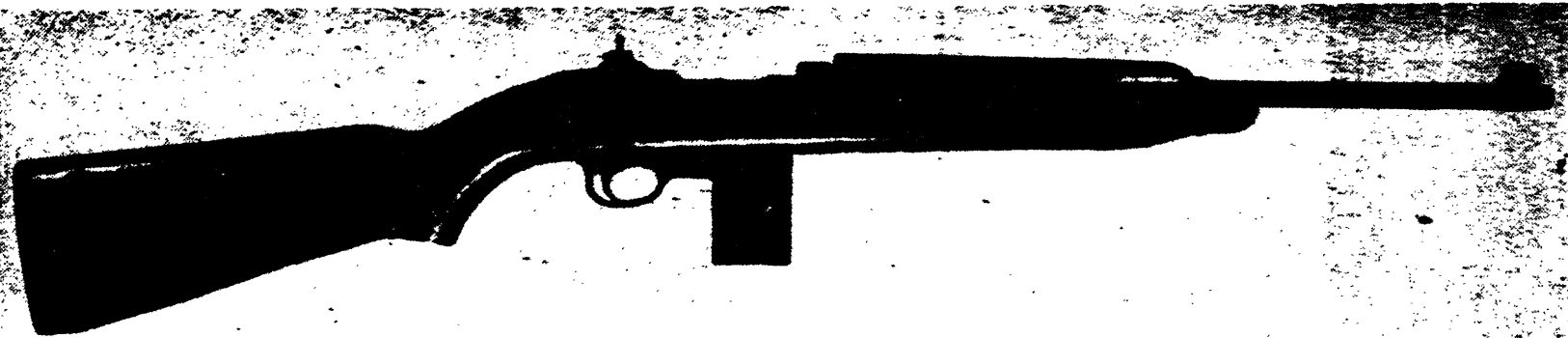
(The pictures referred to follow:)



BOLT ACTION MODEL 94, SWEDISH MAUSER CARBINE
6.5 X 55 MM. THIS HIGH QUALITY SWEDISH
MILITARY CARBINE HAS BEEN REMOVED FROM THE
"FIREARMS" CATEGORY BY VIRTUE OF A ONE-HALF
INCH TUBE PERMANENTLY SOLDERED TO THE
MUZZLE. AS MANUFACTURED THIS CARBINE HAD A
BARREL JUST A FRACTION LESS THAN 18 INCHES
IN LENGTH.



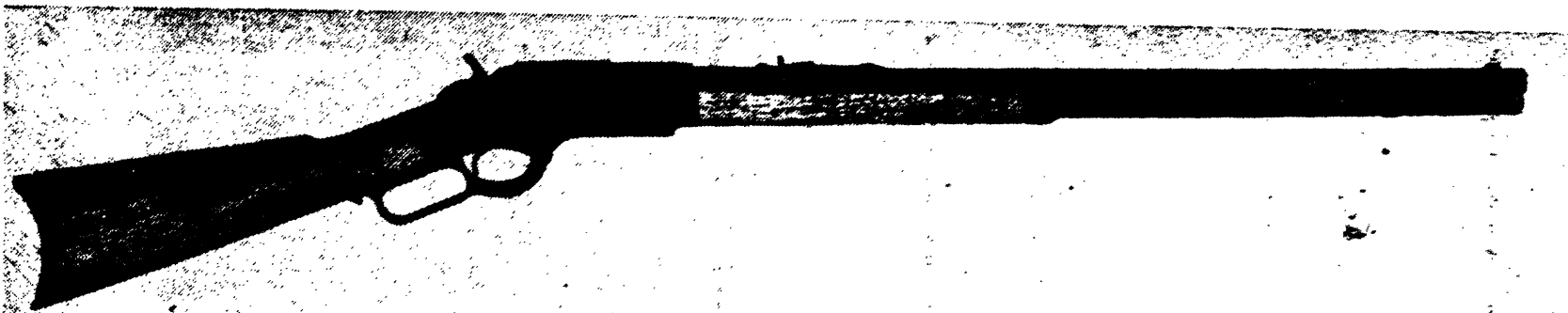
LEVER ACTION SPORTING RIFLE, POPULAR AS A
HUNTING ARM. THIS IS NOT A "FIREARM" AND
NOT SUBJECT TO THE PROHIBITIVE CONTROL OF
THE NATIONAL FIREARMS ACT.



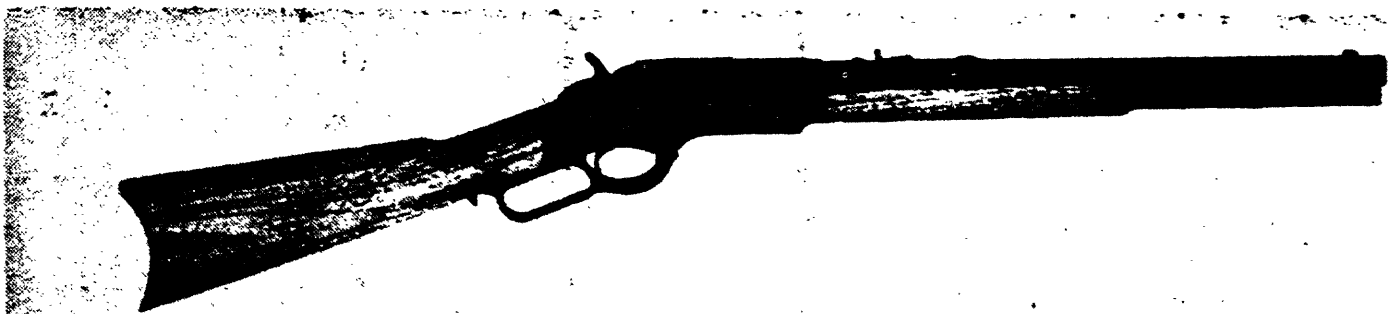
THE UNITED STATES ARMY .30 CALIBER
CARBINE WAS MADE IN TRENDEDOUS QUANTITIES
DURING WORLD WAR II AND SINCE WIDELY SOLD TO
ALLIED NATIONS.

MANY ARE PRIVATELY OWNED AND IN MANY
STATES THEY ARE LEGAL AS A HUNTING WEAPON.

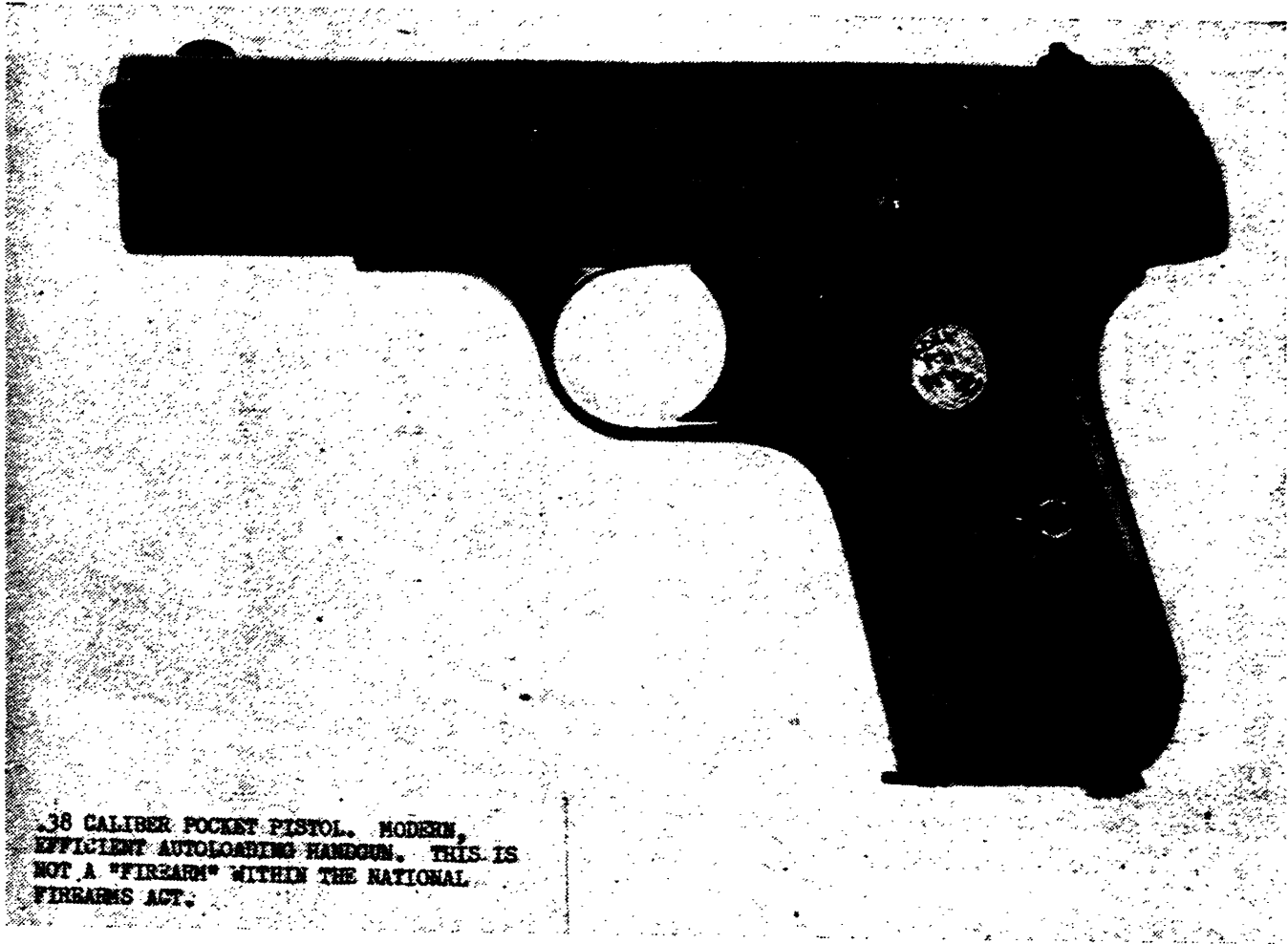
THIS ONE WITH A BARREL LENGTH OF 17-7/8
INCHES IS A "FIREARM" AND SUBJECT TO THE
\$200 TAX, OTHERS WITH A BARREL 1/8 OF AN
INCH LONGER ARE NOT "FIREARMS".



WINCHESTER MODEL 73. THIS IS THE FAMOUS
WINCHESTER LEVER ACTION RIFLE OF THE
WESTERN FRONTIER. PROBABLY THE BEST
KNOWN AND MOST WIDELY RESPECTED RIFLE
OF ITS DAY. THIS WEAPON IS NOT A
"FIREARM" UNDER THE NATIONAL FIREARMS
ACT.

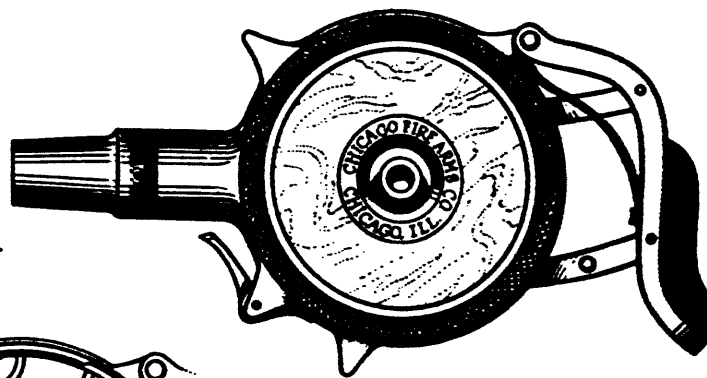
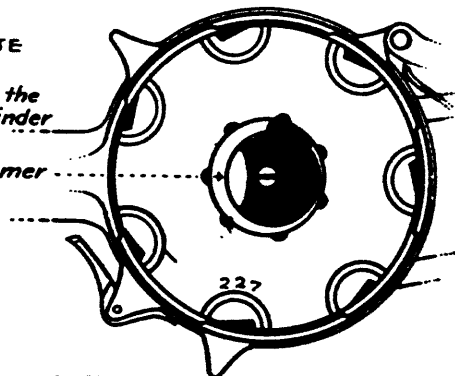


THIS IS THE SADDLE SCABBARD MODEL OF THE
FAMOUS WINCHESTER 1873, HIGHLY PRIZED
FOR ITS HISTORICAL SIGNIFICANCE, THIS IS
A "FIREARM" SUBJECT TO FEDERAL REGISTRATION
AND A \$200 TRANSFER TAX.



.38 CALIBER POCKET PISTOL. MODERN,
EFFICIENT AUTOLOADING HANDGUN. THIS IS
NOT A "FIREARM" WITHIN THE NATIONAL
FIREARMS ACT.

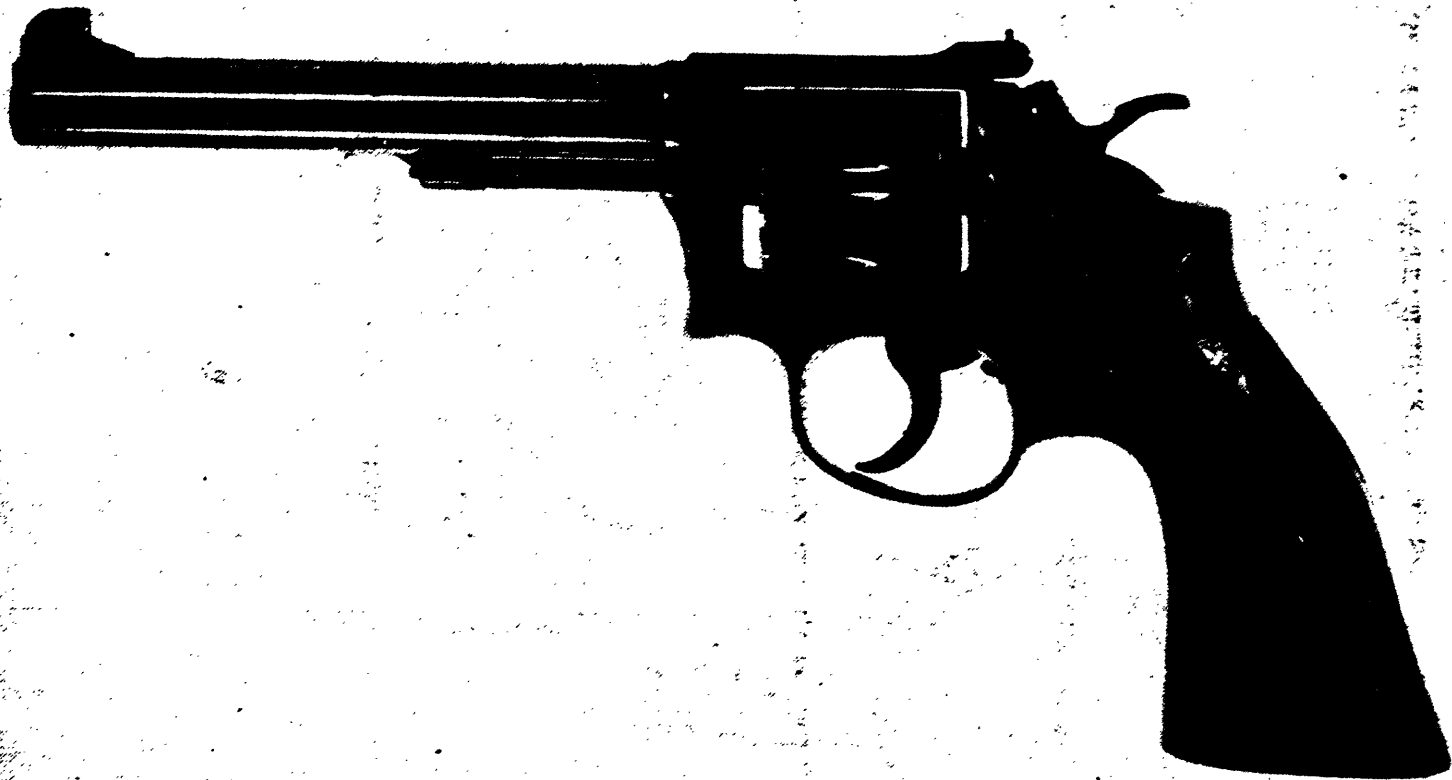
CHICAGO PALM PISTOL

SIDE PLATE
REMOVED*...showing the
7-shot cylinder**hammer*

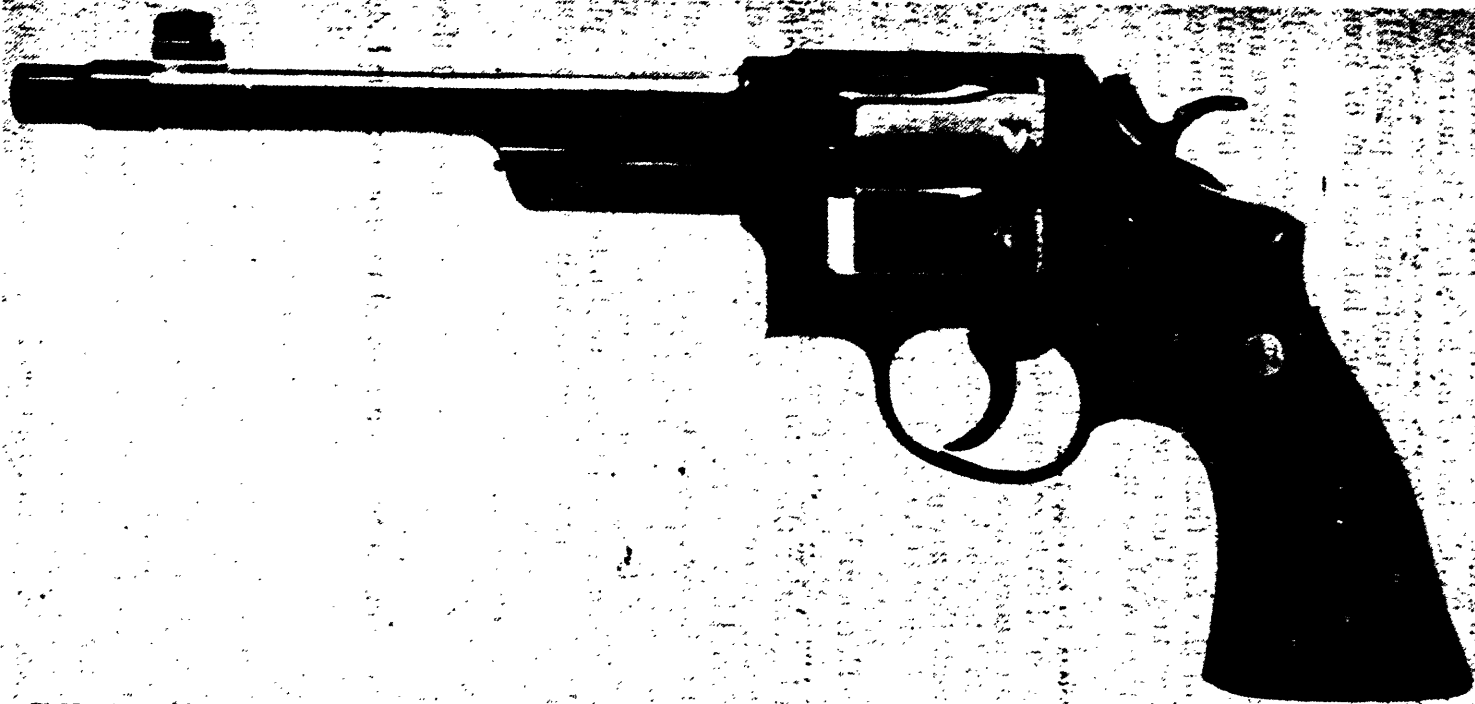
Caliber .32 c.f. Seven shots. An American squeezer-type repeating pistol. Marked on the right side of frame, "THE PROTECTOR, PAT. MCH. 6, 83, Aug. 29, 93." Left side plate removes for loading. Engraved frame and pearl-like composition side plates.

When in use, the pistol lay in the palm of the hand with the short barrel protruding between the first and second fingers. Contracting the hand . . . after applying pressure with the second finger, to the folding safety trigger below the barrel . . . pushed the operating lever in to revolve the cylinder . . . and fire the piece.

RARE AND OBSOLETE AND USING A CARTRIDGE
EVEN MORE RARE, THIS IS CONSIDERED A
"FIREARM" IN SPITE OF A FEDERAL COURT
DECISION TO THE CONTRARY. COLLECTORS MUST
PAY A \$200 TAX TO TRANSFER THIS CURIO OF
ARMS DEVELOPMENT.



TARGET MODEL .44 CALIBER REVOLVER.
THIS IS NOT A "FIREARM".



THIS IS A .44 CALIBER REVOLVER FROM WHICH
THE RIPLING HAS BEEN REMOVED AND A SMOOTH
TUBE ADDED AT THE MUZZLE TO FACILITATE THE
USE OF CARTRIDGES CONTAINING FINE SHOT.

THIS HAS BEEN RULED A "FIREARM".

Senator CARLSON. Is this a modification that is made in the factory or a modification that individuals make?

Mr. DANIEL. This is a modification that individuals make, that custom gunsmiths make. To the best of my knowledge, it has never been a factory modification.

Senator BENNETT. The amendments made are not principally of interest to those who are gun collectors, but the sale of firearms generally?

Mr. DANIEL. Our interest is principally that of sportsmen and gun collectors. We are interested in collectors being able to have and exchange these firing weapons that are now classified as firearms under the act, because of the fact that the \$200 tax makes their possession prohibited. It just rules them out completely; collectors can't have them and swap them and exchange them if they have to pay a \$200 tax.

We are interested in seeing that tax reduced to a nominal tax so that they can be owned and exchanged legally without in any way interfering with the records now being kept by the Treasury.

Mr. CARLSON. If I may ask one more question, I want to be certain that the amendments that are proposed, if they should be approved by the committee and adopted by the Congress, would in no way interfere with the regular sale of weapons out among the trade where they do not violate the National Firearms Act?

In other words, as a Member of Congress, I have been very careful never to vote for legislation that will take weapons away from citizens that I think are entitled to have them and in the interest of the welfare of our country should have them.

Mr. DANIEL. I certainly appreciate that, sir. And this bill has been very carefully drawn in such a way that it does not add restrictions. It rather relieves restrictions in the case of these particular weapons that we have been discussing and that are illustrated in these photographs. It would not in any way interfere with the sale or possession of normal sporting weapons.

Senator CARLSON. That is all, Mr. Chairman.

The CHAIRMAN. Any further questions?

Senator BENNETT. I just want to clear my thinking up. I thought I understood it and I just wanted to make sure.

Referring to the last picture you showed us, the modified .44 revolver, would the bill as recommended change the language to qualify this as a revolver?

Mr. DANIEL. No, sir; unfortunately it would not.

What the bill would do would be place this weapon in the category that could be transferred under the nominal \$5 tax rather than the \$200 tax as at present. It would still leave all of the controls on this weapon that now exist on a machinegun, for example, but it wouldn't rule it out of existence altogether by means of the \$200 prohibitive tax.

Senator BENNETT. Could this weapon be used in the same way that a machinegun is used by a criminal?

Mr. DANIEL. No, sir. It can be used in the same way that a pistol is used.

Senator BENNETT. I didn't ask my question correctly.

Would it replace the sawed-off shotgun in the hands of a criminal?

Mr. DANIEL. Not in my opinion, sir.

This is probably the best illustration. This is what that weapon shoots and is intended to shoot.

Senator BENNETT. What is the charge of a normal sawed-off shotgun, how much bigger?

Mr. DANIEL. Infinitely larger, several times larger than that. This is a revolver cartridge with the bullet removed and shot put in its place.

The CHAIRMAN. Would it be lethal if fired at an individual?

Mr. DANIEL. Not the length of this room; it wouldn't penetrate your clothes.

The CHAIRMAN. Thank you very much, Mr. Daniel.

Mr. DANIEL. Thank you, sir.

The CHAIRMAN. Congressman King, have you any further comment?

Mr. KING. With your permission, Mr. Chairman, I feel like a major-domo here this morning.

The next witness I have known ever since he has been little more than a child. And to make him known to you just a little better, I might read some of his qualifications.

His name is Arthur Cook. As a boy he became the small-bore champion of the United States. In 1948 he was the national small-bore champion, not junior. In 1948 he was the Olympic small-bore rifle champion. He has represented the United States on the teams in the years 1948, 1949, 1951, 1952, 1954, and 1959.

Mr. Chairman, you have to qualify to make that team.

At the present time he is the national three position rifle champion, which means, Mr. Chairman, he can shoot off the hip and in a few other ways better than any other man in this country. Unlike most of our other fine athletes, a rifle champion has no way to have an advantage after he becomes grown, so he has to go into the gun business. And I just thought, Mr. Chairman, it would be well for you, inasmuch as we have seen distinguished men appear before this and other committees, we have not had one just exactly like this young man who is, however, getting a little old now. Mr. Arthur Cook.

The CHAIRMAN. Mr. Cook, we are delighted to have you, sir. Very rarely has any witness appeared before this committee with such an introduction as you had. We are happy to have you.

STATEMENT OF ARTHUR E. COOK, JR., PRESIDENT, AMERICAN GUN DEALERS ASSOCIATION

Mr. Cook. Thank you, sir.

Mr. Chairman and members of the committee, I am pleased to appear here today not only as a representative of the small businessmen who are the members of the American Gun Dealers Association, but also to appear as an individual gun dealer. I have been interested in firearms since I was a member of the Boy Scouts of America. I've participated in matches since that time, and still do compete to the extent that I am able to spare the time from my business. It is quite natural, then, that I would have formed opinions and convictions on the legislation which is before your committee.

Our association, together with the National Rifle Association, the representatives of the gun collectors, representatives of industry and

law enforcement, have met at length with the Alcohol and Tobacco Tax Division of the Treasury Department to work out revisions in the National Firearms Act which would be realistic and workable.

Those of us who earn our livings as gun dealers have a real interest in this problem since we have no desire to engage in any business which the Federal Government or the State or local government feels will in any way aid or abet the criminal elements of our country. Therefore, in considering the legislative proposal which is before your committee, we feel that great care has been exercised to eliminate from the law only those provisions which are technical in nature and which will permit collectors and dealers to buy and sell certain arms without the burden of heavy transfer taxes.

As to the provision which deals with the "any other weapon" category, our association favors the reduction of the transfer tax as provided in the pending legislation. We feel that the intent of Congress will be met if the registration provisions are retained. At the same time, interested collectors can trade and sell these firearms, which are largely curios, without paying the heretofore prohibitive transfer tax.

Next let us turn our attention to the provision which would permit the sale of certain rifles whose barrel length is less than 18 inches and as the law now provides as a minimum. There are certain rifles, carbines in particular, which are just short of the minimum barrel length. In order to escape paying the high tax on this class of rifles there has arisen among gunsmiths and others the practice of welding an additional sleeve so as to give an overall length of 18 inches. This fraction of an inch addition does not have anything to do with the concealability of the rifle, and it is certainly not the type of weapon which would be used by criminal elements.

Therefore, the only result which has been accomplished is to cause those who own such rifles to alter them to satisfy the terms of the National Firearms Act.

It is our feeling that the reduction of this minimum length as provided in the revision will remove from the law a technicality and will make the job of those of us engaged in the sale of firearms much easier.

Let me say that it is the position of our association that we desire in every way to cooperate with the law-enforcement people of the country. We feel that our record has been an outstanding one.

It is our belief that it is essential to punish those who use firearms for criminal activities to the full limit of the law. We have a large stake in this matter for those lawless elements can by their lawless actions cause restrictions on the sale and use of firearms for the sport of shooting which will seriously affect law-abiding citizens. Thus we may be deprived of participating in a sport we enjoy and we may be deprived of the business in which we make our living.

Therefore, we are completely in favor of laws which will punish the criminal and which at the same time will make it possible for those who enjoy the sport of shooting to keep and lawfully use their firearms.

We are pleased to endorse the measure which you have before you and we believe that it comes to you in the best American tradition, having been considered by many of us representing all segments of

our country from the Government, from industry, from small business, down to the ultimate consumer, the American rifleman.

The CHAIRMAN. Thank you very much, Mr. Cook.
Congressman King, have you got another witness?

STATEMENT OF STEUART L. PITTMAN, ON BEHALF OF THE AMERICAN COUNCIL FOR TECHNICAL PRODUCTS, INC.

Mr. PITTMAN. My name is Steuart Pittman, of the law firm of Pittman, Potts, & Muechling, here in Washington. I represent the American Council for Technical Products, Inc.

I am here to urge adoption of H.R. 4029, passed by the House and now before your committee.

The organization which I represent is a trade association composed of companies who are primarily engaged in the importation of firearms or the distribution within the United States of imported firearms. Most of the members also distribute firearms of domestic manufacture.

The council was formed 2 years ago when its members became aware that certain manufacturers of firearms in the United States were engaged in a continuing well-organized campaign to wipe out, or drastically curtail, their imports by seeking the intervention of the U.S. Government in one form or another.

Although the problems which led to the formation of this organization are continuing, the council has increasingly turned its attention to other industrywide problems. Thus, along with, I believe, all of the organizations represented here today, we wish to add our voice to the widespread support for the highly constructive King bill, H.R. 4029.

I will not take the committee's time with points that others are making here which demonstrate how this bill tightens up and clarifies the National Firearms Act, particularly certain provisions which use prohibitive taxes to regulate trade in weapons susceptible to misuse. We believe that passage of the bill will clearly add to efficiency in law enforcement and will eliminate confusion which is hampering those whose function it is to carry on legitimate trade in firearms.

Our members favor this, and any other changes needed to bring the laws and regulations which regulate firearms more sharply in line with their purpose of reducing the danger of criminal use of guns. The result, we believe, will be to do away with unnecessary and unintended restrictions on legitimate trade.

The firearms industry is threatened by a wave of uninformed hysteria over the relationship between the availability of weapons and crime. Careful work by intelligent people is being applied, and should be applied, to this important problem; the King bill is an excellent example. The success of such efforts protects the firearms industry against uninformed demands that crime be cured by indiscriminate, ill-conceived additions to existing regulation of commerce in firearms, which are easy to legislate but have absolutely no chance of reaching the intended target, namely, crime.

One of the improvements in the King bill illustrates the point well. It has been referred to in greater detail by two previous witnesses.

This bill would remove from prohibitive tax treatment a class of carbines which are a fraction of an inch shorter in barrel than the 18 inches provided in the present law.

Over a year ago, several lots of imported carbines failed to meet the 18-inch standard, because metric measurements were used in the foreign construction of the barrels. The result was to put the importers and distributors of these carbines to the trouble and expense of slightly lengthening the barrel, at a cost of about 90 cents for each carbine. Obviously the law did not intend to interfere with the market demand for these carbines; equally obviously, it did not keep them out of commerce.

In addition to the 90 cents, I might add, the paperwork involved in meeting the regulations adds considerable expense to the importer and distributor and also, I believe, to the Government of the United States in assuming jurisdiction to regulate trade in this type of weapon, which is a significant consideration for this committee.

Thus the existing law in this respect accomplishes nothing except a minor irritation on occasional transactions by a small number of American businesses.

The King bill is supported both by those who would administer it and by those who are regulated by it; we urge this committee to give it the favorable consideration which we think it deserves.

Thank you very much.

The CHAIRMAN. Thank you, Mr. Pittman.

Congressman King, any further comments?

Mr. KING. That apparently concludes the witnesses who desire to be heard, Mr. Chairman.

The CHAIRMAN. The testimony is concluded.

Thank you for coming, Mr. King. We hope you will come before the committee again soon.

The committee is adjourned.

I submit for the record a letter submitted by Mr. Charles J. Hahn, executive secretary of the National Sheriffs' Association, in lieu of appearing as originally scheduled. Also, the following telegram signed by E. D. Hadley, president, and E. L. Kozicky, chairman of the Crime Prevention Committee, Sporting Arms & Ammunition Manufacturers Institute, in lieu of appearing as a witness.

(The material referred to follows:)

THE NATIONAL SHERIFFS' ASSOCIATION,
Washington D.C., February 24, 1960.

HON. HARRY F. BYRD,
U.S. Senate, Washington, D.C.

ESTEEMED SIR: We note that a hearing will be held at 10 a.m., March 1, by the Senate Finance Committee on H.R. 4029, proposing an amendment to the National Firearms Act.

Should there be a change in the present Federal firearms laws it would mean that a rifle with a barrel of 16 inches would not be considered "concealed."

I am attaching a copy of the March-April 1959 issue of our official publication which will indicate to you that the sheriffs of the United States are unalterably opposed to the reduction in barrel length which would be considered "concealed" under Federal laws.

I am planning to attend this hearing and, in the meantime, I think you will have a message from our president, Sheriff Hugh M. Anderson, of Hutchinson County, Tex.

Sincerely yours,

CHARLES J. HAHN,
Executive Secretary.

WRITE YOUR CONGRESSMAN!

Three bills have been introduced in the House of Representatives of the United States Congress to amend the National Firearms Act. House bill 4029 by King, 4094 by Sikes, and 4227 by Saylor are all identical in their proposals to shorten the minimum length of a rifle barrel in the definition of a "firearm" and to impose a new measure of concealability.

These proposals also provide for a reduced transfer tax for weapons falling in the "any other weapons" category and, when the taxpayment is neglected, both the transferor and transferee will be liable for the tax. The loophole which allowed a "supposed" dealer to pro rate the payment of the \$200 transfer tax is eliminated.

The executive committee of the National Sheriffs' Association reviewed these bills closely and questions the proposal relating to shortening the barrel length requirement and of stating a definite measurement of concealability.

ORIGINAL PURPOSE OF ACT

Since its enactment in 1934, the principal purpose of the National Firearms Act " * * * is to control the traffic in machineguns and sawed-off guns, the types of firearms commonly used by the gangster element. The Congress felt that such control was necessary to curb the growing frequency of crimes of violence in which people were killed or injured by the use of such dangerous weapons." (Quoted from H. Rept. 1714, 1952.)

The 18-inch standard, for both rifles and shotguns, was examined by Congress on at least four occasions: in 1934, when enacted, and again in 1939, 1952, and 1954. When Congress last amended this law in 1952, it purposely wrote a prohibition against shortened firearms in general, and again set the barrel length of "concealable firearms" as those with barrel lengths of less than 18 inches.

In the proposed bills the definition of "firearm" reads, " * * * a shotgun having a barrel or barrels of less than 18 inches in length, or a rifle having a barrel or barrels of less than 16 inches in length, or any weapon made from a rifle or shotgun (whether by alteration, modification, or otherwise) if such weapon as modified has an overall length of less than 28 inches, or any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person, or a machinegun, and includes a muffler or silencer for any firearm whether or not such firearm is included within the foregoing definition.

These efforts are being made to get the act changed because many shoulder guns (mostly military surplus) coming into the country have barrels of less than 18 inches and, to comply with the National Firearms Act, the importers have had to add a piece to the end of the barrel or pay a \$200 transfer tax on each gun.

UNLIMITED CONFUSION

If this change is effected, rifles with barrels of 16 inches or more would be "legal" under Federal law. However, many State statutes, written with the guidance of the National Firearms Act, impose the standard 18-inch limit. The conflicting definitions would certainly cause confusion for law enforcement agencies and require additional legislative action at State level.

A reduction in this barrel length requirement weakens the act and potentially will cause law enforcement agencies considerable hardship. It makes little sense to add complications to an already difficult job. In accordance with the conclusions of your executive committee, it is recommended that you express yours views to Hon. Wilbur D. Mills, chairman, House Ways and Means Committee, to which the three bills have been referred.

Copies of letters to Mr. Mills should be sent to the National Sheriffs' Association.

NEW YORK, N.Y., February 27, 1960.

Senator HARRY F. BYRD,
Chairman, Senate Finance Committee,
Senate Office Building, Washington, D.C.:

The Crime Prevention Committee of the Sporting Arms & Ammunition Manufacturers' Institute requests that this telegram be filed at the hearings in

opposition to H.R. 4029 in lieu of personal appearance by the officers of this institute.

The Sporting Arms & Ammunition Manufacturers' Institute is an association of the principal manufacturers of sporting arms and ammunition in the United States. Its crime prevention committee is concerned with legislative and other matters dealing with law enforcement in the United States and in the various States and cities.

H.R. 4029 proposes to amend the National Firearms Act in two ways which we believe will complicate and be a burden on law enforcement: First, to reduce the permissible barrel length on rifles from 18 inches to 16 inches; second, to provide with respect to modified weapons a legalized 26-inch overall length.

Only commercial reasons have been stated by proponents of these two amendments. Proponents have contended that the present law restricts the import of short-barrel surplus military rifles being offered for export sale in Sweden and other foreign countries. They complain that under the law they must incur the cost of lengthening the barrel before these weapons can be sold in the United States. Collectors have stated that the transfer tax on short-barrel weapons makes it difficult for them to collect these short-barrel surplus weapons. In our view these commercial reasons are not a proper basis for considering a change in the basic statute dealing with control of firearms. We believe that to be consistent with the purpose of the National Firearms Act, the only issue to be considered is the effect on law enforcement. Based on our investigation and the statements made by responsible officials of law enforcement agencies, these amendments will hamper law enforcement.

Congress in 1934, 1939, 1952, and 1954 has considered and reaffirmed the 18-inch barrel limitation.

Moreover, H.R. 4029 illogically proposes a different permissible barrel length for shotguns and rifles and would make the Firearms Act inconsistent within itself. Such amendments would also be inconsistent with State and municipal legislation, which is based on the present Firearms Act. These results would only hamper law enforcement and cause unnecessary confusion for law enforcement officers. We urge that the committee reject H.R. 4029.

E. C. HADLEY,

President, Sporting Arms & Ammunition Manufacturers' Institute.

E. L. KOZICKY,

Chairman, Crime Prevention Committee, Sporting Arms & Ammunition Manufacturers' Institute.

THE POLICE COMMISSIONER,
CITY OF NEW YORK,

February 25, 1960.

Re H.R. 4029, amending the Internal Revenue Code of 1954 (the National Firearms Act).

HON. HARRY F. BYRD,
*Chairman, Senate Finance Committee,
Senate Office Building, Washington, D.C.*

DEAR SENATOR BYRD: It has come to the attention of this department that on March 1 your committee will hold hearings on the above proposal.

At this time, may we again bring to your attention objections to this bill and its disapproval by this department, indicated in our letter to you dated September 10, 1959.

The present law includes within its regulations rifles and shotguns having barrels 18 inches or less in length. The proposal would remove from the law rifles having barrels 16 to 18 inches in length. This would weaken the National Firearms Act and make more available to the criminal, weapons which are being used more frequently in the commission of crimes.

The proposal would further change the definition of a firearm subject to the provisions of the act by exempting therefrom weapons having an overall length of 26 inches or more. This substitutes an artificial standard of size for the present standard of actual concealability on the person. Experience has shown that many such weapons, 26 inches or longer, are concealable on the person.

The intent and purpose of the National Firearms Act was to regulate and control the so-called gangster-type weapons. The proposal now under consideration by your committee would release from the control of the act weapons which are deemed within this category. Any weakening of the act would serve only to increase the problems of law enforcement throughout the country.

The time is most inappropriate to relax any Federal provision relating to firearms; concern for the welfare and safety of the public requires more stringent Federal regulation in this field.

Accordingly, it is strongly urged that this measure be defeated.

Faithfully yours,

STEPHEN P. KENNEDY,
Police Commissioner.

STRATFORD, CONN., April 26, 1960.

Senator PRESCOTT BUSH,
Senate Office Building, Washington, D.C.:

Re hearings today on H.R. 4029 the Sporting Arms and Ammunition Institute and this company wired the chairman of the Senate Finance Committee on February 26, 1960, in lieu of a personal appearance in opposition to this bill. We have renewed our request that our telegram be made a part of the record today.

H.R. 4029 proposes to amend the National Firearms Act in two ways which will complicate and burden law enforcement: First, to reduce the permissible barrel lengths on rifles from 18 inches to 16 inches; second, to provide with respect to modified weapons a legalized 26-inch overall length.

Only commercial reasons have been advanced by proponents of this bill; namely, that the present length restricts the imports of short-barrel surplus military rifles and that under the law they must incur the cost of lengthening the barrel before the weapons can be sold in this country. Collectors say that the transfer tax on short-barrel weapons makes it difficult for them to collect these rifles.

Commercial reasons do not justify a change in the basic statute dealing with the control of firearms. The only issue is the effect on law enforcement.

Congress in 1934, 1939, 1952, and 1954 considered and reaffirmed the 18-inch barrel limitation. Moreover, H.R. 4029 illogically proposes a different barrel length for shotguns and rifles and would make the amended Firearms Act inconsistent with State and municipal legislation based on the present act.

These results will hamper law enforcement and cause unnecessary confusion for law enforcement officers. We urge the committee to reject H.R. 4029 and would appreciate anything you can do to further our opposition to it.

H. K. FAULKNER,
Vice President,
Remington Arms Co., Inc., Bridgeport, Conn.

OMAHA, NEBR., February 26, 1960.

ION HARRY F. BYRD,
Chairman of the Senate Finance Committee,
New Senate Office Building, Washington, D.C.:

Respectfully request no action on House bill 4029. Am opposed as the proposed amendments to National Firearms Act will increase law enforcement problems in this city.

C. HAROLD OSTLER,
Chief of Police, Omaha Police Department.

(Whereupon, at 10:50 a.m., the committee adjourned.)

PUBLISHER'S NOTE:

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