



SALES AND USE TAX Firearm Safety Device

February 28, 2024

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 3564 (Rest) / H.F. 4296 (Gomez)

	Fund Impact			
	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
		(000's)		
General Fund	(\$0)	(\$27)	(\$32)	(\$34)
Natural Resources and Arts Funds	(\$0)	Negl.	Negl.	Negl.
Total – All Funds	(\$0)	(\$27)	(\$32)	(\$34)

Effective for sales and purchases after June 30, 2024.

EXPLANATION OF THE BILL

Current Law: Secure firearm storage units are currently exempt from sales and use tax.

Proposed Law: The bill proposes to extend the exemption to include safety devices such as trigger locks and cable locks.

REVENUE ANALYSIS DETAIL

- Based on FBI background checks and other survey reports it is estimated that about 337 thousand guns were sold in Minnesota in 2022.
- Based on market information we assume 3.3% of new gun purchases are accompanied by a purchase of a trigger lock or cable lock.
- Based on an industry article a cumulative growth rate of 6.9% is used during the forecast period.
- Fiscal Year 2025 is adjusted for 11 months of collection.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

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