



HOUSE COMMITTEE ON **OVERSIGHT AND REFORM** CHAIRWOMAN **CAROLYN B. MALONEY**

The Firearm Industry Fairness Act

Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform

The Firearm Industry Fairness Act imposes a 20% tax on the total revenue earned by manufacturers of assault weapons and high-capacity magazines. This bill takes important steps to hold gun manufacturers accountable for their roles in the gun violence epidemic by taxing the enormous profits they have accumulated while contributing to the deaths of thousands of Americans and imposing enormous costs on our nation's healthcare system and law enforcement.

This Firearm Industry Fairness Act will:

- Tax manufacturers and importers of assault weapons and high-capacity magazines at an annual rate of 20% of total revenue realized from all sales.
- Use tax revenue derived from these irresponsible manufacturers to fund Community Violence Intervention programs to reduce gun violence and help victims.

According to the Centers for Disease Control and Prevention, the gun violence epidemic claimed the lives of over 45,000 Americans in 2020 and is now the leading cause of death in American children. AR-15-style assault weapons—like the Daniel Defense DDM4 V7 used in Uvalde—are being produced by the millions and, together with high-capacity magazines, have become the chosen tool of mass shooters.

Despite the continued killings of children, teachers, and families with these weapons, federal taxes on firearms fail to differentiate between hunting rifles and weapons of war like AR-15s. The federal excise tax on firearms has not been updated since 1954, years before civilian semiautomatic rifles were invented.

The Oversight Committee's investigation has [found](#) that gun manufacturers collected more than \$1 billion from the sales of AR-15-style weapons in the last decade. Last year, a Government Accountability Office [study](#) commissioned by the Committee showed that gun violence costs the U.S. healthcare system more than \$1 billion a year just for initial treatment costs. Manufacturers of assault weapons and high-capacity magazines must be accountable for flooding our communities with weapons of war that enable senseless gun violence across our country.