

SUBJECT: Exempting firearm safety equipment from sales and use tax

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Meyer, Thierry, Button, Cole, Guerra, Murphy, Noble, Rodriguez, Sanford, Shine

0 nays

1 absent — Martinez Fischer

SENATE VOTE: On final passage, April 19 — 30-1 (Hughes), on Local and Uncontested Calendar

WITNESSES: For — Gyl Switzer, Texas Gun Sense; (*Registered, but did not testify*: Leesa Ross, Lock Arms for Life; David Reynolds, Texas Chapter of the American College of Physicians; Dan Finch, Texas Medical Association; Clayton Travis, Texas Pediatric Society; Jennifer Allmon, The Texas Catholic Conference of Bishops)

Against — (*Registered, but did not testify*): Kirk Broaddus; Susana Carranza; Roberta Coffin; Dorothy Ann Compton; Carol Edwards; Georgia Keysor; Robert Norris)

On — (*Registered, but did not testify*): Brad Reynolds, Comptroller of Public Accounts)

DIGEST: SB 313 would exempt the sale, storage, use, or other consumption of firearm safety equipment from sales and use taxes. "Firearm safety equipment" would include a gun lock box, gun safe, barrel lock, trigger lock, or another item designed to ensure the safe handling or storage of a firearm.

The bill would take effect September 1, 2021, and would not affect tax liability accruing before that date.

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- SUPPORTERS SAY:** SB 313 would exempt firearm safety equipment from sales and use taxes, which would promote responsible gun ownership and save lives. By exempting safety equipment from the tax, gun owners would be incentivized to purchase child-proof safety locks, loading indicators that show whether a firearm is loaded with ammunition, and other tools that would prevent accidental gun deaths. As the state has seen a spike in gun purchases over the past year, such an incentive would be especially useful for the increasing number of first-time gun owners. While there is a slight cost to state revenue, making safety equipment more affordable could save lives and thus make the bill worth more than its modest cost.
- CRITICS SAY:** SB 313 would create a tax preference that could distort the free market, amounting to the government favoring a certain sector over others. The bill also may not lead to actual savings for customers since business may increase prices in response to increased demand.
- OTHER CRITICS SAY:** By exempting certain firearm equipment from sales and use taxes, SB 313 could incentivize the purchase of more guns and potentially decrease public safety.
- NOTES:** According to the Legislative Budget Board, the bill would cost about \$1.6 million to general revenue through fiscal 2023.