

TABLE OF CONTENTS

CHAPTER 1. INTRODUCTION

| | | |
|----------|---|---|
| Sec. 1.1 | History of the National Firearms Act (NFA) | 1 |
| 1.1.1 | The NFA of 1934 | |
| 1.1.2 | Title II of the Gun Control Act of 1968 | |
| 1.1.3 | Firearm Owners' Protection Act | |
| Sec. 1.2 | Meaning of terms | 2 |
| 1.2.1 | “AECA” | |
| 1.2.2 | “ATF” | |
| 1.2.3 | “ATF Ruling” | |
| 1.2.4 | “CFR” | |
| 1.2.5 | “DIO” | |
| 1.2.6 | “FFL” | |
| 1.2.7 | “FTB” | |
| 1.2.8 | “GCA” | |
| 1.2.9 | “NFA” | |
| 1.2.10 | “NFRTR” | |
| 1.2.11 | “SOT” | |
| 1.2.12 | “U.S.C.” | |
| Sec. 1.3 | Administration and enforcement of Federal firearms laws | 3 |
| Sec. 1.4 | What are regulations and rulings? | 3 |
| 1.4.1 | Regulations | |
| 1.4.2 | Rulings | |
| Sec. 1.5 | Other ATF publications | 3 |
| 1.5.1 | ATF's internet website | |
| 1.5.2 | ATF P 5300.4 | |
| Sec. 1.6 | ATF points of contact | 4 |
| Sec. 1.7 | ATF Forms | 4 |

CHAPTER 2. WHAT ARE “FIREARMS” UNDER THE NFA?

| | | |
|----------|-----------------------------|---|
| Sec. 2.1 | Types of NFA Firearms | 5 |
| 2.1.1 | Shotgun | |
| 2.1.2 | Weapon made from a shotgun | |
| 2.1.3 | Rifle | |
| 2.1.4 | Weapon made from a rifle | |
| 2.1.5 | Any other weapon | |
| 2.1.6 | Machinegun | |
| 2.1.7 | Silencer | |
| 2.1.8 | Destructive device | |
| 2.1.8.1 | Explosive devices | |
| 2.1.8.2 | Large caliber weapons | |

| | | |
|----------|---|----|
| 2.1.9 | Unserviceable firearm | |
| Sec. 2.2 | Antique firearm | 21 |
| Sec. 2.3 | Curios or relics | 21 |
| Sec. 2.4 | Applications to remove firearms from the scope of the NFA as collector's items | 22 |
| Sec. 2.5 | Removal of firearms from the scope of the NFA by modification/elimination of components | 23 |
| 2.5.1 | Removal of machineguns and silencers from the scope of the NFA | |

CHAPTER 3. REGISTRATION OF NFA FIREARMS

| | | |
|----------|--|----|
| Sec. 3.1 | The National Firearm Registration and Transfer Record (NFRTR) | 24 |
| Sec. 3.2 | Who may register NFA firearms | 24 |
| 3.2.1 | Amnesty registration | |
| 3.2.2 | Registration by State and local agencies | |
| 3.2.3 | Registration by makers | |
| 3.2.4 | Registration by importers | |
| 3.2.5 | Registration by manufacturers | |
| 3.2.6 | Registration to transferees | |
| 3.2.6.1 | Transfers by persons other than FFLs/SOTs to other such persons | |
| 3.2.6.2 | Transfers by FFLs/SOTs to persons other than FFLs/SOTs | |
| 3.2.6.3 | Transfers by non-FFLs/SOTs to FFLs/SOTs | |
| 3.2.6.4 | Transfers by FFLs/SOTs to other FFLs/SOTs | |
| 3.2.6.5 | Transfers to State and local government agencies | |
| Sec. 3.3 | Status of unregistered firearms | 26 |
| Sec. 3.4 | ATF disclosure of NFA registration information | 26 |
| 3.4.1 | Restrictive use of information | |
| 3.4.2 | Prohibition on ATF's disclosure of tax returns or tax return information | |
| 3.4.3 | Determining the registration status of an NFA firearm | |
| Sec. 3.5 | Lost or stolen registration documents | 27 |
| Sec. 3.6 | Correcting incorrect registration documents | 27 |
| Sec. 3.7 | Maintaining registration documents | 27 |

CHAPTER 4. TAXES IMPOSED BY THE NFA

| | | |
|----------|----------------------------|----|
| Sec. 4.1 | Taxes | 28 |
| 4.1.1 | Making tax | |
| 4.1.2 | Transfer tax | |
| 4.1.3 | Special (occupational) tax | |
| Sec. 4.2 | Exemptions from tax | 29 |
| 4.2.1 | Making tax | |
| 4.2.2 | Transfer tax | |
| 4.2.2.1 | Unserviceable firearms | |
| 4.2.3 | Special (occupational) tax | |
| 4.2.4 | Exportation of firearms | |

CHAPTER 5. QUALIFYING TO DO BUSINESS IN NFA FIREARMS

| | | |
|----------|--|----|
| Sec. 5.1 | Licensing under the GCA | 30 |
| 5.1.1 | Application for GCA license | |
| 5.1.1.1 | Definition of “person” for GCA purposes | |
| 5.1.2 | License fees | |
| 5.1.2.1 | Manufacturers | |
| 5.1.2.2 | Importers | |
| 5.1.2.3 | Dealers | |
| 5.1.3 | Licensing standards under the GCA | |
| 5.1.3.1 | Age | |
| 5.1.3.2 | Prohibited persons | |
| 5.1.3.3 | “Responsible persons” | |
| 5.1.3.4 | Removing disabilities | |
| 5.1.3.5 | Prior willful violations | |
| 5.1.3.6 | False statements | |
| 5.1.3.7 | Business premises | |
| 5.1.3.8 | May a license be obtained to do business solely away from the licensed premises at gun shows? | |
| 5.1.3.9 | Gun storage and safety devices | |
| 5.1.4 | Multiple business locations | |
| 5.1.4.1 | Locations solely for storage | |
| 5.1.5 | Establishing a common expiration date for licenses at multiple locations | |
| 5.1.6 | Engaging in business as both an importer and a manufacturer | |
| 5.1.7 | Do importers and manufacturers need a dealer’s license to deal in the firearms they import or manufacture? | |
| 5.1.8 | License renewal | |
| 5.1.8.1 | Right to operate while renewal application is pending; “letters of continuing operation” | |
| Sec. 5.2 | Payment of special (occupational) tax to do business in NFA firearms | 33 |
| 5.2.1 | Every “person” who engages in the business of importing, manufacturing, or dealing in firearms (including pawnbrokers) shall pay a special tax | |
| 5.2.1.1 | Definition of “person” for NFA purposes | |
| 5.2.2 | Tax must be paid for each business location | |
| 5.2.3 | Rate of Tax | |
| 5.2.3.1 | Importers and manufacturers | |
| 5.2.3.2 | Dealers | |
| 5.2.4 | How to pay special tax | |
| 5.2.4.1 | Employer identification number (EIN) | |
| 5.2.4.2 | Renewal of special tax | |
| 5.2.5 | Exemption from special tax | |
| 5.2.6 | Collectors acquiring NFA firearms for their personal collections by acquiring dealers’ licenses and paying NFA special tax | |
| Sec. 5.3 | Registration by firearms manufacturers and exporters with the U.S. Department of State (DOS) | 34 |
| 5.3.1 | How manufacturers should register | |
| Sec. 5.4 | Registration by firearms importers with ATF | 35 |

| | | |
|----------|--|----|
| 5.4.1 | How importers should register | |
| Sec. 5.5 | Filing by facsimile transmission | 35 |

CHAPTER 6. MAKING NFA FIREARMS BY NONLICENSEES

| | | |
|----------|---|----|
| Sec. 6.1 | Requirements for making NFA firearms | 36 |
| Sec. 6.2 | Preparation of Form 1 | 36 |
| 6.2.1 | Description of firearm | |
| 6.2.2 | Photograph of applicant | |
| 6.2.3 | FBI Form FD-258, fingerprint card | |
| 6.2.4 | Law enforcement certification | |
| 6.2.4.1 | What if the proposed maker is unable to find any official in his or her jurisdiction willing to sign the law enforcement certification? | |
| Sec. 6.3 | Submission of Form 1 | 37 |
| 6.3.1 | State permit or license for possession of an NFA weapon | |
| Sec. 6.4 | Approval of Form 1 | 38 |
| Sec. 6.5 | Disapproval of Form 1 | 38 |
| Sec. 6.6 | Reactivation of a registered unserviceable NFA firearm | 38 |
| Sec. 6.7 | Incorrect description of Firearm | 38 |
| Sec. 6.8 | Withdrawal or Cancellation of an ATF Form 1 and Refund if Making Tax | 39 |

CHAPTER 7. MANUFACTURING NFA FIREARMS

| | | |
|----------|--|----|
| Sec. 7.1 | Qualifying to manufacture NFA firearms | 40 |
| 7.1.1 | Licensing under the GCA | |
| 7.1.1.1 | Engaging in business at multiple locations | |
| 7.1.1.2 | Engaging in business as both an importer and a manufacturer | |
| 7.1.1.3 | Do importers and manufacturers need a dealer’s license to deal in the firearms they import or manufacture? | |
| 7.1.1.4 | Manufacturers of destructive devices | |
| 7.1.2 | Payment of special (occupational) tax to do business in NFA firearms | |
| 7.1.3 | Registration by firearms manufacturers with the U.S. Department of State | |
| 7.1.3.1 | Registration exemption for fabricating articles for “research and development.” | |
| Sec. 7.2 | What is a “manufacturer”?; What is “manufacturing”? | 41 |
| 7.2.1 | “Manufacturer” | |
| 7.2.2 | “Manufacturing” | |
| 7.2.3 | What is the difference between manufacturing and gunsmithing? | |
| 7.2.4 | Do you know how ATF would classify your product? | |
| 7.2.4.1 | ATF classification letters | |
| Sec. 7.3 | Registering the manufacture of NFA firearms | 43 |
| 7.3.1 | Preparation of ATF Forms 2 | |
| 7.3.2 | Filing ATF Forms 2 | |
| 7.3.2.1 | Existing firearms modified into NFA firearms or reactivated | |
| 7.3.3 | Reactivation of a registered unserviceable NFA firearm | |

| | | |
|----------|---|----|
| 7.3.3.1 | Incorrect description of firearm | |
| 7.3.3.2 | Reactivation of a registered unserviceable NFA firearm | |
| Sec. 7.4 | The identification of firearms | 44 |
| 7.4.1 | Serial numbers | |
| 7.4.1.1 | What is an acceptable serial number? | |
| 7.4.2 | Additional information | |
| 7.4.3 | Measuring the depth of markings | |
| 7.4.4 | Obtaining variances to the marking requirements | |
| 7.4.4.1 | Variances in the name and location of the manufacturer | |
| 7.4.4.2 | Variances for manufacturers' contractors | |
| 7.4.4.3 | Marking destructive devices | |
| 7.4.4.4 | Marking parts, other than frames or receivers, defined as NFA firearms | |
| 7.4.5 | Marking frames or receivers that are not complete weapons at the time of disposition | |
| 7.4.6 | Marking silencer parts | |
| Sec. 7.5 | Manufacturing machineguns | 47 |
| 7.5.1 | Manufacture of machineguns for sale to government agencies or as "sales samples" | |
| 7.5.2 | Manufacture of machineguns for exportation | |
| 7.5.3 | May machineguns be manufactured for distribution to U.S. Government contractors? | |
| 7.5.4 | May machinegun receivers be manufactured and used as replacement parts for machineguns lawfully registered and possessed prior to May 19, 1986? | |
| Sec. 7.6 | Manufacture of NFA firearms by contractors | 48 |
| 7.6.1 | Contractors' manufacture of machineguns | |
| 7.6.2 | Manufacture of machineguns solely for purposes of testing | |
| Sec. 7.7 | Manufacturing NFA firearms exclusively for the United States | 48 |
| Sec. 7.8 | Locations | 49 |

CHAPTER 8. IMPORTING NFA FIREARMS

| | | |
|----------|--|----|
| Sec. 8.1 | Qualifying to import NFA firearms | 50 |
| 8.1.1 | Licensing under the GCA | |
| 8.1.1.1 | Engaging in business at multiple locations | |
| 8.1.1.2 | Engaging in business as both an importer and a manufacturer | |
| 8.1.1.3 | Do importers and manufacturers need a dealer's license to deal in the firearms they import or manufacture? | |
| 8.1.1.4 | Importers of destructive devices | |
| 8.1.2 | Payment of special (occupational) tax to do business in NFA firearms | |
| 8.1.3 | Registration by importers of U.S. Munitions Import List articles with ATF | |
| Sec. 8.2 | What is an "importer"?; What is "importation"? | 51 |
| 8.2.1 | "Importer" | |
| 8.2.2 | "Importation" | |
| Sec. 8.3 | Importation of NFA firearms | 51 |
| 8.3.1 | Importation of machineguns | |
| 8.3.2 | Importation for use of the United States, qualifying political subdivisions, and law enforcement agencies | |

| | | |
|----------|---|----|
| 8.3.3 | Importation for use by Nuclear Regulatory Commission (NRC) licensees and authorized contractors | |
| 8.3.4 | Importation for authorized scientific or research purposes | |
| 8.3.5 | Importation for use as a model by a registered manufacturer | |
| 8.3.6 | Importation for use as a “sales sample” | |
| 8.3.7 | Importing multiple quantities of the same model firearm as sales samples | |
| 8.3.8 | Importation of NFA weapons classified as curios or relics | |
| 8.3.9 | Conditional importation | |
| 8.3.10 | Temporary importation of NFA firearms | |
| 8.3.11 | Re-importation of NFA firearms temporarily exported from the United States by nonlicensees. | |
| 8.3.12 | What is the difference between a Customs Bonded Warehouse (CBW) and a Foreign Trade Zone (FTZ)? | |
| 8.3.12.1 | Customs Bonded Warehouse | |
| 8.3.12.2 | Foreign Trade Zone | |
| 8.3.13 | Preparation of ATF Forms 6 | |
| 8.3.14 | “eForm6” | |
| 8.3.15 | Preparation of ATF Forms 6A | |
| Sec. 8.4 | Registering the importation of NFA firearms..... | 56 |
| 8.4.1 | Preparation of ATF Forms 2 | |
| 8.4.2 | Filing ATF Forms 2 | |
| Sec. 8.5 | The identification of firearms | 56 |
| 8.5.1 | Serial numbers | |
| 8.5.1.1 | What is an acceptable serial number? | |
| 8.5.2 | Additional information | |
| 8.5.3 | Measuring the depth of markings | |
| 8.5.4 | Obtaining variances to the marking requirements | |
| 8.5.4.1 | Variances in the name and location of the importer | |
| 8.5.4.2 | Marking frames or receivers that are not complete weapons at the time of disposition | |
| 8.5.4.3 | Marking destructive devices | |
| 8.5.4.4 | Marking parts, other than frames or receivers, defined as NFA firearms | |
| 8.5.5 | When must markings be applied to imported NFA firearms? | |

CHAPTER 9. TRANSFERS OF NFA FIREARMS

| | | |
|----------|---|----|
| Sec. 9.1 | Definition of “transfer” | 59 |
| Sec. 9.2 | Only previously registered firearms may be lawfully transferred | 59 |
| Sec. 9.3 | Interstate transfers of NFA firearms | 59 |
| Sec. 9.4 | ATF forms for use in transferring NFA firearms..... | 59 |
| 9.4.1 | ATF Form 3 | |
| 9.4.2 | ATF Form 4 | |
| 9.4.2.1 | Copies of transferees’ State or local licenses or permits | |
| 9.4.2.2 | Transfers to entities other than individuals that are not FFLs/SOTs | |
| 9.4.3 | ATF Form 5 | |
| Sec. 9.5 | Conveyances of NFA firearms not treated as “transfers” under the NFA..... | 61 |

| | | |
|--------------|--|----|
| 9.5.1.1 | Repair of firearm silencers | |
| 9.5.2 | Possession of firearms by employees of FFLs/SOTs for employers’ business purposes | |
| 9.5.3 | Distribution of estate firearms | |
| 9.5.3.1 | Distributions to heirs | |
| 9.5.3.2 | Distributions to persons outside the estate | |
| 9.5.3.3 | Uncertainty about the registration status of decedents’ firearms | |
| 9.5.3.4 | Unregistered estate firearms | |
| 9.5.3.5 | Distribution of decedents’ “sales samples.” | |
| Sec. 9.6 | Manufacturers’ use of contractors to perform work on firearms..... | 63 |
| Sec. 9.7 | Transfers of unserviceable NFA firearms..... | 63 |
| Sec. 9.8 | Government-owned firearms | 63 |
| Sec. 9.9 | Law enforcement certifications..... | 63 |
| 9.9.1 | Is a law enforcement officer required to sign the certification? | |
| 9.9.2 | Is a law enforcement certification acceptable if signed by an official outside the jurisdiction where the transferee resides? | |
| Sec. 9.10 | Transfers of imported NFA firearms | 64 |
| 9.10.1 | Firearms imported for government agencies | |
| 9.10.2 | “Sales samples” | |
| 9.10.3 | Transferring multiple quantities of the same firearm model as “sales samples” | |
| Sec. 9.11 | Transfers of machineguns imported or manufactured on after May 19, 1986 | 65 |
| 9.11.1 | Machinegun prohibition in 18 U.S.C. 922(o) | |
| 9.11.2 | May machineguns subject to section 922(o) be transferred to government contractors? | |
| Sec. 9.12 | Are FFLs/SOTs required to initiate a background check of the transferee under the Brady Law in connection with the transfer of an NFA firearm? | 65 |
| Sec. 9.13 | May an FFL/SOT transfer a personally owned destructive device without qualifying to do business in destructive devices? | 66 |
| Section 9.14 | Transferable Status and the Form 10 | 66 |

CHAPTER 10. COLLECTORS OF NFA FIREARMS

| | | |
|-----------|--|----|
| Sec 10.1 | Curios or relics | 67 |
| 10.1.1 | Definition of curio or relic | |
| 10.1.2 | Curio or relic classification | |
| 10.1.3 | NFA firearms classified as curios or relics | |
| 10.1.4 | The Firearms Curios or Relics List (ATF P 5300.11) | |
| 10.1.5 | DEWATS | |
| 10.1.5.1 | Reactivation of DEWATS | |
| Sec. 10.2 | Licensed collector | 69 |
| 10.2.1 | Collector of curios or relics license | |
| 10.2.2 | Receipt of NFA curios or relics by a licensed collector | |
| 10.2.3 | Transfer of NFA curios or relics by a licensed collector | |
| Sec. 10.3 | Recordkeeping requirements | 70 |
| 10.3.1 | Acquisition and disposition records | |
| 10.3.2 | Termination of a collector’s license. | |

CHAPTER 11. EXPORTATION OF NFA FIREARMS

| | | |
|-----------|---|----|
| Sec. 11.1 | Arms Export Control Act (AECA), 22 U.S.C. 2778 | 71 |
| 11.1.1 | State Department regulations implementing the AECA | |
| 11.1.2 | Firearms and firearm component parts subject to the AECA | |
| 11.1.2.1 | Category I | |
| 11.1.2.2 | Category II | |
| Sec. 11.2 | Registration of exporters and manufacturers under the AECA | 71 |
| 11.2.1 | Submission of registration form, DSP-9 | |
| 11.2.2 | Transmittal letter must accompany Form DSP-9 | |
| 11.2.3 | Notification of changes in information furnished by registrants | |
| Sec. 11.3 | License requirement for permanent export of a defense article..... | 72 |
| Sec. 11.4 | License requirement for temporary export of a defense article | 72 |
| Sec. 11.5 | Prohibited exports and sales to certain countries..... | 72 |
| Sec. 11.6 | ATF requirements relative to the exportation of firearms | 72 |
| 11.6.1 | Applying for an export permit on ATF Form 9 | |
| 11.6.2 | Transfers to another person for export | |
| 11.6.3 | Proof of exportation | |

CHAPTER 12. RECORDKEEPING

| | | |
|-----------|--|----|
| Sec. 12.1 | Maintaining proof of registration..... | 74 |
| 12.1.1 | Manner in which registration documents must be kept | |
| 12.1.2 | Recordkeeping where registered firearms are kept on premises other than the registered owner's place of business | |
| Sec. 12.2 | Verifying the description of firearms on registration documents | 74 |
| Sec. 12.3 | Correcting an error in the description of a registered firearm | 74 |
| Sec. 12.4 | Custody of NFA firearms by employees of FFLs/SOTs | 75 |
| 12.4.1 | Who is an "employee" of an FFL/SOT? | |
| Sec. 12.5 | Firearms acquisition and disposition records..... | 75 |
| 12.5.1 | Commercial records of firearms received | |
| 12.5.2 | Variances in the recordkeeping requirements for the acquisition and disposition of firearms | |
| 12.5.2.1 | Computerized records. | |
| Sec. 12.6 | Forms 4473 | 77 |
| 12.6.1 | Firearms acquired from an FFL by an organization | |
| 12.6.2 | Return of firearms delivered to an FFL for repair or customizing | |
| 12.6.3 | Maintaining Forms 4473 | |
| Sec. 12.7 | Record retention period..... | 78 |

CHAPTER 13. REQUIRED REPORTS AND NOTIFICATIONS TO ATF

| | | |
|-----------|--|----|
| Sec. 13.1 | Change of business address | 80 |
| 13.1.1 | GCA requirements | |
| 13.1.1.1 | Application for amended license | |
| 13.1.2 | NFA requirements | |
| Sec. 13.2 | Change in trade name | 80 |
| 13.2.1 | GCA requirements | |
| 13.2.2 | NFA requirements | |
| Sec. 13.3 | Change in control | 81 |
| 13.3.1 | Changes in an FFL's "responsible persons" | |
| 13.3.2 | A "change in control" is distinguishable from the sale or transfer of a firearms business to another person or entity | |
| Sec. 13.4 | Reporting firearms transaction information | 82 |
| Sec. 13.5 | Reporting thefts or losses of firearms | 82 |
| 13.5.1 | GCA requirements | |
| 13.5.2 | NFA requirements | |
| Sec. 13.6 | Reporting theft or loss of NFA registration documents | 83 |
| Sec. 13.7 | Reporting information in response to ATF trace requests | 83 |
| Sec. 13.8 | Requesting permission to transport certain firearms in interstate or foreign commerce .. | 83 |
| 13.8.1 | A written (letter) request | |
| 13.8.2 | Form 5320.20 | |
| 13.8.3 | One-year approval | |

CHAPTER 14. GOING OUT OF BUSINESS

| | | |
|-----------|---|----|
| Sec. 14.1 | Disposition of GCA records | 85 |
| 14.1.1 | "Records" for purposes of this section | |
| 14.1.2 | Transfer of the business to a new owner | |
| 14.1.3 | Discontinuance of the business | |
| Sec. 14.2 | Disposition of NFA firearms (other than "post-'86 machineguns") | 85 |
| 14.2.1 | Sole proprietors | |
| 14.2.2 | Corporations, partnerships, and associations | |
| 14.2.2.1 | Effect of dissolution of a corporation, partnership, or association | |
| 14.2.3 | Avoiding NFA transfer tax | |
| Sec. 14.3 | Disposition of "post-'86 machineguns" | 86 |

CHAPTER 15. PENALTIES AND SANCTIONS

| | | |
|---|------------------------------|------------|
| Sec. 15.1 | NFA | 88 |
| 15.1.1 | Criminal | |
| 15.1.2 | Forfeiture | |
| 15.1.3 | Assessment of NFA tax | |
| Sec. 15.2 | GCA | 88 |
| 15.2.1 | Criminal | |
| 15.2.2 | Forfeiture | |
| 15.2.3 | License denial or revocation | |
| Sec. 15.3 | AECA | 89 |
| 15.3.1 | Criminal | |
| 15.3.2 | Forfeiture | |
| APPENDIX A (NFA, 26 U.S.C. Chapter 53) | | 90 |
| APPENDIX B (ATF Rulings and articles) | | 141 |
| APPENDIX C (ATF Forms) | | 179 |
| APPENDIX D (Sample form letters) | | 207 |