

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.....	20
Sec. 2.3	Curios or relics.....	20
Sec. 2.4	Applications to remove firearms from the scope of the NFA as collector's items	20
Sec. 2.5	Removal of firearms from the scope of the NFA by modification/elimination of components.....	21
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).....	23
Sec. 3.2	Who may register NFA firearms.....	23
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	25
Sec. 3.4	ATF disclosure of NFA registration information	25
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	26
Sec. 3.6	Correcting incorrect registration documents.....	26
Sec. 3.7	Maintaining registration documents	26

CHAPTER 4. TAXES IMPOSED BY THE NFA

Sec. 4.1	Taxes.....	27
4.1.1	Making tax	
4.1.2	Transfer tax	
4.1.3	Special (occupational) tax	
Sec. 4.2	Exemptions from tax.....	27
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	29
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	31
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).....	33
5.3.1	How manufacturers should register	

Sec. 5.4	Registration by firearms importers with ATF.....	33
5.4.1	How importers should register	
Sec. 5.5	Filing by facsimile transmission	34

CHAPTER 6. MAKING NFA FIREARMS BY NONLICENSEES

Sec. 6.1	Requirements for making NFA firearms	35
Sec. 6.2	Preparation of Form 1	35
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	36
6.3.1	State permit or license for possession of an NFA weapon	
Sec. 6.4	Approval of Form 1	37
Sec. 6.5	Disapproval of Form 1	37
Sec. 6.6	Reactivation of a registered unserviceable NFA firearm.....	37
Sec. 6.7	Incorrect description of Firearm.....	37

CHAPTER 7. MANUFACTURING NFA FIREARMS

Sec. 7.1	Qualifying to manufacture NFA firearms.....	38
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”?.....	39
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.....	40
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	42
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.....	44
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.....	45
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.....	45
Sec. 7.8	Locations	45

CHAPTER 8. IMPORTING NFA FIREARMS

Sec. 8.1	Qualifying to import NFA firearms	47
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"?	48
8.2.1	"Importer"	
8.2.2	"Importation"	
Sec. 8.3	Importation of NFA firearms	48
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	52
8.4.1	Preparation of ATF Forms 2	
8.4.2	Filing ATF Forms 2	
Sec. 8.5	The identification of firearms	53
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”	55
Sec. 9.2	Only previously registered firearms may be lawfully transferred	55
Sec. 9.3	Interstate transfers of NFA firearms	55
Sec. 9.4	ATF forms for use in transferring NFA firearms.....	55
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	56
9.5.1	Repair of firearms	

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	58
Sec. 9.7	Transfers of unserviceable NFA firearms	58
Sec. 9.8	Government-owned firearms	59
Sec. 9.9	Law enforcement certifications	59
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	59
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	60
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?	61
Sec. 9.13	May an FFL/SOT transfer a personally owned destructive device without qualifying to do business in destructive devices?	61

CHAPTER 10. COLLECTORS OF NFA FIREARMS

Sec 10.1	Curios or relics	62
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)	
Sec. 10.2	Licensed collector	63
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	64
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	65
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	65
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.....	66
Sec. 11.4	License requirement for temporary export of a defense article	66
Sec. 11.5	Prohibited exports and sales to certain countries.....	66
Sec. 11.6	ATF requirements relative to the exportation of firearms	66
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.....	68
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	68
Sec. 12.3	Correcting an error in the description of a registered firearm	68
Sec. 12.4	Custody of NFA firearms by employees of FFLs/SOTs	68
12.4.1	Who is an "employee" of an FFL/SOT?	
Sec. 12.5	Firearms acquisition and disposition records.....	69
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	71
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.....	72

CHAPTER 13. REQUIRED REPORTS AND NOTIFICATIONS TO ATF

Sec. 13.1	Change of business address	73
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.....	73
13.2.1	GCA requirements	
13.2.2	NFA requirements	
Sec. 13.3	Change in control.....	74
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.....	74
Sec. 13.5	Reporting thefts or losses of firearms	75
13.5.1	GCA requirements	
13.5.2	NFA requirements	
Sec. 13.6	Reporting theft or loss of NFA registration documents.....	75
Sec. 13.7	Reporting information in response to ATF trace requests	76
Sec. 13.8	Requesting permission to transport certain firearms in interstate or foreign commerce.....	76
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	78
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”)	78
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”	79

CHAPTER 15. PENALTIES AND SANCTIONS

Sec. 15.1	NFA	81
15.1.1	Criminal	
15.1.2	Forfeiture	
15.1.3	Assessment of NFA tax	
Sec. 15.2	GCA.....	81
15.2.1	Criminal	
15.2.2	Forfeiture	
15.2.3	License denial or revocation	
Sec. 15.3	AECA	81
15.3.1	Criminal	
15.3.2	Forfeiture	
APPENDIX A (NFA, 26 U.S.C. Chapter 53)		83
APPENDIX B (ATF Rulings and articles).....		132
APPENDIX C (ATF Forms)		165
APPENDIX D (Sample form letters).....		193