

**26 CFR 178.44: ORIGINAL LICENSE**  
**(Also 178.11, 178.99, 178.124)**

*Because of the nature of operations conducted by a consultant or expert, he shall not be required to have business premises open to the general public or to have regular business hours.*

**ATF Rul. 73-19**

**[Status of ruling: Active; Modified by ATF Rul. 2010-1]**

*Section 1. Purpose.*

The purpose of this ruling is to provide guidelines under which bona fide firearms consultants or experts may obtain licenses as firearms dealers and thereby be permitted to receive firearms in interstate commerce from nonlicensed individuals for testing or examination purposes.

*Sec. 2. Background.*

.01 Revenue Ruling 69-248, C.B. 1969-1, 360 (Internal Revenue) permits firearms licensees to ship, transport, or deliver firearms and ammunition in interstate commerce to their nonlicensed employees, agents, or representatives for business purposes. As was clarified in Industry Circular 72-23 the ruling also permits firearms licensees to similarly transfer firearms and ammunition to nonlicensed professional writers, consultants, and evaluators for research or evaluation.

.02 The Bureau of Alcohol, Tobacco and Firearms has received inquiries from firearms consultants, evaluators, and examiners concerning the receipt, and subsequent return, in interstate commerce of firearms from nonlicensed individuals for testing and examination for the purpose of furnishing expert testimony about those firearms.

*Sec. 3. Licensing of Firearms Consultants or Experts.*

.01 18 U.S.C. 922(a)(2)(A) permits an individual to ship (and have returned to him) in interstate commerce a firearm to a firearms licensee for repair or customizing. Furthermore, the definition of a firearms dealer in 18 U.S.C. 921 and 26 CFR 178.11 is sufficiently broad that it can be interpreted to include a qualified firearms consultant or expert who is engaged in the business of testing or examining firearms. In view of these provisions, the Bureau has determined that firearms consultants or experts may be licensed as firearms dealers in order that they may receive firearms from nonlicensed individuals for testing and examination.

.02 Because of the nature of operations conducted by a firearms consultant or expert, any licensed dealer who engages solely in this type of business will not be required to maintain regular business hours. If the business is conducted from a private residence, a separate portion of the dwelling should be designated as "business premises." Such premises need not be open to all segments of the public but only accessible to the clientele that the business is set up to serve. However, the licensed premises of the firearms consultant-expert shall be subject to inspection under the authority of 18 U.S.C. 923(g) and 26 CFR 178.23.

.03 A licensed firearms consultant or expert shall maintain records of receipt and delivery of firearms, as is required by 26 CFR 178, Subpart H, except that the licensee need not prepare Forms 4473, Firearms Transaction Record, reflecting the firearms examined. However,

shipments and deliveries of firearms shall not be made in care of persons ineligible to receive them under Section 922(h), Title 18, U.S.C., or under Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. Appendix, Sections 1201-1203).

*Sec. 4. Application for License.*

A firearms consultant or expert who desires to obtain a license as a dealer in firearms shall file Form 7 (Firearms), Application for License Under 18 U.S.C. Chapter 44, Firearms, in the manner prescribed by 26 CFR 178.44. The application shall include a statement that the applicant is engaged in business as a bona fide firearms consultant or expert and, where the applicant intends to perform testing or examination services for one or more persons on a continuing basis, the statement shall include the name, address, and nature of business of such persons. A license as a dealer in firearms will be issued only after the Regional Director is satisfied that the applicant is a bona fide consultant or expert and is otherwise qualified under the law.

*Sec. 5. Conclusion.*

Since a licensed firearms consultant or expert is a firearms dealer if he engages in the business of buying and selling firearms, he must record his transactions on Form 4473 (Firearms Transaction Record) for each sale, and maintain the firearms acquisition and disposition records required of all licensed dealers. If a firearms consultant or expert engages in the business of buying and selling firearms during the term of his current license, he may be required to submit a new Form 7 (Firearms) at the time of renewal in accordance with 26 CFR 178.45 and meet the requirements of an applicant engaging in the business of buying and selling firearms, such as having business premises open to the general public and having regular business hours.

For ruling respective to licensing of gunsmiths, see ATF Ruling 73-13, 1973-8 ATF Bulletin 9.