

## **27 CFR 179.11: MEANING OF TERMS**

*Mere possession of a license and a special tax stamp as a dealer in firearms does not qualify a person to receive firearms transfer-tax-free. Rev. Rul. 58-432 superseded.*

### **ATF Rul. 76-22**

**[Status of ruling: Active; Superseded Rev. Rul. 58-432]**

The Bureau has had occasion to consider the status of a person who represented himself as a dealer; registered and paid the special (occupational) tax, imposed under 26 U.S.C. 5801, as a “dealer” in firearms as defined in section 5845(a) of the National Firearms Act (Chapter 53, Title 26, U.S.C.), made application for and was duly issued a license as a “dealer” under Title I of the Gun Control Act of 1968 (Chapter 44, Title 18, U.S.C.); and it was subsequently established that the person procured the special tax stamp and the license to facilitate the purchase of firearms for his personal collection.

*Held*, the mere possession of a license and a special (occupational) tax stamp as a dealer in firearms does not qualify a person to receive firearms transfer-tax-free. Any person holding a license and a special tax stamp as a dealer in firearms and not actually engaged within the United States in the business of selling NFA firearms may not lawfully receive NFA firearms without the transfer tax having been paid by the transferor. Where it is, therefore, determined that the proposed transferee on a Form 3, Application for Tax-exempt Transfer of Firearm and Registration to Special (Occupational) Taxpayer, is not actually engaged in the business of dealing in NFA firearms, such application will be denied. In addition, if such person receives NFA firearms without the transfer tax having been paid, such firearms may be subject to seizure for forfeiture as having been unlawfully transferred without payment of the transfer tax.

Rev. Rul. 58-432, 1958-2 C.B. 875 (Internal Revenue), is superseded.