



FEDERAL FIREARMS LICENSEE

NFA

Department of the Treasury — Bureau of Alcohol, Tobacco and Firearms

July 1986

AN OPEN LETTER TO LICENSEES AND OTHERS CONCERNED

Stephen E. Higgins, Director of the Bureau
of Alcohol, Tobacco and Firearms

"I want to bring to your attention possible Gun Control Act violations in which you could inadvertently become involved.

ATF has encountered with increasing frequency various AR15-type assault rifles such as those manufactured by Colt, E.A. Company, SGW, Sendra and others, which have been assembled with internal components designed for use in M16 machineguns. It has been found that the vast majority of these rifles which have been assembled with an M16 bolt carrier, hammer, trigger, disconnecter and selector will fire automatically merely by manipulation of the selector or removal of the disconnecter. Many of these rifles using less than the five M16 parts listed above also will shoot automatically by manipulation of the selector or removal of the disconnecter.

It must be pointed out that any weapon which shoots automatically, more than one shot, without

manual reloading, by a single function of the trigger is a machinegun as defined in 26 U.S.C. Section 5845 (b), the National Firearms Act (NFA). In addition, the definition of a machinegun also includes any combination of parts from which a machinegun may be assembled, if such parts are in possession or under the control of a person. Any machinegun is subject to the NFA and the possession of an unregistered machinegun could subject the possessor to criminal prosecution.

Additionally, these rifles could pose a safety hazard in that they may fire automatically without the user being aware that the weapon will fire more than one shot with a single pull of the trigger.

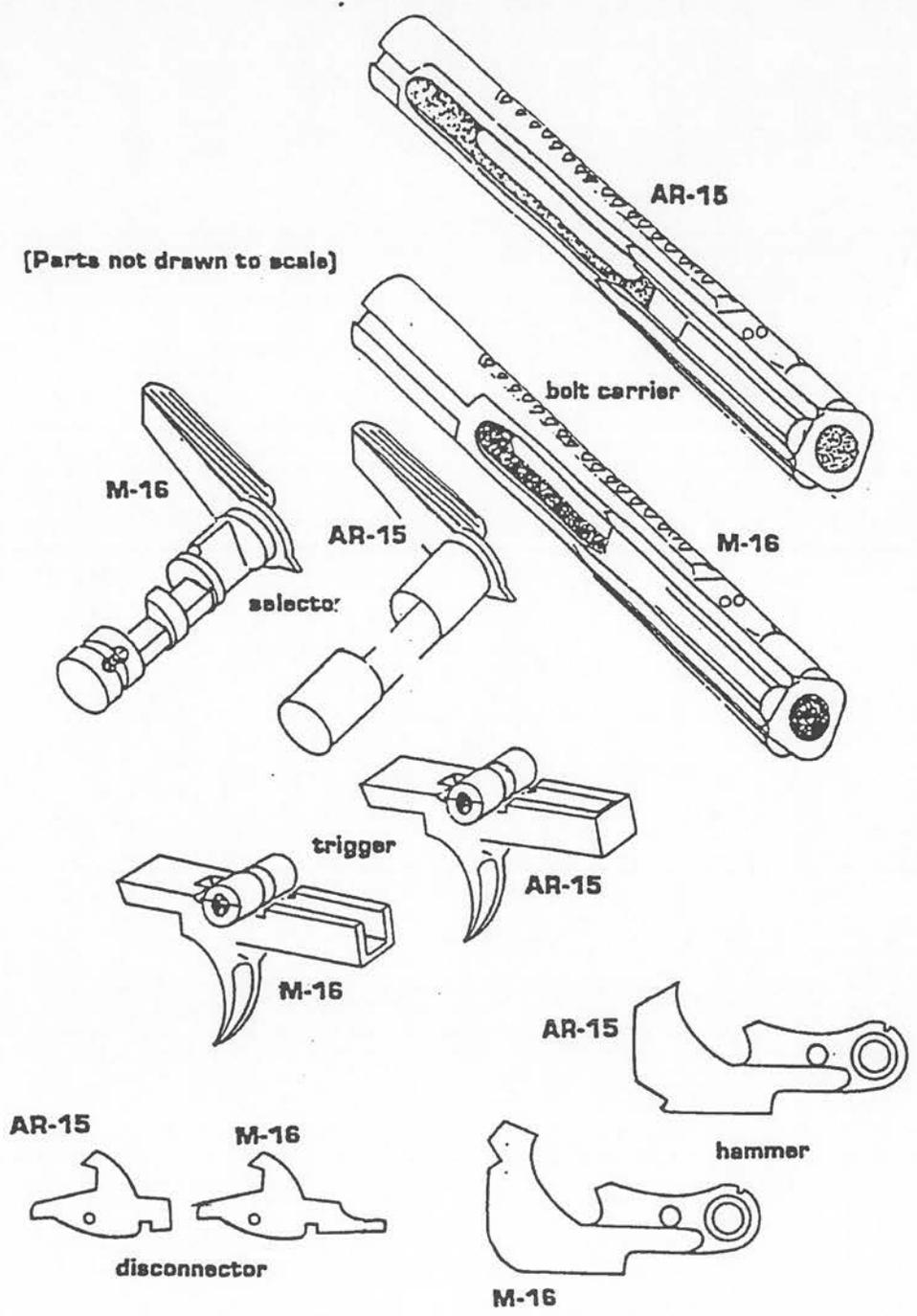
In order to avoid possible violations of the NFA, M16 hammers, triggers, disconnecters, selectors and bolt carriers must not be used in assembly of AR15-type semi-automatic rifles, unless the M16

parts have been modified to AR15 Model SP1 configuration. Any AR15-type rifles which have been assembled with M16 internal components should have those parts removed and replaced with AR15 Model SP1 type parts. These parts are available commercially or the M16 component may be modified to AR15 Model SP1 configuration.

It is important to note that any modification of the M16 parts should only be attempted by fully qualified personnel.

On the following page are illustrations of AR15 Model SP1 component parts and the corresponding M16-type parts. Should you have any questions concerning AR15-type rifles with M16 parts, please contact your nearest ATF law enforcement office. Our telephone numbers are listed in the United States Government section of your telephone directory under the United States Treasury Department."

[Parts not drawn to scale]



PRESIDENT SIGNS NEW GUN LAW

On May 19, 1986, President Reagan signed Public Law 99-308 which amends the Gun Control Act of 1968 and the National Firearms Act. The new law becomes effective November 15, 1986, except for the provision on machineguns which became law effective May 19, 1986 — the day the President signed the legislation.

The major provisions of the new law include the following:

1. Effective May 19, 1986, the new law bars the future possession or transfer of machineguns, except for government entities. Those persons who lawfully owned machine guns before May 19, 1986, may continue to own, or to transfer ownership after May 19, 1986.

2. The definition of a machinegun includes any combination of parts designed and intended for use in converting a weapon into a machinegun and any part designed and intended solely for use in converting a weapon into a machinegun.

3. Non-licensees may acquire rifles and shotguns, but not handguns, from the licensees outside their resident state as long as the sale or delivery complies with the laws of the states in which the sale is made and where the transferee resides. Interstate shipment or delivery of firearms to non-licensees is still prohibited.

4. The licensing requirements for dealers in ammunition only and ammunition record-keeping are eliminated. Firearms dealers, however, must record the name, age and place of residence of armor-piercing ammunition pur-

chasers. After November 15, 1986, those who deal in ammunition only need not renew their Federal firearms license.

5. "Engaged in the business" is defined as those who regularly import, manufacture and deal in firearms with the "principal objective of livelihood and profit."

6. Allows licensees to deal in firearms at gun shows located in the state in which the licensed premise is located.

7. Licensees are not required to record the disposition of "personal firearms" where the firearm has been kept in the licensee's personal collection for one year after its transfer from the business inventory.

8. Form 4473 — the Firearms Transaction Record — is eliminated for licensed collectors. They need only keep a "bound-book" record.

9. A warrant will be required to inspect licensee records and inventory except in the course of a criminal investigation of a person other than a licensee, in one annual inspection and in firearms tracing. These three inspections may be made without prior notice.

10. No license can be denied or revoked, and no forfeiture of firearms or ammunition can be based, upon the same charges brought in a criminal case if the licensee is acquitted of those charges.

11. No one may sell or deliver firearms to prohibited persons, such as convicted felons.

12. A conviction for a "crime

punishable by imprisonment for a term exceeding one year" is determined by the law of the jurisdiction in which the conviction occurred. State pardons and expunctions would erase the conviction for purposes of Federal firearms laws unless the person is expressly denied the right to possess or receive firearms.

13. Allows the granting of relief from Federal firearms' disabilities to all proscribed persons and removes the bar to relief for felons whose crimes involved the use of a firearm or other weapon, or whose conviction was for a violation of the Gun Control and National Firearms Acts.

14. Provides a Federal right to transport an unloaded, not readily accessible, firearm interstate, notwithstanding any state or local law to the contrary.

15. Expands the term "silencer" to cover any combination of parts designed or redesigned, and intended for use in assembling or fabricating a firearms silencer.

Regulations implementing these amendments will be drafted by ATF and published in the Federal Register before the effective date.

If you have any questions, write to: Chief, Firearms & Explosives Branch, Room #7205, 1200 Pennsylvania Avenue, N.W., Washington, D.C. 20226.

NEWS YOU CAN USE

SHORT-BARRELED RIFLES

ATF has encountered a number of AR15-type rifle barrels less than 16 inches in length which have an attached flash/hider barrel extension making the overall barrel length more than 16 inches. In many instances, the flash hider/barrel extension is not permanently attached. Anyone in possession or control of a short barrel (less than 16 inches in length) and a rifle receiver which the barrel fits is in possession of a firearm subject to all the requirements of the National Firearms Act as a short-barreled rifle.

The acceptable methods for permanently attaching a flash/hider barrel extension are high temperature silver solder and gas or electric steel seam welding.

Common low temperature silver bearing solder is not an acceptable method of attachment.

AVOID DELAYS IN PROCESSING MACHINEGUN TRANSFERS

A lockbox was established recently at the First Chicago Bank for deposit of the making and transfer taxes imposed by the National Firearms Act (NFA) and the Arms Export Control Act of 1976. A significant number of tax-paid transfers continue to be sent to the NFA Branch in Washington D.C. which simply delays the process and increases the risk of incorrect delivery or loss of the documents.

To avoid delay, send all taxpaid applications (ATF Forms 1 and 4) to:

ATF
PO Box 73201
Chicago, IL 60673

Do not send taxpaid applications

directly to the NFA Branch in Washington D.C. It will only increase the processing time.

Applications (Form 4587) and fees to register under the Arms Export Control Act of 1976 also should be sent to the lockbox at the First Chicago Bank:

ATF
PO Box 73198
Chicago, IL 60673

Notices on Form 2 and tax-exempt transfer applications on Forms 3 and 5 will continue to be sent directly to the NFA Branch in Washington.

CERTIFICATION OF NFA TRANSFER APPLICATIONS

An application made to transfer a National Firearms Act firearm to a private individual must include a certificate signed by an official who has jurisdiction in the transferee's area of residence and whose signature is acceptable to ATF, such as: the chief of police, sheriff of the county, head of the state police, or a district or state prosecuting attorney. ATF's Director may designate, upon request, another official whose signature is acceptable. To qualify, the official should have law enforcement authority and the means to conduct a records check.

If the official has delegated authority to a subordinate officer, ensure that this is clearly reflected in the certificate by certifying the name and title of the official, then identifying the subordinate official with his/her name, title, signature and clearly reflecting the delegation.

The certificate states that the official has no information that the firearm will be used for other

than lawful purposes and that receipt or possession of the firearm would not be in violation of state or local law. The language of this requirement (from 27 C.F.R. Section 179.85), is on the reverse side of the application.

There is no requirement that the official sign the certificate; it is a discretionary act on the part of the official. However, an application submitted without the certificate when one is necessary is considered an incomplete application and will not be approved.

AMENDMENTS TO THE NEW LAW

As this issue goes to press, S.2414 to amend the new firearms law has been passed by the House and Senate, but not yet signed by the President. If S.2414 becomes law, it would make the following changes in the new firearms law.

*Any person not prohibited from transporting, shipping or receiving a firearm is allowed to transport a firearm for any lawful purpose from any place where he may lawfully possess and carry the firearm to any other place where he may lawfully possess and carry such a firearm if the firearm is unloaded, and neither firearm nor ammunition is readily accessible or is directly accessible from the passenger compartment. In the case of a vehicle without a compartment separate from the driver's compart-

shall be contained in a locked container other than the glove console.

*Proof of profit is not required for a person engaged in the regular and repetitive purchase and disposition of firearms for criminal purposes

NEWS YOU CAN USE

or terrorism.

*Licensees are not required to record the disposition of "personal firearms" where the firearm has been kept in the licensee's personal collection for one year, except in the bound book, which must show the name, place of residence and date of birth of the transferee, or the identity and principal and local places of business of the transferee if the transferee is a corporation.

NOTE REGIONAL ADDRESS CHANGE

The Western Regional Office has a new address:

221 Main Street
11th Floor
San Francisco, CA 94105
Tele: 415/974-9623

LICENSING FUNCTION MOVES

In the interest of both economy and faster service, the Firearms & Explosives Licensing function of the Southwest Regional Office in Dallas, Texas has been transferred to the Southeast Regional Office in Atlanta, Georgia effective June 1, 1986.

This change will have no effect on licensees. You will continue to send your applications to the address listed on the form. In addition, the Southwest Regional Office in Dallas will continue to assist with any inquiries from licensees and applicants located in that region.

ATF QUARTERLY BULLETIN

Official announcements of ATF rulings are incorporated into the

ATF Quarterly Bulletin. The Bulletin contains information relative to all areas regulated by ATF. Members of the firearms industry desiring periodic notification of curio & relic determinations, changes in regulations and statistics relative to importation of firearms may subscribe to the ATF Quarterly Bulletin. Orders should be sent to:

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402

Subscription price: \$15 per year (\$18.75 foreign).

TRACING MAKES A DIFFERENCE

There are times when the only clue at a crime scene is a discarded firearm. Was the gun stolen? Who owns the gun? Did he sell it to someone else? Trace the gun and often police can identify the suspect.

Tracing begins with a call to ATF's National Tracing Center from a law enforcement agency. An ATF tracer immediately places a call to the manufacturer who gives the name of the wholesaler to whom he shipped the gun. The wholesaler, in turn, checks his records and gives the tracer the name of the retailer. A call to the retailer and a check of his form 4473s turn up the name and address of the owner. Often a gun used in a crime will change hands several times but tracing is a vital beginning.

And you — the dealers — are the keystone around which tracing is built.

CHANGE OF ADDRESS NOTIFICATION

A Federal firearms license authorizes business activity from one location only — the address specified on the license. When a licensee relocates his firearms business, the regulations allow for amending, at no cost, the license to cover business at the new location. To obtain an amended license, simply submit the license and the new address to the issuing ATF office at least 10 days before the move. Complying with this procedure ensures that your current address is in our files to receive this newsletter and similar important information. It also lessens the chance for interrupted business while you are waiting for the amended license.

THANKS FOR YOUR PATIENCE

ATF employees have been working overtime to handle the large backlog of applications for the registration and transfer of NFA weapons. Although the majority of the applications relate to machineguns, it has also slowed the processing of short-barreled rifles, short-barreled shotguns and other NFA weapons.

In addition to the volume of applications, we are also receiving a great number of telephone calls. If it is necessary to call, please call after 12:00 noon EDT. This will enable our employees to spend the morning processing the applications with relatively few interruptions.

We appreciate your patience and understanding of this temporary problem.