

106TH CONGRESS
1ST SESSION

H. R. 3139

To amend the Internal Revenue Code of 1986 to increase the excise tax on firearms and to earmark the increase for juvenile justice and delinquency prevention programs.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 1999

Mr. KENNEDY of Rhode Island (for himself, Mrs. MCCARTHY of New York, Mr. TIERNEY, Mr. THOMPSON of Mississippi, Mr. SERRANO, Ms. MILLENDER-MCDONALD, and Mr. PAYNE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and the Workforce, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to increase the excise tax on firearms and to earmark the increase for juvenile justice and delinquency prevention programs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gun Excise Tax Funds
5 to Prevention Act”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) Medical costs are a substantial burden to
4 society. For example, the cost for acute care and fol-
5 lowup treatment of gunshot injuries in 1994 in the
6 United States was \$2,300,000,000, of which
7 \$1,100,000,000 was paid by government programs,
8 according to an article in the Journal of the Amer-
9 ican Medical Association.

10 (2) The mean medical cost per gunshot injury
11 is about \$17,000.

12 (3) For hospital-admitted survivors of gunshot
13 injuries, estimates suggest that Federal, State, or
14 local government is the primary payer of medical
15 costs of the injuries in 44 percent of the cases.

16 (4) The excise tax on firearms and ammunition
17 has not changed in 60 years.

18 (5) This excise tax has raised more than
19 \$2,600,000,000 during that time.

20 (6) Congress needs to ensure that the revenue
21 raised by this excise tax is used for the proper pur-
22 poses.

23 **SEC. 3. INCREASE IN EXCISE TAX ON FIREARMS.**

24 (a) IN GENERAL.—Section 4181 of the Internal Rev-
25 enue Code of 1986 (relating to tax on firearms) is
26 amended—

1 (1) by striking “10 PERCENT” and inserting “15
2 PERCENT”, and

3 (2) by striking “11 PERCENT” and inserting “16
4 PERCENT”.

5 (b) RETENTION OF PRIOR RATE FOR TAXABLE
6 SALES TO GOVERNMENT.—Section 4182 of such Code is
7 amended by adding at the end the following new sub-
8 section:

9 “(d) SALES TO GOVERNMENT.—Except as provided
10 in subsection (b), in the case of a sale for the use by the
11 United States, a State, or a political subdivision of a State
12 (or any department, agency, or instrumentality of any of
13 the foregoing), the tax imposed by section 4181 shall be
14 determined by substituting “10 percent” for “15 percent”
15 and “11 percent” for “16 percent”.

16 (c) USE OF PROCEEDS OF EXCISE TAX.—Subchapter
17 A of chapter 98 of subtitle I such Code is amended by
18 adding at the end the following new sections:

19 **“SEC. 9511. DELINQUENCY PREVENTION TRUST FUND.**

20 “(a) CREATION OF TRUST FUND.—There is estab-
21 lished in the Treasury of the United States a trust fund
22 to be known as the ‘Delinquency Prevention Trust Fund’,
23 consisting of such amounts as may be apportioned or cred-
24 ited to such Trust Fund as provided in this section or sec-
25 tion 9602(b).

1 “(b) TRANSFERS TO TRUST FUND.—

2 “(1) IN GENERAL.—There are hereby appro-
3 priated to the Delinquency Prevention Trust Fund
4 amounts equivalent to half of the net revenues re-
5 ceived in the Treasury from the tax imposed by sec-
6 tion 4181 (relating to tax on firearms), to the extent
7 attributable to a tax rate greater than 10 percent,
8 in the case of pistols and revolvers, and greater than
9 11 percent, in the case of firearms (other than pis-
10 tols and revolvers), shells, and cartridges.

11 “(2) NET REVENUES.—For purposes of para-
12 graph (1), the term ‘net revenues’ means the
13 amount estimated by the Secretary based on the ex-
14 cess of—

15 “(A) the taxes received in the Treasury
16 under section 4181 (relating to tax on fire-
17 arms), over

18 “(B) the decrease in the tax imposed by
19 chapter 1 resulting from the tax imposed by
20 section 4181.

21 “(c) EXPENDITURES.—Amounts in the Delinquency
22 Prevention Trust Fund shall be available, as provided in
23 appropriation Acts, only for carrying out the purposes of
24 title V of the Juvenile Justice and Delinquency Prevention

1 Act of 1974 (42 U.S.C. 5781 et seq.) (relating to incentive
2 grants for local delinquency prevention programs).

3 “(d) COORDINATION WITH OTHER FUNDS.—So
4 much of the rate of tax as is taken into account in deter-
5 mining amounts appropriated to the Delinquency Preven-
6 tion Trust Fund shall not be taken into account in deter-
7 mining amounts deposited into any other fund.

8 **“SEC. 9512. EMERGENCY MEDICAL SERVICES FOR CHIL-**
9 **DREN TRUST FUND.**

10 “(a) CREATION OF TRUST FUND.—There is estab-
11 lished in the Treasury of the United States a trust fund
12 to be known as the ‘Emergency Medical Services for Chil-
13 dren Trust Fund’, consisting of such amounts as may be
14 apportioned or credited to such Trust Fund as provided
15 in this section or section 9602(b).

16 “(b) TRANSFERS TO TRUST FUND.—

17 “(1) IN GENERAL.—There are hereby appro-
18 priated to the Emergency Medical Services for Chil-
19 dren Trust Fund amounts equivalent to half of the
20 net revenues received in the Treasury from the tax
21 imposed by section 4181 (relating to tax on fire-
22 arms), to the extent attributable to a tax rate great-
23 er than 10 percent, in the case of pistols and revolv-
24 ers, and greater than 11 percent, in the case of fire-

1 arms (other than pistols and revolvers), shells, and
2 cartridges.

3 “(2) NET REVENUES.—For purposes of para-
4 graph (1), the term ‘net revenues’ means the
5 amount estimated by the Secretary based on the ex-
6 cess of—

7 “(A) the taxes received in the Treasury
8 under section 4181 (relating to tax on fire-
9 arms), over

10 “(B) the decrease in the tax imposed by
11 chapter 1 resulting from the tax imposed by
12 section 4181.

13 “(c) EXPENDITURES.—Amounts in the Emergency
14 Medical Services for Children Trust Fund shall be avail-
15 able, as provided in appropriation Acts, only for carrying
16 out the purposes of the Emergency Medical Services for
17 Children program (administered by the Department of
18 Health and Human Services and the National Highway
19 Traffic Safety Administration).

20 “(d) COORDINATION WITH OTHER FUNDS.—So
21 much of the rate of tax as is taken into account in deter-
22 mining amounts appropriated to the Emergency Medical
23 Services for Children Trust Fund shall not be taken into
24 account in determining amounts deposited into any other
25 fund.”.

1 (d) CLERICAL AMENDMENT.—The table of sections
2 for subchapter A of chapter 98 of subtitle I of such Code
3 is amended by inserting after the item relating to section
4 9510 the following new items:

“Sec. 9511. Delinquency Prevention Trust Fund.

“Sec. 9512. Emergency Medical Services for Children Trust
Fund.”.

5 (e) EFFECTIVE DATE.—The amendments made by
6 this Act shall apply to sales after the date of the enact-
7 ment of this Act.

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