

106TH CONGRESS
1ST SESSION

S. 157

To amend the Internal Revenue Code of 1986 to tax 9 millimeter, .25 caliber, and .32 caliber bullets.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Mr. MOYNIHAN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to tax 9 millimeter, .25 caliber, and .32 caliber bullets.

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 “Real Cost of Handgun
5 Ammunition Act of 1999”.

6 **SEC. 2. INCREASE IN TAX ON CERTAIN BULLETS.**

7 (a) IN GENERAL.—Section 4181 of the Internal Rev-
8 enue Code of 1986 (relating to the imposition of tax on
9 firearms, etc.) is amended by adding at the end the follow-
10 ing new flush sentence:

1 “In the case of 9 millimeter, .25 caliber, or .32 caliber
 2 ammunition, the rate of tax under this section shall be
 3 1,000 percent.”

4 (b) EXEMPTION FOR LAW ENFORCEMENT PUR-
 5 POSES.—Section 4182 of the Internal Revenue Code of
 6 1986 (relating to exemptions) is amended by adding at
 7 the end the following new subsection:

8 “(d) LAW ENFORCEMENT.—The last sentence of sec-
 9 tion 4181 shall not apply to any sale (not otherwise ex-
 10 empted) to, or for the use of, the United States (or any
 11 department, agency, or instrumentality thereof) or a State
 12 or political subdivision thereof (or any department, agen-
 13 cy, or instrumentality thereof).”

14 (c) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to sales after December 31, 1999.

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