

## State Ammunition Taxes

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### Issue

Do any states impose an excise tax on ammunition? Have any states taxed ammunition in the past and at what rates?

### Existing State Ammunition Taxes

We have not identified any states that currently impose an excise tax on ammunition. Until recently, Tennessee imposed a 10¢ special privilege tax on ammunition and directed the revenue generated to the state's Wildlife Resources Fund. The Tennessee legislature repealed the tax in 2019, effective July 1, 2019 (Tenn. Code Ann. § 70-3-101, repealed by [2019 Pub. Ch. 509](#)).

Although not an excise tax, Alabama imposes a license tax that applies to firearm and ammunition dealers. The tax rate for ammunition dealers ranges from \$3 to \$25, depending on the population of the municipality in which the dealer operates. (The same rate applies to dealers that sell shotguns and rifles. Higher rates apply to dealers that sell pistols, revolvers, silencers, or certain knives and weapons.) Licensed rolling (i.e., mobile) stores that sell shotguns, rifles, or ammunition must pay a \$5 license tax to the state and county in which they operate ([Ala. Code 1975 § 40-12-158](#)).

Additionally, at least three local jurisdictions impose an excise tax on ammunition. [Seattle, Washington](#), imposes a tax of 2¢ per round of ammunition .22 caliber or less and 5¢ per round of other ammunition sold at retail. Beginning July 1, 2020, [Tacoma, Washington](#), will begin imposing the same taxes. [Cook County, Illinois](#), imposes a tax of 1¢ per cartridge of rimfire ammunition and 5¢ per cartridge of centerfire ammunition. All three jurisdictions also impose a tax of \$25 per firearm sold at retail.

## Historical Taxes

A [2018 law review article](#) identifies at least four states that imposed ammunition taxes since the mid-1800s: Alabama, Mississippi, South Carolina, and Tennessee. Based on the limited information available, the taxes were as follows:

- In 1892, Alabama imposed a \$5 or \$10 tax on pistol or ammunition dealers, depending on the population of the municipality in which the dealer was located;
- In 1898, Mississippi imposed a \$5 tax on pistol cartridge manufacturers and dealers;
- In 1923, South Carolina imposed a tax on retail ammunition sales of \$2 per 1,000 rounds; and
- In 1937, Tennessee imposed a 3% tax on the retail sale price of shotgun shells and cartridges.

The article does not provide any information on when these taxes were subsequently amended or repealed.

In addition, the law review notes that an 1876 California law authorized municipalities to enact ordinances establishing a Fireman's Charitable Fund funded by a municipal tax on gunpowder and other explosive oils or compounds (Hannah E. Shearer, Allison S. Anderman, *Analyzing Gun-Violence-Prevention Taxes Under Emerging Firearm Fee Jurisprudence*, 43 S. Ill. U. L.J. 157 (2018)).

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