



DEPARTMENT OF THE TREASURY
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
WASHINGTON, D.C. 20226

December 6, 1988

C:F:N:WPM
Class: 03
FY: 89

James D. Williams
Professional Security International
4045 South Broadway
Englewood, CO 80110

Dear Mr. Williams:

In accordance with your recent request, please be advised that we have assigned you ATF ID number 11204. This number should appear on all of your correspondence, as well as on all applications to transfer National Firearms Act (NFA) weapons.

In the very near future you should be receiving, if you have not already done so, a Special (Occupational) Tax Stamp issued by our office in Pittsburgh, Pennsylvania. This tax stamp is evidence that you have paid the required occupational taxes of a NFA manufacturer, dealer, or importer. Until such time as you receive your tax stamp, this letter will suffice as your authorization to engage in the business of dealing in NFA weapons.

I have asked Ms. Sheila Smith, an applications Examiner on my staff, to personally handle all transfers originating from your business. Please contact her at (202) 566-7371 with any questions you may have.

The following information is being provided to assist you in conducting your business in a lawful manner. Should you not understand any part of the information provided herein, please call us or write us. Your total understanding of the NFA transfer process will help facilitate the paper flow within our Branch.

Federal Firearms Licensees who wish to engage in business of importing, manufacturing or dealing in firearms defined as National Firearms Act (NFA) firearms are required to pay a Special (occupational) Tax for each business location. The tax year starts July 1st and ends June 30 the following year. If a person begins business anytime during the fiscal year, he or she is responsible for the full amount of tax; unfortunately, the taxes are not prorated.

The following is a guide as to the special tax class, type license required, and the amount of tax due:

Class 1	Importer	\$1000*	Type 08 or 11
Class 2	Manufacturer	\$1000*	Type 07 or 10
Class 3	Dealer	\$500	Type 01 FFL

*If your gross receipts for the prior fiscal year were less than \$500,000, the tax is \$500.

If you are a Class 3 dealer you could have either a Type 01, 02, 07 or 08 FFL license; however, the tax which you paid only allows you to deal in NFA firearms. The IRS Form 11 has been replaced with ATF Form 5630.5, Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms Annual Special Tax Registration and Return.

If you do not already have an Employer Identification Number you must obtain and complete a Form SS-4 Application to obtain such a number. You may obtain this form from any Internal Revenue Service (IRS) Service Center or District Office.

All Special (occupational) Taxes are paid to

Bureau of Alcohol, Tobacco and Firearms
P. O. Box 371962M
Pittsburgh, PA 15250-7962

If you change your address, location, or trade name you must file a new ATF Form 5630.5 advising us of that change. You may accomplish such notification by attaching ATF F.5630.5 to your tax stamp, and mailing it directly to the Pittsburgh address listed on page 1. You must also obtain an amended Federal Firearms License. Please contact the Regional Director (Compliance), whose address should appear on the reverse of your Federal Firearms License, to request such amendment. For any change in control or business structure, we suggest that you contact the NFA Branch directly at (202)566-7371.

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Upon our receipt of your properly completed ATF Form 5630.5, together with your remittance, your Special Tax Stamp will be mailed directly to you. If you had previously been assigned an ATF ID number, and you let your Special Tax lapse, you have been assigned a new number. This number must appear on all registration documents when you apply to receive or transfer any NFA weapons.

All applications to transfer or make NFA weapons must be submitted in duplicate, with both copies bearing original signatures. Extra care in ensuring that the transfer applications are completed accurately will expedite the flow of your paperwork. Particular attention should be given to the serial number of the weapon to ensure that it doesn't have suffixes or prefixes. With regard to transfers going to individuals, please ensure that the law enforcement certification is signed by someone acceptable to sign, and that he does, in fact, have jurisdiction where the transferee resides.

All ATF Form 4 applications must be accompanied by 2 properly completed sets of fingerprint cards. Fingerprint classification can take as much as 4 to 6 weeks. In some cases (particularly when fingerprints have not been properly taken), fingerprint classification can, and does take several months. For your Form 4 applications to be expeditiously acted upon, it is imperative that the fingerprint cards you submit be completed in all respects.

All applications for tax-paid making or transfers (ATF Forms 1 and Forms 4) should be forwarded, together with proper remittance, to the following address:

ATF
P. O. Box 73201
Chicago, IL 60673

All other applications and correspondence should be forwarded to the National Firearms Act Branch at the address appearing on this letterhead.

Machineguns produced, imported or registered after May 19, 1986, the effective date of Public Law 99-308, are restricted for use by a government entity or for exportation. We will allow Class 3 dealers to receive a

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small quantity of the various newly produced models (commonly referred to as "sales samples") if they obtain a letter from a local law enforcement agency, on their letterhead, indicating a bonafide need to see the weapon.

If we, through an error in processing, fail to note on your transfer document(s) that certain weapons are restricted, such error will not exempt you from complying with the intent of Public Law 99-308.

If you, as a Special (occupational) Taxpayer decide no to renew your payment of the special tax, all firearms which you possess containing the restriction imposed by Public Law 99-308, must be transferred to a qualified special (occupational) taxpayer having a legitimate need for the weapon(s), or be exported. Such transfer must occur before you allow your FFL and tax status to expire. Otherwise, those firearms must be abandoned to ATF, or be subject to seizure.

When you, as a Special (occupational) Taxpayer, go out of business as a dealer in NFA firearms, you may, IF YOU ARE A SOLE PROPRIETORSHIP, retain those weapons imported or manufactured prior to Public Law 99-308. You should note your acquisition/disposition book to show that the weapon(s) are now in your possession as an individual. Please also complete a Form 4473, showing the disposition of the weapon(s). Such provisions do not apply to corporations or partnerships. We must caution that the taxfree acquisition of NFA weapons for the sole purpose of enhancing one's personal collection constitutes a tax fraud.

Firearms may have been transferred to you that could not have been approved were it not for your special taxpayer status. We are obligated to inform you that, should your special tax status lapse, you continued possession of certain firearms may place you in violation of various state laws and local ordinances. We urge you to carefully consider the consequences of possessing NFA weapons in your particular state without being a special (occupational) taxpayer.

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I have enclosed a sampling of the forms you will need in the conduct of your business. You may obtain additional forms by completing the enclosed Requisition for Firearms/Explosives Forms, and mailing it to the ATF Distribution Center, 7943 Angus Court, Springfield, Va. 22153.

If we can be of further assistance to you, please feel free to contact my office at (202) 566-7371.

Sincerely,

Wayne P. Moran

Wayne P. Moran
Chief, National Firearms Act Branch

Enclosures

**NOTICE TO ALL FEDERAL FIREARMS LICENSEES
QUALIFIED TO ENGAGE IN OPERATIONS INVOLVING
NATIONAL FIREARMS ACT FIREARMS**

Effective December 1, 1985, the National Firearms Act Branch has established a "lockbox" with the First Chicago Bank. From this date on, all taxpaid transfer applications (ATF Form 4) should be sent to the post office box listed below on this notice. The remittance must be included with the application. The bank will deposit the remittance and forward the application to the NFA Branch.

This does not effect ATF Form 2, Form 3 or Form 5. These will continue to be sent directly to the NFA Branch as has been done in the past.

For your information, all ATF Form 1 applications to make and register NFA firearms will also be sent to the post office box in Chicago. Again, after deposit of the remittance, the bank will forward the applications to the NFA Branch.

If you have any questions about the procedures involved, please contact your local ATF office or the NFA Branch at (202) 566-7371.

IMPORTANT NOTICE

**SEND FORM 1 OR 4 AND
CHECK TO:**

**ATF
P.O. BOX 73201
CHICAGO, IL. 60673**

IMPORTANT NOTICE