

**SALES AND USE TAX
Firearm Safety Device**

February 14, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F.11 (Rest), 1st Engrossment

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	(\$25)	(\$30)	(\$30)	(\$35)
Natural Resources and Arts Funds	<u>Negl.</u>	<u>Negl.</u>	<u>Negl.</u>	<u>Negl.</u>
Total – All Funds	(\$25)	(\$30)	(\$30)	(\$35)

Effective for sales and purchases after June 30, 2025.

EXPLANATION OF THE BILL

Current Law: Secure firearm storage units are currently exempt from sales and use tax.

Proposed Law: The bill proposes to extend the exemption to include safety devices such as trigger locks and cable locks.

REVENUE ANALYSIS DETAIL

- Based on FBI background checks and other survey reports it is estimated that about 309 thousand guns were sold in Minnesota in 2023.
- Based on market information we assume 3.3% of new gun purchases are accompanied by a purchase of a trigger lock or cable lock.
- Based on an industry article a cumulative growth rate of 6.9% is used during the forecast period.
- Fiscal Year 2026 is adjusted for 11 months of collection.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
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