

# HOUSE BILL 387

Q7, E4, J1

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By: **Delegates Mireku–North, Amprey, Boafo, Charkoudian, Fair, Feldmark, Kaufman, J. Lewis, Lopez, Palakovich Carr, Pena–Melnik, Shetty, Solomon, Spiegel, Stewart, Taveras, Wilkins, Wims, Woorman, and Young**  
Introduced and read first time: January 16, 2025  
Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Comprehensive Community Safety Funding Act**

3 FOR the purpose of imposing an excise tax on certain gross receipts of certain firearms  
4 dealers derived from the sales of firearms in the State and sales of firearms to  
5 residents of the State; and generally relating to a tax on gross receipts derived from  
6 sales of firearms.

7 BY repealing and reenacting, without amendments,  
8 Article – Education  
9 Section 7–447.1(p)(2)  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume and 2024 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – Education  
14 Section 7–447.1(p)(6)  
15 Annotated Code of Maryland  
16 (2022 Replacement Volume and 2024 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – Health – General  
19 Section 19–130(b)(1)  
20 Annotated Code of Maryland  
21 (2023 Replacement Volume and 2024 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Article – Health – General  
24 Section 19–130(c)  
25 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (2023 Replacement Volume and 2024 Supplement)

2 BY repealing and reenacting, without amendments,  
3 Article – Public Safety  
4 Section 4–902(a) and 5–101(a) and (h)  
5 Annotated Code of Maryland  
6 (2022 Replacement Volume and 2024 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Article – Public Safety  
9 Section 4–902(e)(1)  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume and 2024 Supplement)

12 BY repealing and reenacting, without amendments,  
13 Article – Tax – General  
14 Section 1–101(a) and 13–508(b)  
15 Annotated Code of Maryland  
16 (2022 Replacement Volume and 2024 Supplement)

17 BY adding to  
18 Article – Tax – General  
19 Section 1–101(h–1); 2–4B–01 and 2–4B–02 to be under the new subtitle “Subtitle 4B.  
20 Firearm Excise Tax Revenue Distribution”; 7.7–101 through 7.7–301 to be  
21 under the new title “Title 7.7. Firearm Excise Tax”; and  
22 13–201(4)(xix), 13–825(j), and 13–1001(h)  
23 Annotated Code of Maryland  
24 (2022 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, with amendments,  
26 Article – Tax – General  
27 Section 2–102(a), 13–201(4)(xvii) and (xviii), 13–508(a) and (c), 13–509, and 13–1002  
28 Annotated Code of Maryland  
29 (2022 Replacement Volume and 2024 Supplement)

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
31 That the Laws of Maryland read as follows:

32 **Article – Education**

33 7–447.1.

34 (p) (2) There is a Coordinated Community Supports Partnership Fund.

35 (6) The Fund consists of:

36 (i) Money appropriated in the State budget to the Fund;

1 (ii) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF**  
2 **THE TAX – GENERAL ARTICLE;**

3 (III) Interest earnings; and

4 [(iii)] (IV) Any other money from any other source accepted for the  
5 benefit of the Fund.

6 **Article – Health – General**

7 19–130.

8 (b) (1) There is a Maryland Trauma Physician Services Fund.

9 (c) The Fund consists of:

10 (1) Motor vehicle registration surcharges paid into the Fund in accordance  
11 with § 13–954(b)(2) of the Transportation Article;

12 (2) At least 20% of the fines collected under § 21–902(a)(1), (b)(2), (c)(2),  
13 and (d)(1) of the Transportation Article; [and]

14 (3) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF THE**  
15 **TAX – GENERAL ARTICLE; AND**

16 (4) Any other money transferred from the General Fund of the State.

17 **Article – Public Safety**

18 4–902.

19 (a) There is a Maryland Violence Intervention and Prevention Program Fund.

20 (e) (1) The Fund consists of:

21 (i) money appropriated in the State budget to the Fund;

22 (ii) **REVENUE DISTRIBUTED TO THE FUND UNDER § 2-4B-02 OF**  
23 **THE TAX – GENERAL ARTICLE;**

24 (III) investment earnings of the Fund; and

25 [(iii)] (IV) money from any other source accepted for the benefit of  
26 the Fund.

1 5–101.

2 (a) In this subtitle the following words have the meanings indicated.

3 (h) (1) “Firearm” means:

4 (i) a weapon that expels, is designed to expel, or may readily be  
5 converted to expel a projectile by the action of an explosive;

6 (ii) the frame or receiver of such a weapon; or

7 (iii) an unfinished frame or receiver, as defined in § 5–701 of this title.

8 (2) “Firearm” includes a starter gun.

9 **Article – Tax – General**

10 1–101.

11 (a) In this article the following words have the meanings indicated.

12 **(H–1) “FIREARM EXCISE TAX” MEANS THE TAX IMPOSED UNDER TITLE 7.7 OF**  
13 **THIS ARTICLE.**

14 2–102.

15 (a) In addition to the duties set forth elsewhere in this article and in other articles  
16 of the Code, the Comptroller shall administer the laws that relate to:

17 (1) the admissions and amusement tax;

18 (2) the boxing and wrestling tax;

19 (3) the digital advertising gross revenues tax;

20 (4) **THE FIREARM EXCISE TAX;**

21 **(5)** the income tax;

22 **[(5)] (6)** the Maryland estate tax;

23 **[(6)] (7)** the Maryland generation–skipping transfer tax;

24 **[(7)] (8)** the motor carrier tax;

25 **[(8)] (9)** the motor fuel tax;

1            ~~[(9)] (10)~~    the sales and use tax; and

2            ~~[(10)] (11)~~   the savings and loan association franchise tax.

3            **SUBTITLE 4B. FIREARM EXCISE TAX REVENUE DISTRIBUTION.**

4            **2-4B-01.**

5            **FROM THE FIREARM EXCISE TAX REVENUE, THE COMPTROLLER SHALL**  
6 **DISTRIBUTE THE AMOUNT NECESSARY TO ADMINISTER THE FIREARM EXCISE TAX**  
7 **LAWS TO AN ADMINISTRATIVE COST ACCOUNT.**

8            **2-4B-02.**

9            **(A) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 2-4B-01 OF**  
10 **THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE REMAINING FIREARM**  
11 **EXCISE TAX REVENUE EQUALLY AMONG THE FOLLOWING:**

12            **(1) THE COORDINATED COMMUNITY SUPPORTS PARTNERSHIP FUND**  
13 **ESTABLISHED UNDER § 7-447.1 OF THE EDUCATION ARTICLE;**

14            **(2) THE MARYLAND TRAUMA PHYSICIAN SERVICES FUND**  
15 **ESTABLISHED UNDER § 19-130 OF THE HEALTH – GENERAL ARTICLE;**

16            **(3) THE R ADAMS COWLEY SHOCK TRAUMA CENTER AT THE**  
17 **UNIVERSITY OF MARYLAND MEDICAL SYSTEM;**

18            **(4) THE MARYLAND VIOLENCE INTERVENTION AND PREVENTION**  
19 **PROGRAM FUND ESTABLISHED UNDER § 4-902 OF THE PUBLIC SAFETY ARTICLE;**

20            **(5) THE SURVIVORS OF HOMICIDE VICTIMS GRANT PROGRAM**  
21 **WITHIN THE GOVERNOR’S OFFICE OF CRIME PREVENTION AND POLICY; AND**

22            **(6) THE CENTER FOR FIREARM VIOLENCE PREVENTION AND**  
23 **INTERVENTION WITHIN THE MARYLAND DEPARTMENT OF HEALTH.**

24            **(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE REVENUE**  
25 **DISTRIBUTED UNDER SUBSECTION (A) OF THIS SECTION SUPPLEMENT, AND NOT**  
26 **SUPPLANT, ANY OTHER FUNDING REQUIRED BY LAW.**

27            **TITLE 7.7. FIREARM EXCISE TAX.**

28            **SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.**

1 **7.7-101.**

2 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (B) "FEDERALLY LICENSED FIREARMS DEALER" MEANS A PERSON  
5 LICENSED BY THE FEDERAL BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND  
6 EXPLOSIVES TO DEAL IN FIREARMS.

7 (C) "FIREARM" HAS THE MEANING STATED IN § 5-101 OF THE PUBLIC  
8 SAFETY ARTICLE.

9 (D) (1) "GROSS RECEIPTS" MEANS THE TOTAL AMOUNT OF THE SALE OR  
10 LEASE OR RENTAL PRICE OF THE RETAIL SALE BY A PERSON, VALUED IN MONEY,  
11 WHETHER RECEIVED IN MONEY OR OTHERWISE, WITHOUT ANY DEDUCTION FOR:

12 (I) THE COST OF THE PROPERTY SOLD;

13 (II) THE COST OF THE MATERIALS USED, LABOR OR SERVICE  
14 COST, INTEREST PAID, LOSSES, OR ANY OTHER EXPENSE; OR

15 (III) THE COST OF TRANSPORTATION OF THE PROPERTY.

16 (2) "GROSS RECEIPTS" DOES NOT INCLUDE:

17 (I) CASH DISCOUNTS ALLOWED AND TAKEN ON SALES;

18 (II) THE SALE PRICE OF PROPERTY RETURNED BY CUSTOMERS  
19 WHEN THAT AMOUNT IS REFUNDED IN CASH OR CREDIT UNLESS THE CUSTOMER, IN  
20 ORDER TO OBTAIN THE REFUND, IS REQUIRED TO PURCHASE OTHER PROPERTY AT  
21 A PRICE GREATER THAN THE AMOUNT CHARGED FOR THE PROPERTY THAT IS  
22 RETURNED;

23 (III) THE PRICE RECEIVED FOR LABOR OR SERVICES USED IN  
24 INSTALLING OR APPLYING THE PROPERTY SOLD; AND

25 (IV) THE AMOUNT OF ANY TAX IMPOSED BY THE UNITED STATES,  
26 THE STATE, A COUNTY, OR A MUNICIPAL CORPORATION ON OR WITH RESPECT TO  
27 RETAIL SALES WHETHER IMPOSED ON THE PERSON OR THE CONSUMER.

28 (E) "LARGE RETAILER" MEANS A BUSINESS WHOSE RETAIL FACILITY HAS A  
29 FOOTPRINT OF AT LEAST 20,000 SQUARE FEET.

1 (F) "LAW ENFORCEMENT AGENCY" MEANS:

2 (1) A STATE, COUNTY, OR MUNICIPAL POLICE DEPARTMENT OR  
3 AGENCY;

4 (2) A SHERIFF'S OFFICE; OR

5 (3) A FEDERAL LAW ENFORCEMENT AGENCY.

6 (G) "LAW ENFORCEMENT OFFICER" MEANS AN INDIVIDUAL WHO IN AN  
7 OFFICIAL CAPACITY IS AUTHORIZED BY STATE OR FEDERAL LAW TO MAKE ARRESTS  
8 AND REQUIRED, AS PART OF THE INDIVIDUAL'S EMPLOYMENT, TO CARRY A  
9 FIREARM.

10 (H) "RETAIL SALE" MEANS A SALE FOR A PURPOSE OTHER THAN RESALE IN  
11 THE REGULAR COURSE OF BUSINESS.

12 7.7-102.

13 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION AND  
14 SUBJECT TO SUBSECTIONS (C) AND (D) OF THIS SECTION, AN EXCISE TAX IS IMPOSED  
15 ON THE GROSS RECEIPTS OF A FEDERALLY LICENSED FIREARMS DEALER DERIVED  
16 FROM:

17 (1) THE RETAIL SALE OF FIREARMS IN THE STATE; AND

18 (2) IN THE CASE OF A FEDERALLY LICENSED FIREARMS DEALER THAT  
19 IS LOCATED OUTSIDE THE STATE, THE RETAIL SALE OF FIREARMS TO RESIDENTS OF  
20 THE STATE.

21 (B) THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION DOES NOT  
22 APPLY TO THE SALE OF A FIREARM TO:

23 (1) A LAW ENFORCEMENT AGENCY;

24 (2) THE ARMED FORCES OF THE UNITED STATES;

25 (3) THE NATIONAL GUARD;

26 (4) A LAW ENFORCEMENT OFFICER;

27 (5) A RETIRED LAW ENFORCEMENT OFFICER; OR

1           **(6) AN INDIVIDUAL FOR THE EXCLUSIVE PURPOSE OF COMPETITION**  
2 **SHOOTING OR MATCH SHOOTING.**

3           **(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE TAX**  
4 **IMPOSED UNDER SUBSECTION (A) OF THIS SECTION APPLIES TO:**

5           **(1) A RETAIL SALE MADE ON OR AFTER JULY 1, 2027 BY A FEDERALLY**  
6 **LICENSED FIREARMS DEALER THAT IS A LARGE RETAILER; AND**

7           **(2) FOR ANY OTHER FEDERALLY LICENSED FIREARMS DEALER, A**  
8 **RETAIL SALE MADE ON OR AFTER JULY 1, 2028.**

9           **(D) IF THE FEDERALLY LICENSED FIREARMS DEALER IS LOCATED OUTSIDE**  
10 **THE STATE, THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION APPLIES**  
11 **ONLY IF THE FEDERALLY LICENSED FIREARMS DEALER, DURING THE PREVIOUS**  
12 **CALENDAR YEAR OR THE CURRENT CALENDAR YEAR:**

13           **(1) DERIVES GROSS REVENUE FROM THE SALE OF FIREARMS TO**  
14 **RESIDENTS OF THE STATE THAT EXCEEDS \$100,000; OR**

15           **(2) SELLS FIREARMS TO RESIDENTS OF THE STATE FOR DELIVERY**  
16 **INTO THE STATE IN 200 OR MORE SEPARATE TRANSACTIONS.**

17 **7.7-103.**

18           **THE FIREARM EXCISE TAX RATE IS 11%.**

19                           **SUBTITLE 2. RETURNS.**

20 **7.7-201.**

21           **(A) A FEDERALLY LICENSED FIREARMS DEALER SHALL COMPLETE, UNDER**  
22 **OATH, AND FILE WITH THE COMPTROLLER A FIREARM EXCISE TAX RETURN:**

23           **(1) ON OR BEFORE THE 25TH DAY OF THE MONTH THAT FOLLOWS THE**  
24 **MONTH IN WHICH THE PERSON SOLD ANY FIREARMS WITHIN THE BOUNDARIES OF**  
25 **THE STATE OR, IN THE CASE OF A FEDERALLY LICENSED FIREARMS DEALER THAT**  
26 **IS LOCATED OUTSIDE THE STATE, SOLD FIREARMS TO RESIDENTS OF THE STATE;**  
27 **AND**

28           **(2) IF THE COMPTROLLER SO SPECIFIES, BY REGULATION, ON OTHER**  
29 **DATES FOR EACH MONTH IN WHICH THE LICENSEE DID NOT SELL ANY FIREARMS IN**



1 THE STATE OR, IN THE CASE OF A FEDERALLY LICENSED FIREARMS DEALER THAT  
2 IS LOCATED OUTSIDE THE STATE, DID NOT SELL ANY FIREARMS TO RESIDENTS OF  
3 THE STATE.

4 (B) A PERSON REQUIRED TO FILE A RETURN UNDER THIS SECTION SHALL  
5 FILE WITH THE RETURN AN ATTACHMENT THAT STATES ANY INFORMATION THAT  
6 THE COMPTROLLER REQUIRES TO DETERMINE THE GROSS RECEIPTS DERIVED  
7 FROM THE RETAIL SALES OF FIREARMS IN THE STATE OR, IN THE CASE OF A  
8 FEDERALLY LICENSED FIREARMS DEALER THAT IS LOCATED OUTSIDE THE STATE,  
9 RETAIL SALES OF FIREARMS TO RESIDENTS OF THE STATE.

10 7.7-202.

11 A PERSON REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS SUBTITLE  
12 SHALL MAINTAIN RECORDS OF THE FIREARMS SOLD IN THE STATE OR, IN THE CASE  
13 OF A FEDERALLY LICENSED FIREARMS DEALER THAT IS LOCATED OUTSIDE THE  
14 STATE, FIREARMS SOLD TO RESIDENTS OF THE STATE, AND THE BASIS FOR THE  
15 CALCULATION OF THE FIREARM EXCISE TAX OWED.

16 SUBTITLE 3. TAX PAYMENT.

17 7.7-301.

18 (A) EACH PERSON REQUIRED TO FILE A RETURN UNDER § 7.7-201 OF THIS  
19 TITLE SHALL PAY THE FIREARM EXCISE TAX IN THE MANNER THAT THE  
20 COMPTROLLER REQUIRES WITH THE RETURN THAT COVERS THE PERIOD IN WHICH  
21 THE PERSON SOLD FIREARMS IN THE STATE OR, IN THE CASE OF A FEDERALLY  
22 LICENSED FIREARMS DEALER THAT IS LOCATED OUTSIDE THE STATE, SOLD  
23 FIREARMS TO RESIDENTS OF THE STATE.

24 (B) IF A CORPORATION OTHER THAN A NONSTOCK, NONPROFIT  
25 CORPORATION IS REQUIRED TO PAY THE FIREARM EXCISE TAX, PERSONAL  
26 LIABILITY FOR THE TAX AND INTEREST AND PENALTIES ON THE TAX EXTENDS TO  
27 ANY OFFICER OF THE CORPORATION WHO EXERCISES DIRECT CONTROL OVER ITS  
28 FISCAL MANAGEMENT.

29 (C) IF A LIMITED LIABILITY COMPANY OR LIMITED LIABILITY  
30 PARTNERSHIP, INCLUDING A LIMITED PARTNERSHIP REGISTERED AS A LIMITED  
31 LIABILITY LIMITED PARTNERSHIP, IS REQUIRED TO PAY THE FIREARM EXCISE TAX,  
32 PERSONAL LIABILITY FOR THE TAX AND INTEREST AND PENALTIES ON THE TAX  
33 EXTENDS TO ANY PERSON WHO EXERCISES DIRECT CONTROL OVER THE FISCAL  
34 MANAGEMENT OF THE LIMITED LIABILITY COMPANY OR LIMITED LIABILITY  
35 PARTNERSHIP.

1 13-201.

2 In this subtitle, "tax information" means:

3 (4) any information contained in:

4 (xvii) a tobacco tax return; [or]

5 (xviii) a transportation services assessment return; **OR**

6 **(XIX) A FIREARM EXCISE TAX RETURN.**

7 13-508.

8 (a) Within 30 days after the date on which a notice of assessment of the  
9 admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax,  
10 **FIREARM EXCISE TAX**, income tax, motor carrier tax, motor fuel tax, public service  
11 company franchise tax, financial institution franchise tax, sales and use tax, or tobacco tax  
12 is mailed, a person or governmental unit against which the assessment is made may submit  
13 to the tax collector:

14 (1) an application for revision of the assessment; or

15 (2) except for the public service company franchise tax, if the assessment  
16 is paid, a claim for refund.

17 (b) If a person or governmental unit fails to submit an application for revision or  
18 claim for refund within the time allowed in subsection (a) of this section, the assessment  
19 becomes final.

20 (c) The Comptroller or an employee of the Comptroller's office expressly  
21 designated by the Comptroller promptly:

22 (1) (i) shall hold an informal hearing on a person's or governmental  
23 unit's admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax,  
24 **FIREARM EXCISE TAX**, income tax, motor carrier tax, motor fuel tax, sales and use tax, or  
25 tobacco tax application for revision or claim for refund under subsection (a) of this section;  
26 and

27 (ii) after the hearing:

28 1. shall act on the application for revision; and

29 2. may assess any additional tax, penalty, and interest due;

30 and

1 (2) shall mail to the person or governmental unit a notice of final  
2 determination.

3 13-509.

4 (a) Notwithstanding a person's failure to file a timely application for revision or  
5 claim for refund of an assessment of the admissions and amusement tax, alcoholic beverage  
6 tax, boxing and wrestling tax, **FIREARM EXCISE TAX**, income tax, motor carrier tax, motor  
7 fuel tax, sales and use tax, or tobacco tax under § 13-508(a) of this subtitle, the Comptroller  
8 or the Comptroller's designee may issue an order decreasing or abating an assessment to  
9 correct an erroneous assessment.

10 (b) If action is taken under subsection (a) of this section, the order shall state  
11 clearly the reasons for decreasing or abating the assessment.

12 (c) Any order issued by the Comptroller under subsection (a) of this section shall  
13 be final and not subject to appeal.

14 (d) The Comptroller's refusal to enter an order under subsection (a) of this section  
15 shall be final and not subject to appeal.

16 13-825.

17 **(J) THE COMPTROLLER MAY REQUIRE A PERSON SUBJECT TO THE**  
18 **FIREARM EXCISE TAX TO POST SECURITY FOR THE FIREARM EXCISE TAX IN THE**  
19 **AMOUNT THAT THE COMPTROLLER DETERMINES.**

20 13-1001.

21 **(H) A PERSON WHO IS REQUIRED TO FILE A FIREARM EXCISE TAX RETURN**  
22 **AND WHO WILLFULLY FAILS TO FILE THE RETURN AS REQUIRED UNDER TITLE 7.7**  
23 **OF THIS ARTICLE IS GUILTY OF A MISDEMEANOR AND, ON CONVICTION, IS SUBJECT**  
24 **TO A FINE NOT EXCEEDING \$5,000 OR IMPRISONMENT NOT EXCEEDING 5 YEARS OR**  
25 **BOTH.**

26 13-1002.

27 (a) A person who willfully files a false alcoholic beverage tax return **OR A FALSE**  
28 **FIREARM EXCISE TAX RETURN** is guilty of perjury and, on conviction, is subject to the  
29 penalty for perjury.

30 (b) A person, including an officer of a corporation, who willfully files a false digital  
31 advertising gross revenues tax return, a false financial institution franchise tax return, a  
32 false public service company franchise tax return, or a false income tax return with the

1 intent to evade the payment of tax due under this article is guilty of perjury and, on  
2 conviction, is subject to the penalty for perjury.

3 (c) Subsections (a) and (b) of this section apply to the alcoholic beverage, digital  
4 advertising gross revenues, **FIREARM EXCISE**, financial institution franchise, public  
5 service company franchise, and income taxes.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
7 1, 2027.