



H.R. 4242, *Innovate Less Lethal to De-Escalate Tax Modernization Act* Rep. David Schweikert (R-AZ)

Background:

- Innovative less-than-lethal technology is paramount for protecting the safety of our communities.
- Certain less-than-lethal devices, such as tasers, are currently defined under federal regulation as “firearms.” As such, they are subject to the Firearms and Ammunition Excise Tax (FAET) and the National Firearms Act of 1934 (NFA).
- Under the FAET, a 10% tax is imposed on the sale of pistols and revolvers, and an 11% tax is imposed on the sale of other firearms, shells, and cartridges unless otherwise provided for in the statute or implementing regulations. (See 26 U.S.C. § 4181)
- Due to outdated and misaligned regulatory standards, innovative less-than-lethal devices and technologies, including **tasers, are subject to this tax that was never intended to apply to them.**
- Additionally, the inconsistent classification and regulation of less-than-lethal devices is producing delays, regulatory burdens, and increased costs.
- As technology continues to evolve, **our tax code should be harmonized** to meet growing needs that **prioritize lifesaving innovations and help keep our communities safe.**

H.R. 4242, *Innovate Less Lethal to De-Escalate Tax Modernization Act*:

- **Ensures critical less-than-lethal devices such as tasers and other innovative technologies are not subject to the Firearms and Ammunition Excise Tax**, both promoting growth in the sector and keeping our communities safe.
- Establishes a legal definition for less-than-lethal projectile devices which **distinguishes them from firearms** under the FAET and NFA. Specifically, the bill provides that less-than-lethal projectile devices are not firearms and defines less-than-lethal projectile devices via “objective” and “subjective” factors:
 - Objectively: less-than-lethal projectile devices are only those that fire projectiles at velocities under 500 feet per second.
 - Subjectively: less-than-lethal projectile devices are only those specifically designed to incapacitate without causing serious injury or death.
- Requires the Treasury Secretary to submit an annual report of new and emerging technologies within the sector to the Ways and Means Committee and the Senate Finance Committee **ensuring that the tax code remains up to date with future innovations** and that **critical lifesaving devices are not subject to burdensome taxes** and regulations.