



Firearms and Ammunition Tax

Ordinance #28624 & Ordinance #28677

**City of Tacoma
City Council Study Session
January 26, 2021**



Presentation Agenda



- **Ordinance #28624 – November 2019**
 - Firearm & Ammunition Tax Ordinance Overview
 - Original timeline of events
 - February and May 2020 Updates
- **Ordinance #28677 – July 2020**
 - Firearm & Ammunition Tax Amendment Overview
- **Newly proposed timeline of events**
- **Next Steps**



Overview of Substitute Ordinance #28624

- **Adopted on November 12th, 2019**
- **Imposed tax on businesses making retail sales of firearms and ammunition starting July 1, 2020**
 - \$25 per firearm sold
 - \$0.02 per round of ammunition for .22 caliber or less
 - \$0.05 per round of ammunition for all others
 - Estimated \$30,000 in annual revenue
- **Directed City Manager to make recommendations and review impacts of tax, its revenues, research best practices, and convene workgroup**



Original Timeline



Event	Description
November 12, 2019	Ordinance Adoption
November 25, 2019	Ordinance Effective Date
February 8, 2020	Initial Recommendations to City Council
May 25, 2020*	Conduct Review and Report to City Council
July 1, 2020	Tax Implemented
November 2020	First Quarterly Receipt of Revenue
November 25, 2020 - Onward	Conduct Annual Review

* Due to COVID-19, staff was unable to conduct and submit this report



Updates to City Council



In February, City Staff shared with City Council recommendations and met with Community Vitality and Safety Committee (CVS) on:

- Potential partnerships and engagement
- Programs to reduce youth violence
- Evaluation of gun buyback program (not to proceed)
- Shared ways City would work to reduce gun violence through local, state, and federal legislative efforts



Updates to City Council



In May, City Staff consulted with City Council and shared inability to complete the following ordinance requests due to COVID-19 Emergency:

- Hire consultant to convene workgroups to include representatives from TPS, Tacoma based firearms manufacturers and retailers, community partners, City Staff (to include TPD) – (\$10 - \$15K)
- Hire consultant to review best practices to address gun and youth violence reduction - (\$10-\$15K)



July 1, 2020 - Ordinance #28677



Due to inability to meet all ordinance requirements due to COVID-19 Emergency, City Council:

1. Changed effective date of tax to a date to-be-determined
2. Set January 2021 for discussion on next steps and reviewing recommendations for new timelines for gathering information, conducting community and stakeholder outreach, and reports to City Council



Newly Proposed Timeline



Event	Description
November 12, 2019	Ordinance Adoption
July 1, 2020	Tax Implementation Postponed/Set January 2021 for Discussion on Next Steps
Today	Discussion on Next Steps / Timeline
February – November 2021	Conduct Research and Community/Stakeholder Outreach
December 2021	Report on Research and Outreach to City Council
July 1, 2022	Tax Implementation
November 2022	First Quarterly Receipt of Revenue
November, 2022 - Onward	Conduct Annual Review



Next Steps



- **Identify funding source(s) for community/stakeholder engagement & best practice research (\$20-\$30K)**
 - Council Contingency
 - Redirected Funding
- **Amend ordinance with updated recommended timeline**
 - Amendment brought before City Council in February



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