

INSTRUCTION SHEET
ATF F 5630.7, SPECIAL TAX REGISTRATION AND RETURN
FIREARMS

GENERAL INSTRUCTIONS

If you are engaged in one or more of the National Firearms Act (NFA) activities listed on this form (*see definition*), you are required to file this form and pay special occupational tax before beginning business. This form is for NFA taxpayers only. Businesses engaged in alcohol and tobacco related activities subject to special tax should file ATF F 5630.5. You may file one return to cover several locations or several types of activity. However, you must submit a separate return for each tax period. The special occupational tax period runs from July 1 through June 30 and payment is due annually by July 1. If you do not pay on a timely basis interest will be charged and penalties may be incurred.

If you engage in a taxable activity at more than one location, attach to your return a sheet showing your name, trade name, address and employer identification number and the complete street addresses of all additional locations.

As evidence of tax payment, you will be issued a Special Tax Stamp, ATF F 5630.6A, for each location and/or business. You must have a Federal Firearms License (FFL) for the location, appropriate to the type of activity conducted. The type of business (*sole proprietor, partnership, corporation*) must be the same for the taxable activity and the FFL. If a trade name is used, it must be the same on the tax stamp and the FFL.

The special tax rates listed on this form became effective January 1, 1988. If you were engaged in NFA firearms related activity prior to this date and did not pay special occupational tax, please contact the ATF National Revenue Center for assistance.

SECTION I - TAX IDENTIFYING INFORMATION

Complete Section I, Taxpayer Identifying Information, as specified on the form. Enter the tax period covered by the return in the space provided. Your return must contain a valid EMPLOYER IDENTIFICATION NUMBER (EIN). The EIN is a unique number for business entities issued by the Internal Revenue Service (IRS). **You must have an EIN whether you are an individual ownership, partnership, corporation, or agency of the government.** If you do not have an EIN, contact your local IRS office immediately to obtain one. While ATF may assign a temporary identification number (*beginning with XX*) to allow initial processing of a return which lacks an EIN, **a tax stamp will not be issued until you have submitted a valid EIN.** Do not delay submission of your return and payment past the due date pending receipt of your EIN. If you have not received a number by the time you file this return, write "*number applied for*" in the space for the number. Submit your EIN by separate correspondence after receipt from the IRS.

SECTION II - TAX COMPUTATION

To complete Section II, enter the number of locations in Col. (d) on the appropriate line(s) and multiply by the tax rate, Col. (c). Insert the tax due in Col. (e). Compute the taxes due for each class and enter the total amount due in the block "*Total Tax Due*".

INSTRUCTIONS FOR REDUCED RATE TAXPAYERS

The reduced rates for certain tax classes, indicated with an asterisk (*) in Section II, apply only to those taxpayers whose total gross receipts for your most recent income tax year are less than \$500,000 (*not just receipts relating to the activity subject to special occupational tax*). However, if you are a member of a controlled group as defined in section 5061(e)(3) of the Internal Revenue Code, you are not eligible for this reduced rate unless the total gross receipts for the entire group are less than \$500,000. If your business is beginning an activity subject to special tax for the first time, you may qualify for a reduced rate in your initial tax year if gross receipts for the business (*or the entire control group, if a member of a control group*) were under \$500,000 the previous year. If you are eligible for the reduced rate, check item 12 in Section III and compute your tax using the reduced rate in Section II.

SECTION III - BUSINESS REGISTRATION

Please complete the ownership information in Section III. Supply the information specified in item 11 for each individual owner, partner or responsible person. For a corporation, partnership or association, a responsible person is anyone with the power to control the management policies or buying or selling practices pertaining to firearms. For a corporation, association or similar organization, it also means any person owning 10 percent or more of the outstanding stock in the business.

CHANGES IN OPERATIONS

For a change of address, location or trade name, an amended ATF F 5630.7 must be filed and approved before the change is made. Return your Special Tax Stamp, ATF F 5630.6A, along with the completed ATF F 5630.7 to: Bureau of ATF, 8002 Federal Office Building, 550 Main Street, Cincinnati, OH 45202-3263 and an amended ATF F 5630.6A will be issued. All taxpayers with such changes must return their FFL to the ATF Firearms and Explosives Licensing Center (*address listed on FFL*) for amendment.

If special taxpayers do not register these changes within the appropriate time frames, additional tax and interest will be charged and penalties may be incurred. For a change in ownership or control of an activity, consult the ATF Firearms and Explosives Licensing Center, at 404-679-5040, before beginning the activity. If the Federal firearms licensee discontinues business and retains NFA firearms, this retention may be in violation of law. The licensee should check with State or local authorities.

DEFINITION

IMPORTERS, MANUFACTURERS, and DEALERS of FIREARMS subject to the National Firearms Act (*tax class codes 61, 62, 63, 71, or 72*) are individuals or business entities who import, manufacture or deal in machineguns, short-barreled shotguns and rifles, destructive devices, etc. See 26 U.S.C. 5845 for additional information on the types of weapons subject to the National Firearms Act. (**NOTE: This tax is not required from those persons or entities who deal only in conventional, sporting type firearms.**)

MISCELLANEOUS INSTRUCTIONS

If you do not intend to pay the special tax for the next year, you must dispose of any machineguns manufactured or imported after May 19, 1986, prior to your special tax status lapsing. Title 18, United States Code, section 922(o) makes it unlawful to possess these machineguns unless you are properly qualified. As provided in Title 27, Code of Federal Regulations, Part 179,105(f), the disposition must be made to a government agency or qualified licensee or the weapon must be destroyed.

This form must be signed by the individual owner, a partner, or, in the case of a corporation, by an individual authorized to sign for the corporation.

Please sign and date the return, make check or money order payable to BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, for the amount in the Total Tax Due block, and **MAIL THE FORM ALONG WITH THE PAYMENT TO BUREAU OF ATF, Attention: NFA, P.O. Box 371970, Pittsburgh, PA 15250-7970.**

IF YOU NEED FURTHER ASSISTANCE
CONTACT ATF NATIONAL REVENUE CENTER
AT
1-800-937-8864
OR
513-684-2979

ATF F 5630.7 (10-99)

TAXPAYER REMINDER

This is an annual tax due before starting business and by July 1 each year after that. After your initial payment of this tax, you should receive a "renewal" registration and return each year in the mail, prior to the due date. However, if you do not receive a renewal form, you are still liable for the tax and should contact the ATF National Revenue Center noted in the instructions to obtain a Special (Occupational) Tax Registration and Return.