

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Hunting and Fishing Sales Tax Holiday – UPDATED

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: UBL

Date of Analysis: January 21, 2016

Section 1: Narrative

- a. **Current Law:** There is currently no sales tax holiday on the sale of firearms, ammunition, camping tents or fishing supplies.
- b. **Proposed Change:** Exempts firearms (rifles, shotguns, spearfish guns, crossbows, and bows), ammunition for firearms, camping tents, and fishing supplies (rods, reels, bait, and fishing tackle) from sales tax for one day on the 3rd of September, 2016.

Section 2: Description of Data and Sources

BLS Consumer Expenditure Data
 2012 American Camper Report
 FWC License and Trust Fund Data
 US Fish and Wildlife
 ASA Fishing
 US BATF and NCIS Firearm Data

Section 3: Methodology (Include Assumptions and Attach Details)

See attached.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$2.8m)		(\$1.9m)		(\$0.9m)	
2017-18						
2018-19						
2019-20						
2020-21						

List of affected Trust Funds: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 01/22/2016): The Conference adopted the middle estimate, adjusting the fishing supplies percentage for September to be equal to 1/12ths of the year.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(2.1)	0.0	(Insignificant)	0.0	(0.1)	0.0	(0.2)	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(0.2)	0.0	(0.5)	0.0	(2.6)	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of Firearms and Ammunition Purchases (see Page 3)

2015 Florida	
Rifles	\$ 38,418,500
Shotguns	\$ 56,584,108
Ammunition	\$ 126,583,333

Outdoor Foundation 2012 Camping Equipment Sales	FL Share	Florida Sales	2013 (Cons. Non-Durable)	2014 (Cons. Non-Durable)	2015 (Cons. Non-Durable)
Tents and Shelters	6.2%	\$ 13,827,486	\$ 14,439,764	\$ 15,209,106	\$ 15,865,642

2011 National Survey of Fishing, Hunting and Wildlife - Associated Recreation (U.S. Fish & Wildlife Service)

Fishing Expenditures (US), Equipment 2011 \$ 6,100,000,000

Florida is #1 in nation by angler expenditures and non-resident fishing destination - saltwater anglers (2011 USFWS Survey)

Florida Share of Retail Sales 10.4% ASAfishing.org: 2011 Retail Sales Florida (\$4,953,493,028)/US (\$47,697,532,293)

	2011	2015 (Cons. Non-Durable)
Florida Fishing Equipment	\$ 633,498,339	\$ 756,613,060

	2014 Annual Licenses (FWC)	Average Price (various retail websites)	Replace every 5 years
Crossbows	6,482	\$799	\$ 1,035,824
Archery Licenses (Compound Bows (\$319) and Recurve, Longbows (\$199))	22,697	\$259	\$ 1,175,705 \$ 2,211,528

2015 Annual Florida Sales	
Rifles	\$ 38,418,500
Shotguns	\$ 56,584,108
Ammunition for firearms	\$ 126,583,333
Camping Tents	\$ 15,865,642
Fishing Equipment	\$ 756,613,060
Crossbows and Bows	\$ 2,211,528
Total	\$ 996,276,172

Seasonality - Number of Licenses Sold
2014 FWC Licenses

		September %	2015 Annual Florida Sales (September)			ADOPTED	
Archery, Crossbow Licenses		7.9%	\$ 17,470,683	Firearm Sales September (Rifles, Shotguns, & Ammo)		\$	17,470,683
September (avg 2013/14)		40.4%	\$ 892,997	Hunting Sales September (Crossbows and Bows)		\$	892,997
11,683	Avg CY 2013/14	5.9%	\$ 44,977,251	Fishing Sales September (Fishing Equipment)		\$	63,051,088
	28,932	8.3%	\$ 943,141	Camping Sales September (1/12)		\$	943,141
			\$ 64,284,072			\$	82,357,909
Saltwater, Freshwater Licenses		2016 Growth		Consumer Non-Durable	Per Day (/30days)		Per Day (/30days)
September (avg 2013/14)			\$ 67,161,514	6%	\$ 2,238,717	\$	86,044,361
94,529	Avg CY 2013/14		Low 7 Day \$ 15,671,020	\$ 940,261	\$ (0.9)	\$	20,077,018
	1,590,171	5.9%	Middle 14 Day \$ 31,342,040	\$ 1,880,522	\$ (1.9)	\$	40,154,035
		(1/12)	High 21 Day \$ 47,013,060	\$ 2,820,784	\$ (2.8)	\$	60,231,053

Firearms commerce in the United States - *Annual Statistical Update 2015*
 United States Department of Justice - BATF

2013

	<i>Manufactured</i>	<i>Imported</i>	<i>Total</i>	
Handguns	5,167,008	3,095,528	8,262,536	
Long guns				%
Rifles	3,979,570	791,892	4,771,462	38.3%
Shotguns	1,203,072	6,483,339	7,686,411	61.7%
			12,457,873	

NICS Firearm Background Checks - Florida Monthly
 Long Gun Background Checks

	Jan	Feb	March	April	May	June	July	August	Sep	Oct	Nov	Dec
2013	41,844	34,711	31,464	25,404	21,373	21,373	18,664	20,307	20,815	23,276	30,492	38,782
2014	22,370	25,174	23,125	19,213	17,504	17,047	17,356	19,794	21,661	23,668	30,723	37,098
2015	21,939	24,827	22,690	18,180	17,145	17,115	18,069	20,307	20,159			
2014-%	8.1%	9.2%	8.4%	7.0%	6.4%	6.2%	6.3%	7.2%	7.9%	8.6%	11.2%	13.5%

CY 2014 Long Gun Background Checks 274,733

Firearms Sold for CY 2014 (based on Manufacturing/Import)

Rifles	38.3%	105,225
Shotguns	61.7%	169,508

Prices of Firearms (Outdoor Sportsman Best Selling Guns of 2014/Guns and Ammo)

Rifles \$	350.00
Shotguns \$	320.00

CY 2014 Sales Revenue of Long Guns (m)

Rifles \$	36,828,705
Shotguns \$	54,242,602

CY 2015 Sales (grown Cons Non-Durables)

Rifles \$	38,418,500
Shotguns \$	56,584,108

Industry Data

Ammunition

\$ 3,100,000,000 US Revenues 2015
 0.25 Adjustment for 25% of total sales related to Ammunition

 \$ 775,000,000 Sales of Ammo through Specialty Stores

\$ 2,583,333,333 Adjustment to gross up specialty store sales (30%) to all stores
 0.049 FL share of sales

 \$ 126,583,333 Florida Sales in 2015

Residential and Nonresidential Licenses

Archery Licenses (Annual & 5 Year)

	Jan	Feb	March	April	May	June	July	August	Sep	Oct	Nov	Dec	Total
2013	365	243	468	174	238	787	686	1,945	12,096	7,570	3,157	956	28,685
2014	483	277	466	161	270	854	738	2,008	11,269	7,490	3,744	1,419	29,179

40.4%

Saltwater and Freshwater Fishing Licenses (Annual & 5 Year)

	Jan	Feb	March	April	May	June	July	August	Sep	Oct	Nov	Dec	Total
2013	107,499	101,769	141,090	145,150	176,960	180,712	201,015	147,977	99,774	91,012	73,486	86,354	1,552,798
2014	86,366	116,083	158,805	153,763	181,831	189,070	226,573	153,971	89,283	98,192	75,398	98,208	1,627,543

5.9%