

ATF R 73-19



# INDUSTRY CIRCULAR

**DEPARTMENT OF  
THE TREASURY**  
**Bureau of Alcohol, Tobacco and Firearms**  
**Washington, D.C. 20226**

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## SHIPMENT OR DELIVERY OF FIREARMS AND AMMUNITION BY LICENSEES TO EMPLOYEES, AGENTS, REPRESENTATIVES, WRITERS AND EVALUATORS

Licensees Under Title 18, United States Code, Chapter 44, and Others Concerned:

**Purpose.** The purpose of this circular is to clarify the provisions of 18 U.S.C. Chapter 44, and Subpart F of the Regulations thereunder (26 C.F.R. 178) pertaining to the shipment of firearms and ammunition in interstate commerce by a firearms licensee to its own nonlicensed employees, agents, and representatives, for the use and benefit of the licensee's business. The position of the Bureau is set out in Revenue Ruling 69-248 (C.B. 1969-1, 360).

**Background.** Revenue Ruling 69-248 provides as follows:

Advice has been requested whether a manufacturer, importer or dealer operating under the provisions of 18 U.S.C. Chapter 44 pursuant to a license may, without transferring title, ship, transport or deliver firearms or ammunition in interstate commerce to its own non-licensed employees, agents or representatives for the use and benefit of the licensee's business.

Under 18 U.S.C. 922(a)(2), it is unlawful (with certain exceptions not here pertinent) for any licensed importer, manufacturer, or dealer to ship, transport or deliver in interstate commerce any firearm or ammunition to any person other than another licensee. However, there is no provision in 18 U.S.C. Chapter 44 which would prohibit licensees from shipping, transporting or delivering firearms and ammunition in interstate commerce to themselves for business purpose (exclusive of sale or disposition) in care of their employees, agents or representatives.

Licensees engaged in the firearms or ammunition business typically are corporations which can only conduct their operations through employees, agents, and representatives. In the course of such operations, it is frequently necessary to ship, transport or deliver firearms or ammunition in interstate commerce for bona fide business purposes such as display, advertising, research, testing, comparative evaluations and marketing promotions. In such cases, title to, and ultimate control of, the firearms or ammunition remain in the licensee even though the firearms or ammunition are placed in the temporary custody of an employee, agent or representative for limited lengths of time.

Therefore, under the circumstances described herein, licensed manufacturers, importers and dealers may ship, transport or deliver firearms or ammunition in interstate commerce to themselves in care of employees, agents and representatives without being in violation of 18 U.S.C. 922(a)(2).

However, such shipment, transportation or delivery should not be made in care of persons who are ineligible to receive firearms or ammunition under 18 U.S.C. 922(h) or who are ineligible to receive or possess firearms under Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. Appendix, sections 1201-1203).

This ruling is specifically limited to shipments made by a licensed importer, manufacturer or dealer in care of his nonlicensed employees, agents or representatives for bona fide business purposes (exclusive of sale or disposition), where the actual custody of the firearms or ammunition is transferred for a limited period of time and where title and ultimate control of the firearms or ammunition remain in such licensee. When no longer needed by the employee, agent, or representative for the business purpose for which received, disposition of all such firearms or ammunition must be by return to the licensee or in a manner consistent with the provisions of 18 U.S.C. Chapter 44.

**Scope.** Included within the category of agents and representatives discussed in the Revenue Ruling are professional writers, consultants and evaluators who in the course of their professions acquire firearms and ammunition from a licensee for research or evaluation. The Revenue Ruling applies only to firearms and ammunition acquired from a licensee for limited lengths of time and where the title to and ultimate control of the firearm remains in the licensee. Should the writer or evaluator desire to permanently keep the examined firearm, prior arrangements must be made

to acquire the firearm through a licensee in such writer's or evaluator's State of residence and the Revenue Ruling would have no application. This Revenue Ruling also does not apply to firearms and ammunition within the purview of the National Firearms Act (26 U.S.C. Chapter 53).

**Records.** The licensee should enter in his firearms records the shipment or delivery of firearms or ammunition to the employee, agent, representative, writer, consultant, or evaluator in accordance with Subpart H of the regulations. Upon the completion of the business purpose for which the firearms were received the firearms or unexpended ammunition must be returned to the licensee who should enter their receipt in his records.



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