

Sales Tax Holiday Extension for Gun Safes and Gun Safety Devices

One Year Sales Tax Holiday Extension for Gun Safes and Gun Safety Devices

Public Chapter 1053 (2022), effective May 27, 2022, extends the gun safe and gun safety device sales tax holiday originally beginning 12:01 a.m. on July 1, 2021, and ending at 11:59 p.m. on June 30, 2022, an additional year to June 30, 2023, at 11:59 p.m. During this period, retail sales of gun safes and gun safety devices are exempt from sales and use tax.

Gun Safes

A “gun safe” is defined as a locking container or other enclosure equipped with a padlock, key lock, combination lock, or other locking device that is designed and intended for the secure storage of one or more firearms.

Gun Safety Devices

A “gun safety device” is defined as any integral device to be equipped or installed on a firearm that permits the user to program the firearm to operate only for specified persons designated by the user through computerized locking devices or other means integral to and permanently part of the firearm.

Reporting Exempt Sales

All dealers must properly report sales made during the sales tax holiday. For the July 2021 through June

2023 reporting periods, sales should be reported as follows:

1. Report all sales (taxable and non-taxable) on Page 1, Line 1 (Gross Sales) of the sales tax return.
2. Report all sales of exempt gun safes and gun safety devices made during the holiday period on Schedule A, Line 10, and Schedule G – Temporary Exemptions.

The information reported on Schedule A, Line 10, is required in order for the State to reimburse local governments for the loss of local sales tax resulting from the tax holiday.

This exemption will only be available for the holiday period. All retail sales of gun safes and gun safety devices made after June 30, 2023, will be subject to sales tax.

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Public Chapter 1053 (2022). Tenn. Code Ann. § 67-6-393.