



The Self-Directed Compliance Audit

I happen to hold three FFL's in the State of Texas. According to ATF direction, I should expect a formal compliance audit once a year because I operate in a "border state" and that status bears extra scrutiny. I know that ATF regulations provide for a yearly audit for any FFL and more frequent audits if there is "cause". I also know that there are *many* FFL holders in the US that have not been audited in years and some that have not been audited at all. It is not my intent to try and fathom the method ATF uses to determine who will get a visit from the Industry Operations Investigator (IOI). I would like to describe how I prepare for what will eventually happen in "my shop".

Paperwork. FFL's have a significant amount of paperwork that must be dealt with on a continuous basis. SOT's have even more paperwork. Add the Manufacturer or

Importer classification and there is even more to deal with. Make no mistake about it: if you have an FFL, you better love paperwork and you better make darned sure that you are getting your paperwork right. If it is not your forte', you are in the wrong business! When your IOI shows up to do an audit, he or she will be conducting the audit by establishing a foundation:

1) Are all the items that are supposed to be present actually present?

2) Is all necessary paperwork present?

3) Is all necessary paperwork correctly and accurately completed?

These are the elements that you should be aware of *before* the audit starts. More importantly, you should be able to answer YES to each one with unwavering confidence. Can you? Probably not; so it's time to do conduct your own audit

and find out what problems need to be fixed right now so that you can avoid trouble when the official version takes place.

The first item on your agenda is to conduct a physical inventory so that you can reconcile your A&D book with the items that are actually there. This is time-consuming and boring! Do it anyway. Here's what I do... Every firearm in my inventory has a hang tag. Every time I do an inventory, each firearm gets a new hang tag. This allows me to know that I have touched every gun I am supposed to have. The method for this process provides me with a lot of information:

1) I generate a new hang tag for every item that my A&D book says should be in inventory.

2) The new hang tags are of a different base color than the ones currently on the guns.

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A special thank you to the families of those who have paid the ultimate price so that we may be free...

NFATCA UPCOMING EVENTS:

- ◆ Firearms Industry Importer Exporter & Manufacturer Conference, August 2 & 3, 2011, Reston, VA
- ◆ Knob Creek Fall Shoot, October 14-16, 2011, West Point, KY
- ◆ SAR West, December 2-4, 2011, Phoenix, AZ
- ◆ SHOT Show, January 17-20, 2012, Las Vegas, NV

Why Suppressors Matter

Even the trusty .22 rim fire round can kick out enough debris, sound and recoil to make the average person flinch. This can be especially problematic when you are trying to teach a young or new shooter how to properly shoot. Have a look at the picture. Stance is good, hands in the right positions... and still, all that "stuff" is causing a classic flinch reflex. It happens to each of us a lot more than we would likely admit!

With a suppressor, though, it is possible to teach folks the right way to fire a weapon and at the same time learn proper technique in the absence of flinch. A properly

constructed suppressor will capture the lion's share of the ejecta, dramatically reduce the sound signature, dampen recoil and improve the shooting experience. Why would you not use one when learning the right way to shoot?



If you are reading this newsletter, then you likely already do use a suppressor for a variety of reasons. Proper shooting technique aside, using a suppressor facilitates comfortable shooting and, equally important, polite shooting.

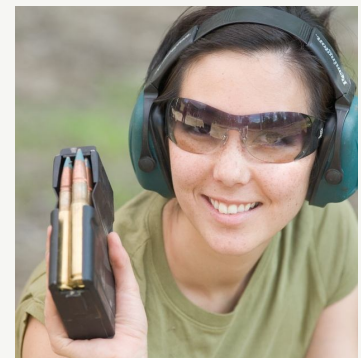
And you already knew that! But how many of your friends and neighbors do not know it? Well, it's time to start being a bit of an "NFA evangelist."

Grab your "can" and head out to the range and pledge to start teaching a newcomer how easy it is to learn to shoot safely by using NFA weapons to promote proper technique and good range manners. Show folks that these things are not "assassins' tools", rather, they are merely teaching and shooting aids that promote *safety*. Sure, the drama of the device will draw a bit of curiosity. But it's the performance and practical impact that will usher in a new, safe shooter.

Discounted SHOT Show Rooms at The Palazzo

The NFATCA has a limited number of discounted rooms available at The Palazzo. Go online NOW to book:

<https://resweb.passkey.com/go/rnfat12>





Associate Memberships

The NFATCA now has \$ 5 0 Associate Memberships available to provide an opportunity for even more folks to help keep NFA weapons available to all. Join now!

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NFATCA
20603 Big Wells Dr.
Katy, Texas 77449
281.492.8288
info@nfatca.org

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Senior Editor: Jeff Folloder
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North Carolina Joins NFA Community

As many of you know, North Carolina had a rather unique perspective on how its residents were able to own various NFA items. In addition to federal requirements, North Carolina added the burden of permits to the ownership process and made it illegal for corporations, trusts and similar entities to own NFA items. Jeff Lawrence and the supporting cast of NC NFA DA have been working for over twelve years to remove the permitting restrictions and the specter of a zealous prosecutor with narrow interpretations of firearms law.

The result of this amazing effort is that HB650 was signed into law on June 23, 2011 and will become effective on December 1, 2011. The salient portion of the new legislation reads "Persons who lawfully possess or own a weapon as defined in subsection (c) of this section in compli-

ance with 26 U.S.C. Chapter 53, §§ 5801-5871. Nothing in this subdivision shall limit the discretion of the sheriff in executing the paperwork required by the United States Bureau of Alcohol, Tobacco and Firearms for such person to obtain the weapon." In plain English it means that anyone that is in compliance with the federal regulations pertaining to NFA item ownership is in compliance with state law, as well. This is a huge accomplishment, indeed.

North Carolina residents can now enjoy the same Constitutional privileges as the majority of other state residents currently do. In addition, those wishing to travel to or through North Carolina will no longer be

subject to the uncertainty of compliance with state laws that are poorly understood and inconsistently applied.

The NFATCA salutes the efforts of these types of grass roots activities. We know that progress is often painfully slow and success is enjoyed with the tiniest steps of progress. This is a victory! Still, remember that the law is not effective until December 1, 2011.



Compliance Audit (continued)

3) Each new tag indicates the location of the item in the A&D book (P36L2 would mean page 36, line 2).

4) I take the new tags and go on the "gun hunt".

If everything is perfect, I will have no "new" tags left in hand. However, if I have new tags left, I know there is a reconciliation issue. Also, if I still have weapons in inventory with "old" tags, I have a different issue! The new tag gun hunt is a clever trick that makes significant errors instantly obvious.

Next up is the purchase paperwork check. Yes, you need to go through

every single 4473! You need to make sure that all the signatures are in place. All the dates, titles and check boxes properly completed. You need to make certain that there are no "close" purchases that would qualify

for the Multiple Sale form filing. You need to make sure that you ran the background check when you were supposed to and that you documented exceptions to the check completely. Your eyes will cross. Your head will hurt. Take a break. But come back and finish the job! Finding mistakes on your 4473's is not uncommon. You may have to call up your customers to get missing data. You may have to finish the parts that you were responsible for, but being in a hurry, you left blank. Know where your deficiencies are and take care of them.

Congratulations!

The NFATCA would like to take this opportunity to offer our hearty congratulations to **Alan Cors**. Alan was re-elected to the NRA Board of Directors and will continue to support the entire firearms community.

Bloomberg Tells Lies to Public

According to the latest TV commercial ad by gun controlling New York Mayor, Michael Bloomberg, "You can go down to a gun show and come away with a fully automatic assault rifle without a background check." I'm not sure about what goes on at gun shows in New York, but I have *never* been to a gun show where this is taking place. And I have been to a lot of gun shows that *feature* fully automatic weapons! I have to assume that either Mr. Bloomberg has been given incorrect information, he doesn't really understand the situation, or he is purposely trying to foment confusion and fear by boldly lying to the public.

We all know that it is impossible to show up at a gun show, or anywhere

else, and just walk away with a legal machine gun. Assuming that you had the money, you could pay for your selection and that's about it. Reputable dealers will assist you with the lengthy paperwork process of legally obtaining your purchase. But I assure you that you are not going to be taking that gun home on the same day! But you already knew that.

What Bloomberg is doing is purposely confusing the public by blurring the issue by associating guns that "look" mean with terrorists and inferring that those weapons are something that they are not. Let's be perfectly clear: the vast majority of guns sold by dealers and folks at shows are done so in a legal manner. And those that would illegally purchase firearms are

already breaking the law. Same for a dealer that knowingly sells to a prohibited person or illegally transfers an NFA item. So just what is the mayor trying to accomplish?

That's easy. He wants all of your legally obtained guns. He wants to deprive you of your Constitutional rights in order to try and prevent evil people from getting guns. He doesn't care that his logic is flawed. He also doesn't care that the result of a logical construct cannot be valid if the premise is false.

The video in question can be viewed on the Internet:

<http://vimeo.com/25679598>.