



Tales of Anxiety

Many of the readers of this newsletter hold Federal Firearms Licenses (FFL) of one sort or another. At some point, you know that you are going to have a compliance inspection performed by an Industry Operations Investigator (IOI) from ATF. The point of these inspections is to make sure that your business operation is in compliance with the regulations that control your firearms inventory. While many do view this activity has an anxiety ridden hassle, at its foundation it is a matter of public safety. Treat it as such and your anxiety will



be reduced. First and foremost: unless you are the target of a criminal investigation, this inspection is a cooperative endeavor designed to make sure that all the guns that have passed through your hands can be accounted for. You should assume that if you adopt a defensive and combative posture, things are going to be more uncomfortable than they need to be. When you assume the roll of a helpful, concerned business person whose goal is to get things right and make sure that you learn about any mistakes that you've made so that you can do better in the fu-

ture, you open the door to stress reduction.

So, are all the guns that are supposed to be there actually there? Are all of the entries in your bound book *complete* and accurate? Are all of your form 4473's filled out completely and signed in all the right places? Do you have the supporting documentation that you are required to maintain included in your records in the proper places? If you have any doubt about the preceding questions, **NOW** is the time to conduct your own self-audit and make sure to get your ducks in a row! Identifying and correcting errors before the actual inspection takes place is another way of reducing the stress and anxiety of what should be a routine encounter with ATF.

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NFATCA Upcoming Events

- ◆ SAR West Show, December 6-8, 2013, Phoenix AZ
- ◆ SHOT Show, January 14-17, 2014, Las Vegas NV
- ◆ Knob Creek Shoot, April 11-13, West Point KY
- ◆ NRA Annual Meeting, April 25-27, 2014, Indianapolis IN

Knob Creek Redux

There is nothing quite like it. Really. Machine gun and collector enthusiasts from around the country (and the world) descend upon West Point, Kentucky, twice a year to soak up all the goodness that goes along with a long weekend of bullets, guns, explosions, collectibles, parts, memorabilia and more. This past fall shoot, held October 11th through 13th, proved to be no slouch in terms of grandeur. Folks even remarked that this was some of the best weather, ever, for the heralded shoot.

No freezing cold mornings, no random downpours, no flooding, no choking dust storms... There was even a spiffy new building set up

where folks could kick back out of the elements and enjoy a snack or a slightly less loud conversation (this building, I am told, will become the new range house/gun store). The tables of merchandise were overflowing, the crowds eager,



the lines full and the chatter enthusiastic. And to everyone's delight, there was plenty of buying and selling! I will even confess to bringing home stuff that I have conveniently neglected to talk to my wife

about...

So what of the Fall Shoot? Hats off to Kenny, Tracey and Gina for once again delivering on one of the most memorable shooting events in the United States. When you consider the fact that there is live fire on multiple ranges, machine gun rentals, competitions involving just about every type of firearm imaginable, camping, concessions and more... Well, let's just say that the air traffic controllers at O'Hare have nothing on the Sumner enterprise. Whether it was your first Creek or your 60th, odds are that you had a lot of fun at the extravaganza and we'll likely see you in the Spring. In the mean time, I'm going to go clean a gun that has "been in the safe for ages!"





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!

www.nfatca.org



NATIONAL FIREARMS ACT TRADE & COLLECTORS ASSOCIATION

POWER THROUGH EXPERIENCE

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Who's Driving the Bus?

As many of you are undoubtedly aware, the White House has published a Notice of Proposed Rule-making (NPRM) #41P that has the potential to cause a great deal of damage and upset to the world of NFA. Many Internet resources are reporting that the NPRM is based upon an NFATCA "request" and that the NFATCA somehow threw the NFA community "under the bus." These accusations are categorically untrue and we would like to reiterate the facts of what has transpired.

Our membership has clearly indicated that eliminating the CLEO signature requirements on NFA forms was a top priority. We have worked toward that for nearly a decade. In 2009, ATF was reluctant to engage in a dialogue to address this issue and others that were considered to be important to the NFA and firearms communities. Although we had engaged in a productive and collaborative work environment before, ATF's reluctance forced us to retain counsel to file a formal petition to attempt to achieve meaningful discourse.

Once the petition was formally delivered, ATF began working with us on advancing the CLEO signature removal issue. We went through several issues requiring clarification and patiently observed the effort moving back and forth from ATF to DOJ over a period of years. In early 2011, and again in 2012, ATF clearly demonstrated their intention to remove the CLEO signature requirement in RIN 1140-AA43, though they still had not consulted with us

regarding the trust/corporate items. We awaited the formal rule-making process to begin. On August 28, 2013, the RIN was changed without notice. In addition, a lengthy draft of a proposed NPRM was released.

Our petition acknowledged our understanding that ATF was concerned about prohibited persons skirting actual background checks by utilizing trusts and corporate entities. For years we had been warning people that the ATF was going to shut down the "trust Loophole" regarding unqualified people obtaining weapons, and that NFATCA was trying to mitigate the damage and get rid of the antiquated CLEO signature requirement as part of this mitigation. We sounded this clarion because ATF had clearly indicated that they wanted to "shut it down." NFATCA didn't make this a problem or bring it to the ATF's attention, the people abusing the system did. ATF was already on it because they had such a massive increase in trust transfers and they read the Internet boards, as well... following the way people bragged about getting MGs, etc. anonymously and advising each other how to do so. Make no mistake, ATF is engaged with dozens of cases where prohibited persons acquired weapons through trusts and corporations without background checks. Some may point to the fact there have not been any "violent crimes" as a result of this, but prohibited persons in possession is already crime. ATF was in the untenable position of approving those transfers to prohibited persons. Something was absolutely going to change. Our petition

expressed the prospect of identifying the primary responsible party of legal entities as a vouchsafe with a background check for the entire entity.

While the NFATCA has acknowledged in our petition that there is concern regarding prohibited persons receiving firearms without background checks via trusts and corporations, the draft NPRM does not reflect any discussions or negotiations we have had with the Federal Government regarding same. We did not support or advocate for the efforts of the Executive Branch that were recently published as the proposed NPRM. The proposed NPRM is being used as a political expedient to address areas of negligible concern. The Executive Branch proposals unduly burden the law-abiding public, will restrain lawful commerce and bury an already overwhelmed agency with an administrative infrastructure that will not serve the public safety interest.

We have joined with other organizations and retained counsel to vigorously defend your rights and will report on our efforts soon. We encourage you to submit your comments at www.regulations.gov .



Tales of Anxiety (continued)

What about new rules, regulations and directives issued or published by ATF? Many FFL holders are quietly unaware of changes in regulations, policies and recommended practices that ATF has put in place. Complicating these changes are forms in current use that appear to conflict with the new requirements. For instance, Box 22 on the 4473 indicates that no NICS check is required for transfers that only involve NFA items. However, ATF has made a change to the NFA Handbook that clearly states that you should perform one on delivery of an NFA

item to the representative a legal entity.

Also, even though it may be likely that you have never been told about the requirement, many FFL's forget about the requirement of 478.124(g) that states, in regard to transfers to legal entities, "In addition, the licensee shall obtain from the individual acting on behalf of the transferee a written statement, executed under the penalties of perjury, that the firearm is being acquired for the use of and will be the property of the transferee, and showing the name and address of that transferee." That

statement should be stored along with the 4473.

While there are certainly some instances of gross and willful violations that result in revocation, the vast majority of inspections result in minor recommendations for improvement and many result in no violations at all. Understand that we are all human. If the point is pressed, every FFL can be found wanting because humans make mistakes. But humans can and do work together to serve the public and that results in less stress during your compliance inspection.