

NSSF[®]
The Firearm Industry
Trade Association

MAXIMIZING YOUR SOT BUSINESS

2025 Firearm Industry
Compliance Webinar Series



Additional Educational Resources



Industry Compliance Courses & More!

- Firearm E-Commerce Blueprint
- Unlocking Success in the NFA Space
- Winning at ATF Inspections
- Completing the Form 4473
- Multiple Sales Report

[NSSF.org/Education](https://www.nssf.org/education)



Today's Agenda

- NFA Form Mastery
- Complex NFA Transactions
- Business Optimization
- Advanced Strategies
- Questions

What Changes on January 1, 2026?

- The requirement to pay the \$200 making tax on silencers, short barrel rifles, short barrel shotguns, and firearms classified as “Any Other Weapon” is eliminated

(NOTE: Licensed firearms manufacturers who are qualified to manufacture NFA firearms are not subject to this tax)

- The requirement to pay the \$200 transfer tax on silencers, short barrel rifles, and short barrel shotguns is eliminated
- The requirement to pay the \$5 transfer tax on firearms classified as “Any Other Weapon” is eliminated



No transfer taxes!!!

Qualifying to Sell NFA Firearms

How do you qualify to sell NFA firearms?

1. You must first hold a Federal Firearms License as a Dealer (including Pawnbroker), Manufacturer, or Importer of Firearms
2. You must have an Employer Identification Number (EIN), even if your FFL is issued to you as a Sole Proprietor
3. You must pay Special Occupational Tax



EIN

+ 99-9999999 +

2024 Special Tax Stamp	
U.S. Department of Justice Bureau of Alcohol, Tobacco, Firearms and Explosives	OMB No. 1146-0090 (05/31/2017)
Name and Principal Business Address WARRIOR HOLDINGS LLC PETERSON FARMS	Tax Statement (Annual Tax Rate) Initial Tax: 5 500.00 Address: 5 500.00 Total Tax PAID: 5 500.00
Actual Physical Business Address (See Number 2 below) WARRIOR HOLDINGS LLC PETERSON FARMS	THIS IS NOT A BILL DO NOT PAY THE AMOUNT NOTED. Type of Operation Conducted (12) NFA/FIREARMS MPGR (REDUCED) 0003
Date of This Receipt MAY 17, 2023	Number of Licenses 1
Employer Identification Number 6 5	Dates of Special Tax Period 07/01/2023 TO 06/30/2024
2023129-N70-069	

ATF NFA Forms



	Description	From	To:
Form 1	Private Make Firearm	Private Party	SELF
Form 2	Licensee Make Firearm	MFG	SELF
Form 3	Licensee To Licensee Transfer	MFG, Warehouse, FFL (SOT)	Receiving SOT
Form 4	Licensee To Private Party Transfer	FFL/SOT	Private Party
Form 5	Special Transfer (Estate and GOV)	SOT / GOV / Estate	GOV / CIV / Heir
Form 6	Import	SOT	SELF
Form 9	Export	SOT	Receiving Entity
Form 10	GOV Make or Special	GOV	SELF

NFA Forms Transferee Types



	Individual	Trust	Corporation
What is it	A person	Legal Entity that can hold assets	A legal entity organization for business or other reason
Who Can Possess	Individual Only	Active Co-Trustees	Directors and Employees
Documentation for Form 4	Photo, Prints	5320.23 (RPQ Form) per Active Trustee (photo/prints) and Trust Document	5320.23 (RPQ) per Director/Officer and Article of Incorporation
Costs + \$200 Tax Stamp	\$0	Initial Trust Setup Cost + RPQ Fee (if FFL Charges)	Article of Incorporation and Annual (if State charges) + RPQ Fee
Form 4 Application Times (as of 8/2025)	Days (if instant NICS) 2-3 months (NICS delay)	3-5 weeks	3-5 weeks
Transfer at Death	Per Estate/Will - Paper Form 5 = 2-3 weeks	Next Trustee or Beneficiary Immediate	N/A

Interstate Transfers of NFA Firearms

- The term “transfer” is broadly defined by the NFA to include “selling, assigning, pledging, leasing, loaning, giving away, or otherwise disposing of” an NFA firearm
- Only previously registered firearms may be lawfully transferred
- ATF will not approve the transfer of an NFA firearm to a non-FFL/SOT residing in a state other than the state in which the transferor’s licensed business is located or the transferor resides. Those interstate transfers would violate the GCA.
- You may sell an NFA firearm to a non-FFL/SOT who does not reside in your state, but the firearm must be transferred on a Form 3 to an FFL/SOT in the buyer’s state. That FFL is responsible for the Form 4 transfer.
- An individual with dual residency in two states can buy a firearm, including an NFA firearm, in either state. He/she can present you with an ID from the other state, but they must prove residency in your state.
- Active-duty military with an out-of-state driver’s license may purchase an NFA firearm from you provided they have their military ID and PCS orders that prove they are permanently stationed in your state.

Non-Over-the-Counter Transfers

Under certain circumstances, firearms, including NFA firearms, may be transferred to a resident of your state who does not appear at your premises:

- Refer to ATF Procedure 2020-1 for all the requirements
- You must record the words, “18 U.S.C. 922(c) Transaction” at the top of the first page of the ATF Form 4473
- Form 4473 must be completed in duplicate
- Exempt from NICS/POC because **ONLY AN NFA** firearm is being transferred (or other NICS exemption, *e.g.*, concealed carry permit, if not an NFA firearm)
- FFL must send a copy of the Form 4473 to the buyer’s CLEO by email, registered or certified mail, return receipt requested
- FFL must delay shipment of firearm to buyer for at least 7 days from:
 - The date the proof of delivery to the CLEO is received; or
 - The entire mailing is returned as refused by the CLEO
- The proof of delivery or refusal must be retained with the Form 4473 in the FFL’s permanent records

Law Enforcement/Agency Sales Process

- Sales of NFA firearms to individual law enforcement officers must be handled the same as sales of NFA firearms to any other person
- Sales of NFA firearms to or from law enforcement or other government agencies are tax exempt and require ATF Form 5 (eForms from FFL to agency need the agency ORI)

OMB No. 1140-0015 (10-31-2006)

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

Application for Tax Exempt Transfer and Registration of Firearm

ATF Control Number		Internal Control Number	
Submit in duplicate to: National Firearms Act Division National Service Centre, Bureau of Alcohol, Tobacco, Firearms and Explosives, 244 Needy Road, Martinsburg, WV 25405			
1. Type of Transfer: Tax Exempt I believe that I am entitled to exemption from the payment of the Transfer Tax imposed by section 5811 of U.S.C. Chapter 58 on the Firearm described herein for the following reason: (See instruction 2.B) <input type="checkbox"/> Firearm is untraceable and is being transferred as a curio or ornament <input type="checkbox"/> Firearm is being transferred to or from a Government Entity <input type="checkbox"/> Firearm is being transferred to a lawful heir or by operation of law <input type="checkbox"/> Other (Specify) _____		2a. Transferor's Full Legal Name and Full Address (include trade name, if any) (See instruction 2.G) _____ _____ _____ 2b. County/Parish _____ 2c. If Applicable: Decedent's Name, Address, and Date of Death _____ _____ _____	
3b. Transferor's Name and Full Address (include trade name, if any) (See instruction 2.G) _____ _____ _____		3c. Number, Street, City, State and ZIP Code of Residence (Or Firearm business premises) If Different from Item 3a. _____ 3d. E-Mail address _____	
The above-named and undersigned transferor hereby makes application as required by Section 5811 of the National Firearms Act to transfer and register the firearm described below to the transferee.			
4. Description of Firearm (Complete items a through j) (See instruction 2.J)			
a. Name and Full Address of Maker, Manufacturer and/or Importer of Firearm _____ _____ _____		b. Type of Firearm (See definition 1.C) _____ c. Caliber or Gauge _____ d. Model _____ e. Length (inches) _____ f. Barrel Overall _____ g. Serial Number _____	
h. Additional Description or Data Appearing on Firearm (attach additional sheet if necessary) _____ _____ _____		i. Has the Firearm been Rendered Untraceable as Defined in Definition 1.M? (If "Yes", describe the method by which the firearm has been rendered untraceable. Use additional sheets.) <input type="checkbox"/> Yes <input type="checkbox"/> No	
5. Applicant's Federal Firearms License (if any) or Explosives License or Permit Number (Other complete 11-digit number) (See instruction 2.K) First 6 digits 2 digits 5 digits _____ _____ _____		6. Transferor's Special (Occupational) Tax Status (if any) a. Employee Identification Number b. Class _____ _____	
7. Transferor's Federal Firearms License (if any) First 6 digits 2 digits 5 digits _____ _____ _____		8. Transferor's Special (Occupational) Tax Status (if any) a. Employee Identification Number b. Class _____ _____	
Under Penalties of Perjury, I Declare that I have examined this application, and to the best of my knowledge and belief it is true, correct and complete, and that the transfer of the described firearm to the transferee and receipt and possession of it by the transferee are not prohibited by the provisions of Title 18, United States Code, Chap 41, Title 26, United States Code Chap 33, or any provisions of State or local law.			
9. Signature of Transferor (Or authorized official) _____		10. Name and Title of Authorized Official (Print or type) _____	
11. Date _____			
The Space Below is for the use of the Bureau of Alcohol, Tobacco, Firearms and Explosives			
By Authority of The Director, This Application Has Been Examined, and the Transfer and Registration of the Firearm Described Herein and the Interstate Movement of that Firearm, When Applicable, to the Transferee are:			
<input type="checkbox"/> Approved (With the following conditions, if any)		<input type="checkbox"/> Disapproved (For the following reasons)	

Converting GCA Firearms to NFA Firearms

- Must have 07 FFL and pay SOT as a Manufacturer of NFA Firearms
- Must engrave your manufacturer's marks
- Requires filing Form 2

OMB No. 1140-0012 (10/31/2026)

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

Notice of Firearms Manufactured or Imported

Prepare in Duplicate. Submit to: The National Firearms Act Division, 244 Needy Road, Martinsburg, WV 25405. The undersigned hereby serves notice of the manufacture, reactivation, or importation of firearms as required by § 5841 of the National Firearms Act, Title 26, U.S.C. Chapter 53.

1. Type of Notice
 a. Firearms on This Notice Are: (Check one) Manufactured Reactivated Imported (complete b & c) b. Import Permit Number _____ c. Permit Expiration Date _____

2. Name and Address (Include trade name, if any)

Sole Proprietor Partnership Corporation

3. Federal Firearms License Number _____

4. Employer Identification Number and Class _____

5. Federal Explosives License/Permit Number _____

6. Telephone Number (Include area code) _____

7. Type of Destructive Device:
 Firearm Explosives
 If the type is Explosives, complete item 5 and identify the type of explosives below:

8. Email Address (optional) _____

9. Number of Firearms Covered By This Notice _____

10. Date of Manufacture, Reactivation or Release From Customs _____

11. Making Variance information (see instruction 3 d.). Enter the name, trade name (if any), city and State of the manufacturer whose markings are being applied.

Marking Variance Number: _____

12. Description of Firearm(s) (See instruction 3)

Type of Firearm (See definition 1c) a	Additional Description (See Instructions 3e (3)) b	Caliber Gauge or Size c	Model d	Length (In.)		Serial Number (See Instruction 3e) g
				Barrel e	Overall f	

UNDER PENALTIES OF PERJURY, I DECLARE that I have examined this notice of firearms manufactured, reactivated or imported and to the best of my knowledge and belief, it is true, correct and complete.

13. Signature of Manufacturer or Importer (or authorized official) Name and Title _____

14. Filing Date _____

15. Acknowledge of Receipt by ATF _____

16. Receipt Date _____

ATF Use - Restrictions (If any)
 Imported Under 26 U.S.C. § 5844 For Use (A) By a Government Agency, (2) For Scientific or Research Purposes, or (3) As a Model or Sales Sample. (Note: machineguns are not subject to these restrictions.)

Machinegun Manufactured or Imported After May 19, 1986 (18 U.S.C. § 922(o))

NFA Control Number _____

ATF Form 2 (3/20/20)
Revised May 2017

Silencer Categories

- **Rimfire** – Handgun/Rifle. Direct Thread
- **Handgun** – Piston / Nielsen – absorbs the barrel tilt of striker-fired.
- **Centerfire** – Rifle.
 - QD – AR and multiple rifle application
 - Direct – Budget Friendly or Long Range Precision
- **Large Bore** – 45-70, .50 Cal.
 - Specialty – Big, Heavy, expensive.
- **Characteristics:**
 - Performance (sound reduction)
 - Weight
 - Cost
 - Blowback



Pricing strategies for different NFA items

- MSRP
 - Anchor High
- AOW – Red stamp collectors
- Price the convenience
 - Digital Prints, Trusts, Trust Paperwork etc
 - Intake fee
 - Processing fee
 - Additional Trustees Fee
- Bundles

Leveraging technology for efficiency

- Digital Fingerprinting for speed, accuracy, efficiency and repeat sales
- Form fill functionality – RPQ and eForms
- Take the process out of Owner/Manager – delegate down to Clerks.
- Build in validation within the software
- Group/Shared Mailbox
- eForms - Multiple Users under Super User
 - Delegate vs Super User
- Internal Control numbers (Serial – Last Name)
- Labels or tagging method for submitted cans
- Digital Bound Book
 - Confirm the Steel – Log the Form 3.
- Digital 4473s
 - Increased Compliance
 - Data Validation
 - Internal and ATF Audit

Common rejection reasons and how to avoid them

- Photo
 - Eyes Closed
 - “Noisy” background
- Trust Errors
 - No RPQ loaded
 - Non-executed Trust uploaded
 - Trust Name Not Matching
 - Individual Name used as Trust Name
 - Appendix B not accurate – too many or too few Trustees
- RPQ Errors
 - Caliber
 - Not signed

72 hour correction

- If “minor” error
 - Notification to Form Email address – 72 hours to fix.
 - Typically Trusts
 - Caliber wrong on RPQ (5320.23)
 - 5.56 vs 556MM
 - 7.62 vs 30
 - Missing RPQ
 - Trust not executed (signed/notarize)
 - If it is an error on the form data (Trainstops) – usually will be denied.
- Once corrected – Customer and FFL must re-sign the form (eFormID and PIN)

Withdrawn form or denied form - now what?

- Refund to payment method approx. 3-5 business days
- Item will return to available inventory approx. 2-3 business days
 - View eForms Inventory -> My Profile -> Associations -> Inventory – Right column as status
- New Form 4 will be required.

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
eForms

Home My Profile FAQ Ask The Experts User Administration

My Profile Information

User Information ORI Associations Password / PIN / Security Question Maintenance Associations Address Favorites Line Item Favorites

Request Association

Inventory for: EIN:

Export Inventory

Serial Number	Manufacturer	Product Type	Caliber	Model	Barrel Length	Overall Length	Inventory Status
		SILENCER	7.62			4.4	AVAILABLE
		SILENCER	7.62			4.4	AVAILABLE
		SILENCER	7.62			6.77	AVAILABLE
		SILENCER	7.62			5.8	PENDING FORM
		SILENCER	7.62			6.75	AVAILABLE
		SILENCER	7.62			6.575	AVAILABLE
		SILENCER	7.62			6.8	AVAILABLE

The Firearm Industry Trade Association

Cross Selling Opportunities

- Huge chance for repeat sale
 - Customer: “holy \$#%#% that was fast” → Let me show you a 22 can.
- Sub Sonic Ammo
- Muzzle devices for QD allow silencer to move between hosts
- Silencer ready optics / replacements handguns
- Packages / Bundles
 - 22 pistol/rifle / Silencer bundles
 - Big Game – Rifle, Silencer, Optic, Suppressor Cover
 - Youth Hunting – 300BLK AR, Silencers, Optic (*under 18 can not possess w/o adult)
 - SBR and Silencer (two stamps) plus optics, case, mags, and ammo package.
- Form 1 Engraving services

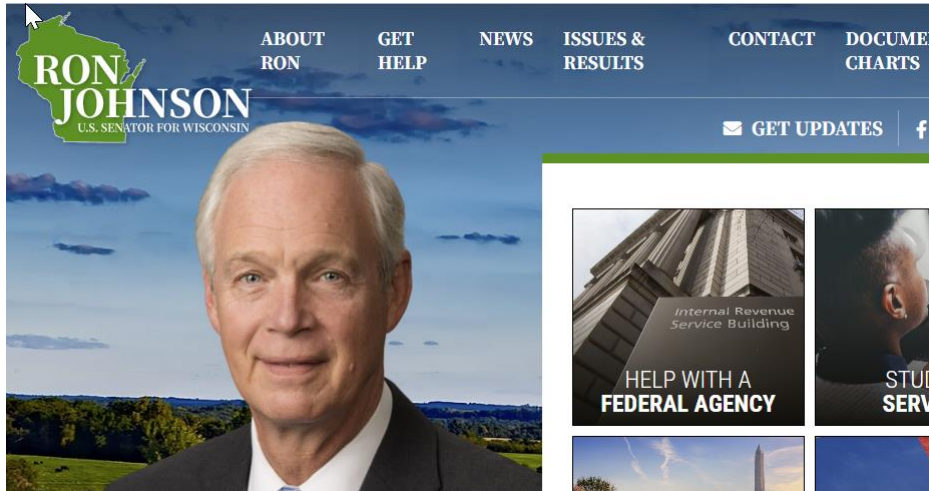
Expediting a “Stuck” stamp

- Check Current Processing Times
- Reach out to Congressional/Senate rep
 - “Help w/ a Federal Agency”
 - Will need Serial, Form number
 - Customer will sign a Tax release waiver
 - Staffer will reach out to ATF / FBI.

Average Processing Times for Applications Processed During August 2025

Statistical information on average processing times of applications that are filled out correctly and completely.

	ATF Form	Processing Office	Paper	eForms
Form 1	Application to Make and Register a Firearm	NFA Division	28 days	8 days
Form 2	Notice of Firearms Manufactured or Imported	NFA Division	6 days	1 day
Form 3	Application for Tax-Exempt Transfer of Firearm and Registration to Special Occupational Taxpayer (SOT)	NFA Division	6 days	1 day
Form 4 Trust	Application for Tax Paid Transfer and Registration of Firearm	NFA Division	45 days	23 days
Form 4 Individual	Application for Tax Paid Transfer and Registration of Firearm	NFA Division	35 days	10 days



ronjohnson.senate.gov/agency-assistance

I Casework Contact Form

Prefix First Name* Last Name*

Address*

Address

City* State* Zip*

Phone Email*

Topic*

Please type the subject of your message:*

Please write your message.*



**BUY A GUN
FOR SOMEONE
WHO CAN'T**

BUY 15 YEARS IN JAIL

DontLie.Org



Don't Lie Kit's Available at DontLie.org



A COOPERATIVE PROGRAM OF

NSSF
The Firearm Industry
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EDUCATE



EMPLOYEE TRAINING LOG

Employee Name		Title			Date		
Date of Training	Subject of Training	In Person/ Online	Name & Description of training	Training Offered By	Employee Initials	Instructor/ Supervisor Initials	

NSSF Member Benefits for Retailers & Ranges

- Compliance Hotline
- SHOT University Online
- Discounts to Live Events including SHOT Show (first buyer badge is free - additional registrations discounted)
- Member Benefit Provider Discounts
- Access to Programs Such as First Shots

Join Today!

NSSF Compliance Team

ATF Consultants



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- We are a Sports Inc vendor w/
special SI pricing



Questions?

Additional Questions?

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