A Ban On Modern Sporting Rifles and Semi-Automatic Shotguns Will Have Direct Economic Consequences for the United States – As Well As Significant Unintended Consequences

The United States is currently considering a ban on semi-automatic rifles, modern sporting rifles, and semi-automatic shotguns. The implementation of such a ban ensures that some firearms manufacturers, wholesalers, and retailers will not be able to continue to operate effectively in the country. The industry currently sells an estimated 1.5 million modern sporting rifles and similar types of guns, and 520,000 semi-automatic shotguns per year (along with accessories for them) that would be affected by various legislative proposals.[1] This will impact the nation's economy.

Impact of Banning Modern Sporting Rifles and Semi-Automatic Shotguns in the United States[2]

	Lost Jobs	Lost Wages	Lost Output
Direct	20,275	$722,989,000	$2,101,227,600
Supplier	6,784	$493,082,600	$1,526,762,600
Induced	11,407	$617,990,800	$1,974,450,400
Total	38,466	$1,834,062,400	$5,602,440,600

Federal Business Taxes	$385,761,200
State Business Taxes	$295,002,700
Pittman–Robertson Excise Tax	$122,481,300

The Firearms Industry and Its Suppliers are an Important Part of the Country's Economy

❖ The firearms industry directly employs about 150,707 people and generates an additional 181,501 jobs in supplier and other firms.[3] In total the firearms industry and its suppliers generate $18.34 billion in wages for employees in the United States. These are good jobs, paying an average of $55,200 in wages and benefits.

❖ In the United States, the industry and its employees pay over $2.80 billion in property, income, and sales taxes. They also pay $3.94 billion in federal taxes and $586.58 million in federal excise taxes – which contribute to Federal domestic assistance programs.

❖ Beyond creating jobs, in 2019 the industry was responsible for $60.02 billion in total economic activity in the United States. This broader activity flows through businesses well beyond firearms. Industries as varied as banking, retail, accounting, metal working, and even in printing, all benefit from the firearms industry for their livelihood.

The Loss of Modern Sporting Rifle and Semi-Automatic Shotgun Sales Will Be Detrimental for the Economy

❖ A ban on the sale modern sporting rifles and semi-automatic shotguns could lead to 38,466 lost jobs and an estimated $1.83 billion in lost wages. These are not only people directly employed by the firearms industry but also those employed in industries far removed from the firearms industry such as retailing, entertainment, dining, and education.

❖ In addition to jobs lost, an estimated $385.76 million will be lost in federal business taxes and another $295.00 million in state business taxes. The ban would also mean a reduction of about $122.48 million in Pittman-Robertson excise tax for wildlife conservation.

❖ Overall, the United States economy would lose $5.60 billion in economic activity were a ban on the sale of modern sporting rifles and semi-automatic shotguns implemented.

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[1] Estimates on the number of firearms affected calculated using sales data provided by the National Shooting Sports Foundation and Bureau of Alcohol, Tobacco, Firearms, and Explosives. Due to unclear drafting of the proposed bill, it is difficult to determine the exact models of guns which are affected. This model assumes all modern sporting rifles and semi-automatic shotguns.

[2] Based on figures developed for the National Shooting Sports Foundation by John Dunham & Associates, 2019.

[3] Direct jobs are those involved in the manufacturing, wholesaling, and retailing of firearms and related goods. Supplier jobs are defined as jobs that provide essential goods and services to the firearms industry, such as metal processors, engineers, and even janitors. Induced jobs are the result of spending of wages earned by employees in the direct and supplier sectors. These can range from jobs in restaurants that these employees frequent to movie theaters and retail outlets.