

# Purchasing Class 3 Firearms (Silencers, Machine Guns, SBR's, AOW's, SBS's)

Presented by WorldwideFirearmsä

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**Fortunately, much of what you might have heard about the ownership of Class 3 firearms is probably not true!**

The following is a packet created by *WorldwideFirearms*® to help explain some questions you might have about purchasing a class 3 firearm and also to help you with filling out the forms for purchasing suppressors, machine guns, and other class 3 firearms. While the forms in this packet have been customized to be used when purchasing from WorldwideFirearms, the information provided can be used as guidance when purchasing class 3 firearms from other class 3 dealers as well. While WorldwideFirearms can not transfer a class 3 firearm directly to a resident of a state other than Mississippi, we can sell to residents of other states, and then transfer to a dealer in your state who can then transfer the item to you. WorldwideFirearms also sells directly to law enforcement agencies throughout the United States. WorldwideFirearms also sells certain products wholesale to other Class 3 dealers and/or distributors and can sell and transfer class 3 firearms directly to regular type 01 firearm dealers if they are sole proprietors and purchasing the firearm for their personal ownership/use.

**SPECIAL NOTICE: According to federal law, you can legally purchase and own a class 3 firearm without submitting fingerprints, photos and without having to receive a law enforcement signoff!**

## Basic Class 3 “Individual” Ownership Requirements:

1. Be a US Citizen at least 21 years old
2. Be of sane mind
3. Not an abuser of drugs or alcohol
4. Have never been convicted of a felony
5. Pay a \$200.00 Federal Transfer Tax on each weapon purchased. (This is a one-time tax, not a yearly tax and is paid each time you purchase a class 3 item). This tax is only \$5 for AOW's.
6. Fill out BATF Form 4 and a form certifying you are a US citizen.

*Fact, machine guns and other class 3 firearms HAVE NEVER BEEN ILLEGAL to own under federal law as long as certain conditions are met. Some states, however, do not allow individuals to own some or all class 3 firearms.*

Heard wild stories about why you shouldn't own legal class 3 firearms? Consider the source of these rumors – most of these “experts” do not own class 3 firearms and are not licensed class 3 firearms dealers. If they don't own and can't sell – how can they be an expert? Call, text, or email WorldwideFirearms – we will try to give you honest, simple answers. We want to take the mystery out of class 3 ownership.

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## **You do not have to have any type of special license or a FFL to purchase and own a class 3 firearm – this statement is true for residents of most states - let me explain.**

Under federal law qualified individuals can own silencers, short barreled rifles, short barreled shotguns, any other weapons, and even destructive devices. Qualified individuals may also own machine guns that were manufactured and registered as legal for civilian ownership prior to May of 1986. Each state, however, can decide which of these items will be allowed to be owned by civilians in that particular state. In Mississippi all class 3 items that are legal for ownership according to federal law are legal for civilian ownership under state law. Some states allow machine guns but not silencers, etc. Also, while in Mississippi it is legal to hunt with a legal silencer during a legal hunting season – in many states silencers (suppressors) are not legal to hunt with. While a wide variety of class 3 firearms are legal for civilian use according to Federal law – individual ownership and legal use of class 3 firearms varies from state to state

## **No special license is required in most cases, but a one-time special tax is required to be paid.**

If your state allows civilians to own a silencer, for example, you would have to pay a one-time federal transfer tax that is paid when you request that this item be transferred to you – this tax is \$200 for machine guns, suppressors, short barreled shotguns, and short barreled rifles and \$5 for an AOW (any other weapon). AOW's include some short pistol grip shotguns, penguns, wallet guns and similar. You pay the transfer tax only once for each class 3 item – you do not have to pay any renewals fees or maintain any type of licensing to keep your item once it is transferred to your name. Also, please understand that this one time tax applies only to the specific item you are applying for – if you decide next week to purchase another item, you will have to pay a separate one-time tax on that specific item as well. Example, if you buy a machine gun and silencer together – you will have to complete two separate sets of the necessary forms – one for the machine gun and one for the silencer --- you will also have to pay \$400 for the transfer tax (\$200 for the machine gun and \$200 for the suppressor). In Mississippi, and many other states, silencers may be owned by qualified individuals – in some states, however, silencers may only be owned by military – in those states not even local or state law enforcement may own silencers – not even licensed class 3 manufacturers can own silencers in one or more particular states. Please visit [www.WorldwideFirearms.com](http://www.WorldwideFirearms.com) for a listing of states and which class 3 items can be owned by individuals in those states.

## **Where did the requirement of a \$200 transfer tax come from?**

The \$200 transfer tax became the law back in 1933 in response to gangsters having access to relatively inexpensive machine guns. The Federal Government couldn't figure out a way to legally say that machine guns were illegal – so they decided to impose a \$200 tax on machine guns and require that they be entered into a special federal registry. The result was if they caught someone with an unregistered machine gun they could impose federal tax evasion fines and/or put them in federal prison. The \$200 amount was very excessive in 1933 when machine guns could be bought for \$30 or \$40 or sometimes even less depending on the model. “Any Other Weapons” qualify for a reduced transfer tax of only \$5. Over the years that tax amounts have remained the same, some of the forms have changed, and the price of machine guns has continued to go up. One reason machine guns are so expensive is that individuals can currently only purchase and own machine guns that were registered and in the system as being eligible for ownership by individuals as of May 1986. New machine guns are made everyday, but these are only legal for ownership by law enforcement, military, and some class 3 dealers (ownership allowances vary from state to state). Individuals can only legally own machine guns that have been in the system since 1986 – because of supply and demand – machine guns have continued to go up in value (some CPA's and clients are purchasing them as investments). Many machine guns have never been shot – even though they were manufactured prior to May 1986. Legal machine guns continue to increase in value/price because of of supply and demand – more people are wanting to purchase machineguns and only a specific number of machine guns are available. Also, while the receiver of the gun had to be manufactured and registered as of May 1986, new internal parts are available – so while these might be thought of as old guns, most are very new inside and out.

## **Suppressors, Short Barreled Shotguns (SBSs), Short Barreled Rifles (SBRs), and Any Other Weapons (AOWs) can be made today and bought tomorrow in most states**

These types of class 3 items do not have to have been registered prior to May 1986 according to federal law – so suppressors, for instance, are constantly being improved on and new products are being introduced each year – this means manufacturers try to continually improve their products.

### **Regarding AR-style Short Barreled Rifles and other unique offerings:**

WorldwideFirearms has contracted with a leading manufacturer of AR-style receivers to produce for us “stripped” registered class 3 Short Barreled Rifle receivers that can be built into a SBR of any caliber and with any barrel length (16” or less). Normally SBRs are sold as registered to a specific caliber and with a specific barrel/overall length. WorldwideFirearms’s stripped SBR receivers offer individuals, manufacturers, and law enforcement agencies the flexibility to legally build a SBR of varying calibers and lengths, and/or use multiple uppers on the same receiver, without having to go back to ATF and apply for amendments to the Form 4 for that particular SBR. Contact WorldwideFirearms® for more information.

**A note on suppressors (silencers):** People often ask what is the difference between a legal suppressor they might buy from me and a suppressor someone makes in their garage – I tell them the main difference is a felony conviction, possible prison time, and large fine. Some people also think that legal suppressors are legal because they don’t work as well as something homemade – that simply is not true. Suppressor manufacturers are constantly coming up with ways to make suppressors smaller, lighter, more affordable and more effective – there are no restrictions on how quiet a suppressor can actually be.

**Remember, the type of class 3 firearms that can be owned by individuals varies from state to state.** Some states allow citizens to own anything that is allowed by Federal Government. Other states impose restrictions against ownership of certain types of class 3 firearms.

**You can purchase a class 3 item as an “individual” or as a “Corporation, LLC, or Trust” – which is best for you?** You probably already know that you can purchase a class 3 item as an “individual” – but many do not know that these can also be purchased by corporations, LLC’s and trusts. The next two sections discuss the requirements and benefits of buying as an individual or buying as a corporation/trust/LLC. If you do not own a corporation, LLC or trust and are interested in forming one of these entities for the purpose of buying a class 3 item – please read on and also feel free to contact me to discuss this further. The formation of a LLC is a relatively simple process in most states, the formation of a NFA Trust is extremely simple and can be done for \$10 or less in most cases.

**Purchasing as an individual:** If you decide to purchase the class 3 item as an individual you will have to complete the standard Form 4 used when purchasing/transferring a class 3 firearm. You will also have to complete a “Certification of Compliance” form stating you are a United States citizen. You will also have to be fingerprinted, have passport size photos taken (you can do this yourself easily enough in most cases) and you will have to receive a “signoff” from your local chief law enforcement officer – this could be your sheriff or chief of police. Some of my customers live in areas where the sheriff or police chief has decided they are not going to sign off on individual’s Form 4’s. Often this is because they incorrectly believe they are putting themselves in a liability situation or that they can prevent you from purchasing a class 3 item if they refuse to sign. First, there are others who can also sign for you – secondly, it is so easy to form a NFA Trust, for example, that many simply purchase through this method instead – again, read on for more on how to do this. Also, when purchasing as an “individual” you must be present whenever the class 3 item is being used – you can not loan it to a friend, spouse, etc. and allow them to use it when you are not present. If you think you might want to be able to allow others to use your class 3 item, buying as a corporation, trust or LLC allows much more flexibility in doing so.

**Purchasing as a corporation, LLC, or trust:** (I will refer to all three of these as “corporation” to make it simple). If purchasing a class 3 item as a corporation you will have to complete the standard Form 4 and also the “Certification of Compliance” form (where you will state that your corporation is a United States citizen – which is if legally formed in the United States). **When purchasing as a corporation you will not have to receive a “law enforcement signoff” nor will you have to provide photos or have your fingerprints taken – plus you have more flexibility in allowing others to use the class 3 item.** You will have to provide basic documentation showing the formation of the corporation or other entity. **Note:** WorldwideFirearms® reserves the right to refuse to sell to anyone we believe can not legally purchase and own a firearm – if purchasing as a corporation, trust, or LLC, the primary officer or person to take possession of the firearm from us will be required to pass the standard background check before you can actually take possession of the class 3 firearm.

**Purchasing a class 3 firearm is different in that dealers will normally require you to pay for your item in advance.** This is because when we fill out the transfer paperwork we will specify the specific item you are purchasing (make, model and exact serial number) so that item is set aside for you specifically and once approved it is registered in your name. Because this item is set aside for you, and ultimately put in your name, you are required to prepay for it before the paperwork is sent in to ATF for approval.

**As of January 2009 it was taking 2 – 3 months to receive Form 4 approval back from ATF.** While some requests are approved sooner, be prepared to wait 60 days at least and possibly longer. In the past it sometimes took up to a year to receive approval – things are getting better! I know, you are excited about your purchase and can’t wait to add it to your collection, take it out, and probably show it off as well – I have been there myself so I know what you are feeling. If you are purchasing a class 3 firearm from WorldwideFirearms, please be patient and I will contact you as soon as everything is approved and you can take possession of your item. However, feel free to contact WorldwideFirearms by phone or email at any time to check on the status of your transfer or to answer any questions you might have. The goal of WorldwideFirearms, and owner Donald Ray Cresswell, is to try to make the class 3 purchase process as simple and quick as possible.

**If you have a “firearms permit” or “concealed carry permit” or Federal Firearms License – do you still have to complete Form 4 and be fingerprinted again?** Yes. Many of you have probably already been fingerprinted and have had a background check ran for various reasons – it doesn’t matter, you will still have to have this done again each time you purchase a class 3 item if purchasing as “an individual”. The good news is that if you have passed the background check in the past, we shouldn’t have any problem with you being approved for a class 3 purchase. Unless you are a class 3 dealer and have paid your annual SOT, you will have to complete the same set of forms and wait just like everyone else. The good news is that you do not have to pay any special annual fee to own your class 3 firearm and you do not have to have or maintain any special license. Basically, as long as she hasn’t been convicted of a felony, your grandmother should be able to purchase and own a machine gun if she lives in a state that allows civilian ownership (please give her my card if she is interested).

If you have any questions – always feel free to contact me by email at [save@worldwidefirearms.com](mailto:save@worldwidefirearms.com) or call 601-966-9048 – remember, you are not in this alone, WorldwideFirearms® will help you through this process.