

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5017S.01I
Bill No.: SB 1055
Subject: Firearms; Taxation and Revenue - Sales and Use
Type: Original
Date: February 22, 2026

Bill Summary: This proposal modifies provisions relating to firearms.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	(Could exceed \$200,900)	(Could exceed \$258,653)	(Could exceed \$234,147)
Total Estimated Net Effect on General Revenue	(Could exceed \$200,900)	(Could exceed \$258,653)	(Could exceed \$234,147)

*Oversight assumes the fiscal impact could exceed \$250,000 due to the potential for civil action and the addition of a civil penalty of \$50,000 per occurrence for any violations of §1.486.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
State Legal Expense Fund (1692)**	\$0	\$0	\$0
Other State Funds*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Colleges and Universities*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
State Highways and Transportation Department Fund (1644)*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Water Patrol Division Fund (1400)*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
School District Trust Fund (1688)	(Could exceed \$76,236)	(Could exceed \$108,909)	(Could exceed \$108,909)
Conservation Commission Fund (1609)	(Could exceed \$9,530)	(Could exceed \$13,614)	(Could exceed \$13,614)
Parks and Soils State Sales Tax Fund(s) (1613 & 1614)	(Could exceed \$7,623)	(Could exceed \$10,891)	(Could exceed \$10,891)
Total Estimated Net Effect on <u>Other</u> State Funds	(Could exceed \$93,389)	(Could exceed \$133,414)	(Could exceed \$133,414)

**Indicates numbers that net to zero. Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Federal Funds*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Oversight assumes the loss of federal funds would exceed the \$250,000 threshold.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government**	(More or less than <u>\$358,310</u>)	(More or less than <u>\$511,872</u>)	(More or less than <u>\$511,872</u>)

** Sales tax exemption for firearms and ammunition

FISCAL ANALYSIS

ASSUMPTION

§1.486 – Anti-Red Flag Gun Seizure Act

Officials from the **Office of Administration (OA)** state this legislation creates provisions and damages relating to seizure of firearms and includes a waiver of sovereign immunity for actions brought under this section. This has the potential to increase costs to the LEF but would be subject to judicial construction; therefore, the cost is unknown.

Oversight does not have any information contrary to that provided by OA. Therefore, Oversight will reflect OA's potential unknown impact for fiscal note purposes to the State Legal Expense Fund. Oversight notes the Legal Expense Fund is funded by the General Revenue Fund as well as other state funds. Oversight notes this possible litigation exposure as described by OA could also apply to colleges and universities, federal funds, as well as local political subdivisions.

Officials from the **Office of Administration - Budget and Planning (B&P)** state Section 1.486 would prohibit state or local officials from enforcing certain laws. Article IX, Section 7 of the Missouri Constitution requires that penalties, forfeitures, and fines collected for violations of state law be distributed to the schools. To the extent any such revenues are currently deposited into the state treasury, TSR may decrease.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state that the Patrol has concerns that this proposal would be in direct conflict with the Brady Handgun Act which the US Constitution makes supreme under the supremacy clause, which prohibits firearm ownership beyond just violent felonies. This would put the Patrol in the position of having a state law that requires violation of federal law. Although not entirely calculable, the Patrol receives millions of dollars from various grant programs from the Department of Justice that would be in jeopardy if this law were passed.

The Patrol has concerns regarding a potential fiscal impact because the proposed legislation creates a right of action against any law enforcement officer that enforces a "red flag law" against a citizen. The proposed language applies to both state and federal laws and creates a right to sue the law enforcement agency for a minimum of \$50,000 per occurrence (Section 1.486.7(1)) along with punitive damages and attorney's fees. In addition, the language in Section 1.486.7(5) appears to waive sovereign immunity for the state, which is a considerable departure from current law. The fiscal impact to state funds reflects the potential liability due to defense of civil suits.

Oversight does not have any information contrary to that provided by MHP. Therefore, Oversight will reflect MHP's impact as \$0 or an Unknown loss to General Revenue, the State Highways and Transportation Department Fund (1644), the Water Patrol Division Fund (1400), and Federal Funds (1152). The three impacted state funds are the primary funding sources for

enforcement personnel. Oversight assumes the amounts of federal funding received by the state related to a red flag law would reach the \$250,000 threshold.

Officials from the **Department of Revenue (DOR)** assume this provision will have no fiscal impact on their organization. DOR states this proposal contains a Section B that is an emergency clause for Section 1.486 only. DOR assumes, for fiscal note purposes, that Section 1.486 will begin July 1, 2026.

This part of the proposal has an emergency clause.

§§144.049 and 144.526 – Sales Tax Holiday and Show-Me Green Sales Tax Holiday

Officials from **B&P** state Section 144.049 would add firearms and ammunition to the three-day Back-to-School sales tax holiday. Section 144.526 would add firearms and ammunition to the seven-day Show-Me Green sales tax holiday.

Sales Tax Holidays

Assuming that on average, guns and ammunition sales are equal throughout the year and stores are closed three days per year for holidays, B&P estimates that 0.8% of sales occur during the three days in August that make up the Back-to-School holiday and 1.9% of sales occur during the seven days in April that make up the Show-Me Green sales tax holiday.

However, research studies have shown that sales tax holiday shift purchases from non-holiday days. Based on research by the Federal Reserve and the Tax Foundation, purchases are about 50% higher during tax holidays.

Using the above assumptions and information, B&P estimates that, accounting for the consumption shift, sales during the three days in August could account for 1.2% of total annual sales and sales during the seven days in April could account for 2.9% of total annual sales.

B&P notes that this proposal would become effective August 28, 2026, which is after the Back-to-School holiday. Therefore, FY27 would only be impacted by the Show-Me Green sales tax holiday. Beginning in FY28, firearms and ammunition would be exempt for both tax holidays.

Firearms

For the purpose of this fiscal note, B&P will use the number of FBI background checks to estimate the number of guns purchases per year. B&P notes that not every background check will result in the purchase of a firearm and some background checks will result in the purchase of multiple firearms.

Based on data published by the FBI, from 2023-2025 the average number of handgun related background checks was 216,854, the average number of long gun / rifle background checks was 186,359, and the number of background checks for multiple guns purchased at once was 15,739.

Based on ownership research, B&P determined that of long gun / rifle owners, 58% owned rifles and 42% owned shotguns.

Based on the above information, B&P estimates the following annual gun sales:

- Handguns – 224,724
- Rifles/muzzleloaders – 112,448
- Shotguns – 81,780

In addition, B&P found the average price for each gun type:

- Handguns – \$450 to \$800
- Rifles/muzzleloaders – \$650 to \$1,200
- Shotguns – \$250 to \$1,200

Therefore, B&P estimates that gun sales in Missouri are around \$194,661,916 to \$412,852,800 annually.

Using the estimated sales percentages above (under Sales Tax Holidays), B&P estimates that \$2,419,830 to \$5,132,148 in firearm sales could occurring during the Back-to-School tax holiday. While \$5,646,271 to \$11,975,012 in firearm sales could occur during the Show-Me Green sales tax holiday.

Based on the above information, B&P estimates that this provision could exempt \$5,646,271 to \$11,975,012 in sales during FY27. Beginning FY28, this provision could exempt \$8,066,101 to \$17,107,160 annually in sales.

Ammunition

Based on price research, B&P estimates that the average price of ammunition for the following types of firearms:

- Handguns - \$0.30 per round
- Rifles - \$0.50 per round
- Shotguns - \$0.0 per round
- Specialty guns (antiques) - \$2.73 per round

Based on further research, B&P found that the average gun owner also purchases the following amounts of ammunition rounds:

- Handguns – 500 to 1,500 rounds
- Rifles – 500 to 2,000 rounds
- Shotguns – 250 to 1,000 rounds
- Specialty guns (antiques) – 50 to 250 rounds

Therefore, B&P estimates that the average gun owner spends the following amount on ammunition:

- Handguns - \$150 to \$450
- Rifles - \$250 to \$1,000

- Shotguns - \$100 to \$400
- Specialty guns (antiques) - \$136 to \$681

B&P notes that based on additional data, 74% of ammunition purchases are made for handguns.

Based on the FBI background data (discussed above), B&P estimates that ammunition sales in Missouri are approximately \$68,171,292 to \$241,165,283 annually. B&P notes that this estimate only includes ammunitions purchases for new guns and does not include additional purchases for firearms that were bought in previous years.

Using the estimated sales percentages above (under Sales Tax Holidays), B&P estimates that \$847,433 to \$2,997,911 in ammunition sales could occurring during the Back-to-School tax holiday. While \$1,977,344 to \$6,995,126 in ammunition sales could occur during the Show-Me Green sales tax holiday.

Based on the above information, B&P estimates that this provision could exempt \$1,977,344 to \$6,995,126 in sales during FY27. Beginning FY28, this provision could exempt \$2,824,777 to \$9,993,037 annually in sales.

Revenue Impact

During FY27, this provision could reduce GR by \$228,708 to \$569,107. Beginning FY28, this provision could reduce GR by \$326,726 to \$813,006 annually. This provision could also reduce local sales taxes by \$511,872 to \$1,273,710 annually once fully implemented.

Table 1: Sales Tax Exemption Impact by Fund

General Revenue	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Firearms	(\$169,388)	(\$359,250)	(\$241,983)	(\$513,215)
Ammunition	(\$59,320)	(\$209,854)	(\$84,743)	(\$299,791)
Total GR	(\$228,708)	(\$569,104)	(\$326,726)	(\$813,006)

Education (SDTF)	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Firearms	(\$56,463)	(\$119,750)	(\$80,661)	(\$171,072)
Ammunition	(\$19,773)	(\$69,951)	(\$28,248)	(\$99,930)
Total Education	(\$76,236)	(\$189,701)	(\$108,909)	(\$271,002)

Conservation	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Firearms	(\$7,058)	(\$14,969)	(\$10,083)	(\$21,384)
Ammunition	(\$2,472)	(\$8,744)	(\$3,531)	(\$12,491)
Total Conservation	(\$9,530)	(\$23,713)	(\$13,614)	(\$33,875)

DNR	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Firearms	(\$5,646)	(\$11,975)	(\$8,066)	(\$17,107)
Ammunition	(\$1,977)	(\$6,995)	(\$2,825)	(\$9,993)
Total DNR	(\$7,623)	(\$18,970)	(\$10,891)	(\$27,100)

	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Total State Loss	(\$322,097)	(\$801,488)	(\$460,140)	(\$1,144,983)

<u>Local Funds</u>	FY 2027 Low	FY 2027 High	FY 2028 Low	FY 2028+ High
Firearms	(\$265,375)	(\$562,826)	(\$379,107)	(\$804,037)
Ammunition	(\$92,935)	(\$328,771)	(\$132,765)	(\$469,673)
Total Local Sales Tax	(\$358,310)	(\$891,597)	(\$511,872)	(\$1,273,710)

Oversight does not have any information contrary to that provided by B&P. Therefore, Oversight will reflect B&P's impact for fiscal note purposes.

Officials from the **DOR** state Section 144.049 would add the purchase of firearms and ammunition to the list of items that are exempt from sales tax during one designated weekend in August. The state sales tax is 4.225% which is broken down into the following:

- General Revenue 3%
- School District Trust Fund 1%
- Conservation Commission .125%
- Park, Soil & Water Funds .1%

In an effort to more accurately reflect the estimated local impact, B&P and DOR have moved from a population weighted average local sales tax rate to a location weighted average local sales tax rate. The rate for FY 2026 is 4.7%.

DOR is unable to estimate the impact of this proposal as DOR does not maintain any records on the number of firearms that are sold during the weekend in August or any other weekend in a

year. DOR notes that any weapon sold during this time would be sales tax exempt under this proposal and would result in a loss of revenue to the above sales tax funds.

Additionally, DOR states Section 144.526 would add the purchase of firearms and ammunition to the list of items that are exempt from sales tax during the seven-day period in April. The state sales tax is 4.225% while the local rate is 4.7%.

DOR is unable to estimate the impact of this proposal as DOR does not maintain any records on the number of firearms that are sold during the week in April or any other week in a year. DOR notes that any weapon sold during this time would be sales tax exempt under this proposal and would result in a loss of revenue to the above sales tax funds.

§571.020 – Firearm Suppressors

Officials from the **Department of Corrections (DOC)** state this proposal modifies provisions relating to firearms.

Section 571.020 is modified to remove a firearm silencer from the list of weapon related items it is illegal to possess, manufacture, transport, repair or sell. These actions have the effect of removing a nonviolent class D felony offense.

As there is no way for the department to know how many offenses occurring under section 571.020 included the use of a firearm silencer, there is little direct data on which to base an estimate, and as such, the department estimates an impact comparable to the removal of a standard nonviolent class D felony.

For each new nonviolent class D felony, the department estimates three people could be sentenced to prison and five to probation. The average sentence for a nonviolent class D felony offense is 5 years with 1.7 years served in prison prior to first release. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 8 less offenders in prison and 16 less offenders on field supervision by FY 2029.

	# to prison	Cost per year	Total Savings for prison	Change in probation & parole officers	Total cost for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	(3)	(\$11,123)	\$27,808	0	\$0	(5)	\$27,808
Year 2	(6)	(\$11,123)	\$68,073	0	\$0	(10)	\$68,073
Year 3	(8)	(\$11,123)	\$92,579	0	\$0	(16)	\$92,579
Year 4	(8)	(\$11,123)	\$94,431	0	\$0	(19)	\$94,431
Year 5	(8)	(\$11,123)	\$96,319	0	\$0	(22)	\$96,319
Year 6	(8)	(\$11,123)	\$98,246	0	\$0	(22)	\$98,246
Year 7	(8)	(\$11,123)	\$100,210	0	\$0	(22)	\$100,210
Year 8	(8)	(\$11,123)	\$102,215	0	\$0	(22)	\$102,215
Year 9	(8)	(\$11,123)	\$104,259	0	\$0	(22)	\$104,259
Year 10	(8)	(\$11,123)	\$106,344	0	\$0	(22)	\$106,344

The department will assume a marginal cost (multiplied by number of offenders) for any projected increase or decrease in the incarcerated population. Marginal cost is \$30.47 per day or an annual cost of \$11,123 per offender which includes costs such as medical, food, wages and operational E&E. The unknown amount is a result of the uncertainty in the growth of the underlying offender population. The impact of any new legislation combined with the growth of the underlying population could result in the tiered approach below in order to meet the population demands.

1. Fully staffing the current capacity (27,368) which is habitable, but DOC does not have the staffing resources for all bed space.
2. Rehabilitating current space that is not currently habitable and obtaining staffing resources for that space (requires capital improvements).
3. Expanding new capacity by adding housing units or wings to existing prisons and obtaining staffing resources for that space (requires capital improvements).
4. Constructing a new prison and obtaining staffing resources. Based on current construction projects in other Midwest states, the department estimates the cost of constructing a new 1,500-bed maximum security prison at approximately \$825 million to \$900 million plus annual operating costs of approximately \$50 million (requires capital improvements).

The department's population projections indicate current physical capacity will be met by July 2029; however recent trends indicate that capacity could be met much sooner. Should new construction be the result of the increasing offender population, the full cost per day per offender would be used which is \$106.96 or an annual cost of \$39,040. This includes all items in the marginal cost calculation plus fringe, personal service, utilities, etc.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

* If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes.

B&P states this bill removes restrictions from §571.020 restricting the possession, manufacture, transportation, repair, or sale of firearm silencers. Article IX, Section 7 of the Missouri Constitution requires that penalties, forfeitures, and fines collected for violations of state law be distributed to the schools. To the extent any such revenues are currently deposited into the state treasury, TSR may decrease.

Oversight assumes there will be a reduction (less than \$250,000) in fine revenue from decreased violations of the statute. For simplicity, Oversight will not reflect the increased revenue from fines and court costs to various state funds and local political subdivisions.

Oversight assumes the proposal would result in a decrease in court fees and fine revenues paid to local governments. Oversight also assumes the reduction in court fees and associated fine revenues distributed to schools would be less than \$250,000 and not significantly impact school districts or counties. Oversight will present a negative loss of court fees and fine revenues to local governments for fiscal note purposes.

Responses regarding the proposed legislation as a whole

Officials from the **Office of the State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 or (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the

fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

In response to similar legislation, SB 142 (2025), officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

In response to similar legislation, SB 142 (2025), officials from the **Missouri Office of Prosecution Services** assumed the proposal will have no fiscal impact on their organization.

Officials from the **City of Kansas City** state the proposed legislation has a negative fiscal impact of an indeterminate amount.

Officials from the **Branson Police Department** and **St. Louis County Police Department** responded to the legislation but did not provide a fiscal impact.

Officials from the **University of Central Missouri** state an indeterminate fiscal impact but potentially negative. Any language that restricts UCM's ability to comply with federal law may put UCM at risk of losing state or federal funding.

Officials from the **Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Health and Senior Services, Department of Higher Education and Workforce Development, Department of Labor and Industrial Relations, Department of Mental Health, Department of Natural Resources, Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Missouri Gaming Commission, Missouri Veterans**

Commission, Office of the Director, State Emergency Management Agency), Department of Social Services, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Joint Committee on Legislative Research (Legislative Research and Oversight Division), Missouri Consolidated Health Care Plan, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Department of Transportation, Missouri Ethics Commission, Missouri House of Representatives, Missouri Lottery Commission, Missouri National Guard, MoDOT & Patrol Employees' Retirement System, Petroleum Storage Tank Insurance Fund, Missouri Senate, Missouri State Employee's Retirement System, Office of Administration (Administrative Hearing Commission), Office of the Governor, Office of the Lieutenant Governor, Office of the Secretary of State, Office of the State Auditor, Office of the State Public Defender, Office of the State Treasurer, University of Missouri, State Tax Commission, Kansas City Election Board, Platte County Board of Elections, St. Louis City Board of Elections, St. Louis County Board of Election, Newton County Health Department, City of St. Louis Assessor's Office, Phelps County Sheriff, Kansas City Police Department, Eastern Clay Ambulance District, County Employees Retirement Fund, Kansas City Civilian Police Employees' Retirement, Kansas City Police Retirement System, Public Education Employees' Retirement System, Sheriff's Retirement System, Metropolitan St. Louis Sewer District, South River Drainage District, Wayne County PWS #2, Northwest Missouri State University, and Mid-Continent Public Library each assume the proposal will have no fiscal impact on their respective organizations for this proposal.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, local election authorities, various county officials, local public health agencies, nursing homes, local law enforcement, fire protection districts, ambulance & EMS, retirement, schools, utilities, hospitals, colleges and universities, electric companies and coops, solid waste management districts and public libraries were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost</u> – MHP (§1.486) Potential loss of funding p.4-5	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Transfer Out</u> – to the State Legal Expense Fund (§1.486) Potential increase in litigation p.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Revenue Loss</u> – OA/B&P (§§144.049 and 144.526) Sales tax exemption for firearms and ammunition p.5-8	(Could exceed \$228,708)	(Could exceed \$326,726)	(Could exceed \$326,726)
<u>Savings</u> – DOC (§571.020) Reduction in incarceration costs p.9-10	\$27,808	\$68,073	\$92,579
<u>Cost</u> – OSCA (various sections) Potential cost relating to “Anti-Red Flag Gun Seizure Act” p.11	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Could exceed \$200,900)	(Could exceed \$258,653)	(Could exceed \$234,147)
STATE LEGAL EXPENSE FUND (1692)			
<u>Transfer In</u> – (§1.486) From General Revenue p.4	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> - (§1.486) Potential increase in litigation p.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE LEGAL EXPENSE FUND	\$0	\$0	\$0

<u>FISCAL IMPACT – State Government</u>	FY 2027	FY 2028	FY 2029
OTHER STATE FUNDS			
<u>Transfer Out – to the State Legal Expense Fund – OA (§1.486) Potential increase in litigation p.4</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
COLLEGES AND UNIVERSITIES			
<u>Cost - (§1.486) Potential increase in litigation p.4</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON COLLEGES AND UNIVERSITIES	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
STATE HIGHWAYS AND TRANSPORTATION DEPARTMENT FUND (1644)			
<u>Cost – MHP (§1.486) Potential loss of funding p.4-5</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE STATE HIGHWAYS AND TRANSPORTATION FUND	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
WATER PATROL DIVISION FUND (1400)			
<u>Cost – MHP (§1.486) Potential loss of funding p.4-5</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE WATER PATROL DIVISION FUND	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – State Government</u>	FY 2027	FY 2028	FY 2029
SCHOOL DISTRICT TRUST FUND (1688)			
<u>Revenue Loss</u> – OA/B&P (§§144.049 and 144.526) Sales tax exemption for firearms and ammunition p.5-8	(Could exceed <u>\$76,236</u>)	(Could exceed <u>\$108,909</u>)	(Could exceed <u>\$108,909</u>)
ESTIMATED NET EFFECT ON THE SCHOOL DISTRICT TRUST FUND	(Could exceed <u>\$76,236</u>)	(Could exceed <u>\$108,909</u>)	(Could exceed <u>\$108,909</u>)
CONSERVATION COMMISSION FUND (1609)			
<u>Revenue Loss</u> – OA/B&P (§§144.049 and 144.526) Sales tax exemption for firearms and ammunition p.5-8	(Could exceed <u>\$9,530</u>)	(Could exceed <u>\$13,614</u>)	(Could exceed <u>\$13,614</u>)
ESTIMATED NET EFFECT ON THE CONSERVATION COMMISSION FUND	(Could exceed <u>\$9,530</u>)	(Could exceed <u>\$13,614</u>)	(Could exceed <u>\$13,614</u>)
PARKS AND SOILS STATE SALES TAX FUND(S) (1613 & 1614)			
<u>Revenue Loss</u> – OA/B&P (§§144.049 and 144.526) Sales tax exemption for firearms and ammunition p.5-8	(Could exceed <u>\$7,623</u>)	(Could exceed <u>\$10,891</u>)	(Could exceed <u>\$10,891</u>)
ESTIMATED NET EFFECT ON PARKS AND SOILS STATE SALES TAX FUNDS	(Could exceed <u>\$7,623</u>)	(Could exceed <u>\$10,891</u>)	(Could exceed <u>\$10,891</u>)
FEDERAL FUNDS			
<u>Cost</u> - (\$1.486) Potential increase in litigation p.4	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2027	FY 2028	FY 2029
<u>Cost – MHP (§1.486) Potential loss of funding p.4-5</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT TO FEDERAL FUNDS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue Gain – School districts (§1.486) Fines from violations p.4</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost - (§1.486) Potential increase in litigation and/or civil penalty costs p.4</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<u>Revenue Loss – OA/B&P (§§144.049 and 144.526) Sales tax exemption for firearms and ammunition p.5-8</u>	(Could exceed <u>\$358,310</u>)	(Could exceed <u>\$511,872</u>)	(Could exceed <u>\$511,872</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(More or less <u>than \$358,310</u>)	(More or less <u>than \$511,872</u>)	(More or less <u>than \$511,872</u>)

FISCAL IMPACT – Small Business

Certain small businesses that sell firearms and ammunition could be impacted by this proposal. (§§144.049 and 144.526)

This proposal would impact small businesses to the extent they engage in the trade of suppressors as commercial economic opportunities could increase. (§571.020)

FISCAL DESCRIPTION

This act modifies several provisions relating to firearms.

ANTI-RED FLAG GUN SEIZURE ACT (Section 1.486)

This act establishes the "Anti-Red Flag Gun Seizure Act" which provides that any federal order of protection or other federal judicial or executive order which directs the seizure of a firearm or prohibits the possession of a firearm, except any person who cannot possess a firearm under state law, shall not be enforced in this state.

Additionally, no public agency, political subdivision, or law enforcement agency shall receive any federal funding for the purpose of enforcing any federal acts or judicial orders confiscating any firearms, firearm accessories, or ammunition. Any political subdivision or law enforcement officer who violates this act shall be subject to a \$50,000 penalty per occurrence.

Sovereign immunity shall not be an affirmative defense.

This provision contains an emergency clause.

FIREARM SALES TAX HOLIDAY (Sections 144.049 and 144.526)

Current law provides for a sales tax holiday for the sale of certain items. This act adds the retail sale of firearms and ammunition to each such holiday.

SALE OF CONFISCATED FIREARMS (Sections 542.301 and 571.095)

Current law provides for the sale of any firearm and ammunition that is confiscated in connection with any felony committed with the use of a firearm. This act requires that a notice for any such sale be posted on the website and social media accounts of the police or sheriff's department responsible for the confiscation, as described in the act.

USE OF SELF-DEFENSE (Sections 563.031 and 563.085)

Under current law, the defendant has the burden to prove he or she reasonably believed physical or deadly force was necessary to protect him or herself or a third person.

This act provides that there shall be a presumption of reasonableness that the defendant believed such force was necessary to defend him or herself or a third person. (Section 563.031)

This act provides that a person who uses or threatens to use force in self-defense is immune from criminal prosecution and civil action for the use of such force, unless such force was used against a law enforcement officer who was acting in the performance of his or her official duties and the person reasonably knew or should have known that the person was a law enforcement officer.

Additionally, a law enforcement agency may use standard procedures for investigating the use or threatened use of force, but the agency may not arrest the person for using or threatening to use force unless the agency determines that there is probable cause that the force that was used or threatened was unlawful.

This act provides that the defendant can raise a claim of self-defense during a pre-trial hearing in either a criminal or civil case which shall shift the burden on the party seeking to overcome the immunity by proof of clear and convincing evidence.

Finally, this act repeals provisions relating to civil remedies that are unaffected by criminal provisions of self-defense law. (Section 563.085)

FIREARM SUPPRESSORS (Sections 571.020 and 571.930 to 571.940)

This act repeals prohibitions on the possession and selling of firearm silencers. Additionally, this act provides that after August 28, 2026, the offense of knowingly possessing or selling a firearm silencer shall not be prosecuted. If a criminal action is pending regarding a firearm silencer, such action shall be dismissed.

This act also provides that a firearm suppressor that is manufactured in this state and remains in this state shall not be subject to federal law or federal regulation. A firearm suppressor manufactured and sold in this state shall have the words "Made in Missouri" clearly stamped on it. The Attorney General shall also seek a declaratory judgment on the constitutionality of this act from a federal district court on behalf of anyone in this state manufacturing firearm suppressors.

Finally, this act shall apply to all agencies, boards, municipalities, and courts of this state. No entity in this state shall adopt any rule or regulation that allows the enforcement of federal laws regarding firearm silencers. Any entity which adopts any such rule or regulation shall not receive state grant funds. Any citizen with evidence of a violation of this act may submit a complaint to the Attorney General. The Attorney General may file a writ of mandamus pursuant to any citizen complaint.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Commerce and Insurance
Department of Corrections
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Higher Education and Workforce Development
Department of Labor and Industrial Relations
Department of Mental Health
Department of Natural Resources
Department of Public Safety
 Alcohol and Tobacco Control
 Capitol Police

Fire Safety
Missouri Gaming Commission
Missouri Highway Patrol
Missouri Veterans Commission
Office of the Director
State Emergency Management Agency
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Joint Committee on Public Employee Retirement
Joint Committee on Legislative Research
Legislative Research
Oversight Division
Missouri Consolidated Health Care Plan
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Department of Transportation
Missouri Ethics Commission
Missouri House of Representatives
Missouri Lottery Commission
Missouri National Guard
Missouri Office of Prosecution Services
Missouri Senate
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Office of Administration
Administrative Hearing Commission
Budget and Planning
Office of the Governor
Office of the Lieutenant Governor
Office of the Secretary of State
Office of the State Auditor
Office of the State Courts Administrator
Office of the State Public Defender
Office of the State Treasurer
State Tax Commission
City of Kansas City
Kansas City Election Board
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Election
Newton County Health Department
City of St. Louis Assessor's Office
Phelps County Sheriff

Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Eastern Clay Ambulance District
County Employees Retirement Fund
Kansas City Civilian Police Employees' Retirement
Kansas City Police Retirement System
Public Education Employees' Retirement System
Sheriff's Retirement System
Metropolitan St. Louis Sewer District
South River Drainage District
Wayne County PWSD #2
Northwest Missouri State University
University of Central Missouri
Mid-Continent Public Library



Julie Morff
Director
February 22, 2026



Jessica Harris
Assistant Director
February 22, 2026