



April 6, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C., 20220

Dear Secretary Mnuchin:

On behalf of the nation's recreational fishing industry, I am writing to request that the tax payment due date for the federal excise tax on sport fishing equipment be delayed for a minimum of 90 days. The recreational fishing industry is being severely harmed by the economic fallout related to the COVID-19 pandemic. Delaying payments of the fishing equipment excise tax would provide much needed relief for the industry.

The next fishing equipment excise tax payment due date is later this month. We therefore appreciate your prompt attention to this request and ask that you make and announce the determination by the end of this week, or as soon as possible.

The American Sportfishing Association (ASA) is the trade association of the recreational fishing industry, representing companies that manufacture, distribute or sell sportfishing equipment. The nation's 50 million recreational fishermen contribute \$125 billion in annual economic activity and support over 800,000 jobs.

IRC 4161 imposes an excise tax on the sale of sport fishing equipment, bows, archery equipment and arrow shafts. This tax is imposed on the manufacturers (a term which includes producers and importers) of these products.

The excise tax rate for most sport fishing products is 10 percent. For an industry with relatively low margins, this tax is significant. However, the industry pays the excise tax willingly, knowing that the tax is put to good use to fund fisheries conservation and public access projects by the state fish and wildlife agencies through the Sport Fish Restoration and Boating Trust Fund.

While fishing is currently allowed in most parts of the country during the COVID-19 pandemic, the industry has ground to a halt. Manufacturing and retail operations are being shut down, payments on orders are being delayed and new orders are not coming in. Delaying the payment due date for the federal excise tax would provide significant relief for companies that are struggling to keep their payroll going and pay for basic business operations.

A similar excise tax exists for firearms and ammunition. On March 31, the Alcohol and Tobacco Tax and Trade Bureau (TTB) announced a 90-day delay on payment due dates for all industries regulated by the agency, including on firearms and ammunition. However, that order did not cover the fishing equipment excise tax because the industry is not regulated by TTB.

AMERICAN SPORTFISHING ASSOCIATION

1001 N. Fairfax Street, Suite 501, Alexandria, VA 22314 • 703-519-9691 • Fax: 703-519-1872
Web: www.ASAFishing.org • Email: info@ASAFishing.org

We understand that the archery industry, which has a related excise tax, has made a similar request. Their letter to the Treasury Department, dated March 27, 2020, is enclosed.

Thank you again for your prompt consideration of this request.

Sincerely,

A handwritten signature in cursive script that reads "Glenn Hughes". The signature is written in black ink and is positioned above the printed name and title.

Glenn Hughes
President

Enclosure



March 27, 2020

Dave Kautter, Assistant Secretary of Tax Policy
United States Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Secretary Kautter:

The Archery Trade Association represents manufacturers, retailers, and partners to the archery and bowhunting industry. Its mission is to inspire growth, increase participation, and preserve the sports of archery and bowhunting. In times of crisis, sustainable food sources are critically important. Bowhunting provides access to resources, many on public lands, which can offset supply and demand issues common during these times.

The ATA encourages all local, state, and federal authorities to protect archery and bowhunting businesses, preserving their rights to remain open, while following appropriate guidelines. Access to bowhunting equipment, expertise, and guidance can relieve traditional market pressures under challenging circumstances, while also affording people the opportunity to remain active and healthy.

We applaud Treasury's recent decision to delay income tax payments during these times of national emergency. In addition, however, we ask that Treasury to extend the deadlines associated with the Federal Excise Tax on archery equipment. The 11% excise tax on bows and archery equipment as well as the \$0.54 tax on arrow shafts would make a significant difference to manufacturing companies across the US and provide valuable cash and credit assets better enabling a sustainable future for this important industry during these incredibly challenging times.

Thanks in advance for your thoughtful consideration.

Regards,

Dan Forster, Vice President & Chief Conservation Officer
Archery Trade Association

cc: Charles Retting, Commissioner, Internal Revenue Service
Mike Desmond, Chief Counsel, Internal Revenue Service

Dan Forster
4652 Hawkins Academy Road | Social Circle, GA | 30025
Toll Free (866) 266-2776 Ext. 128 | Mobile (770) 601-5038
archerytrade.org