July 15, 2013

TRANSFER OF A REGULATED FIREARM - EXEMPTION TO COMPLETING A MARYLAND STATE POLICE APPLICATION AND AFFIDAVIT TO PURCHASE A REGULATED FIREARM APPLICATION (77R) COMPLIANCE ADVISORY

The Maryland State Police Licensing Division has received inquiries regarding the instances in which licensed firearm dealers are exempt from completing a Maryland State Police Application And Affidavit To Purchase A Regulated Firearm application (77R).

The sale of a regulated firearm by a licensed dealer to a person who is not a federally licensed manufacturer, dealer or importer requires the submission of a firearm application under PS § 5-117. A dealer, exempted under PS § 5-102(6), can purchase regulated firearms without completing a firearms application.

If a dealer that is incorporated wants to sell, or permanently transfer, a regulated firearm to an officer or employee of the corporation, then transaction is between a firearms dealer (the corporation) and a non-licensed person (the officer or employee) and a firearms application must be submitted.

The business inventory of a non-incorporated firearms dealer, however, is also the personal property of the owner of that business. If the owner wishes to transfer a regulated firearm from his business inventory to his personal collection, no application is required, because the firearm is not being sold or transferred to another person.

The federal firearms law draws this same distinction between corporate firearms dealers and unincorporated firearms dealers. Under the federal firearms law, an incorporated dealer is required to complete the federal firearms application (Form 4473) and perform a NICS check when transferring a firearm to an officer or director (for other than official business -- where the firearm remains the property of the corporation), but an unincorporated dealer is not required to do so when transferring a firearm to his personal collection, the unincorporated dealer is merely required to record the transaction in his record book.