



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Assistant Director

Washington, DC 20226

AUG 30 2010

Eric Larson
P.O. Box 5497
Takoma Park, MD 20912

Mr. Larson:

This is in response to your letter dated June 8, 2010, submitted by electronic mail, to the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) contending that there are no records of hundreds of registrations or transfers in ATF's version of the National Firearms Registration and Transfer Record (NFRTR). You request that ATF's Deputy Director ensure that data is accurate and complete and take the steps necessary to make it so.

The National Firearms Act (NFA), Title 26, United States Code, Chapter 53, requires that machineguns, short barrel rifles, short barrel shotguns, silencers, and certain other restricted firearms, be registered with ATF by their manufacturer, importer, and maker. The NFA also requires that transfers of registered NFA firearms be approved in advance by ATF. A tax of \$200 is imposed on the transfer of NFA firearms, and transfers must comply with the laws of the State where the transferee resides, in addition to Federal law.

You based your conclusions about the condition of the NFRTR on your examination of documents released by ATF pursuant to Freedom of Information Act (FOIA) requests for ATF inspection reports of Federally licensed firearms dealers who are special (occupational) taxpayers. You state that these inspection records indicate the NFRTR is inaccurate and incomplete, and therefore not reliable. You also expressed concern that individual registrants, who are exempt from keeping the records required of Federally licensed firearms businesses, may be adversely affected by incomplete NFRTR records if neither they nor ATF can document the registration status of a weapon that was lawfully acquired and possessed.

The ATF inspection records to which you refer originate from ATF's firearms compliance program, which includes ATF inventories of firearms, including NFA firearms, possessed by Federal firearms licensee (FFL). These inventories are performed by ATF Industry Operations Investigators to ensure the accuracy of records – those retained by FFLs and ATF. The inspection records upon which you based your conclusions are worksheets prepared by ATF investigators to note potential discrepancies in the NFRTR. The inspection inventory worksheets generated by investigators are

