

March 28, 2022

Honorable Ron Wyden
Chairman
Senate Committee on Finance
221 Dirksen Senate Office Building
Washington, DC 20510-6200

Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
239 Dirksen Senate Office Building
Washington, DC 20510-6200

Honorable Richard E. Neal
Chairman
House Ways & Means Committee
372 Cannon House Office Building
Washington, DC, 20515-2101

Honorable Kevin Brady
Ranking Member
House Ways & Means Committee
1011 Longworth House Office Building
Washington, DC, 20515-2101

Dear Chairman Wyden, Chairman Neal, Ranking Member Crapo, and Ranking Member Brady,

The undersigned sportsmen, professional societies and other conservation organizations—representing millions of hunters, anglers and other outdoor recreationists across the country very much appreciate the incredible financial contributions that the archery and sportfishing industries contribute in support of the American System of Conservation Funding. Federal excise taxes collected under the Wildlife and Sportfish Restoration Programs from archery, sportfishing, and firearms industries are the foundational funding source for state fish and wildlife agencies that support conservation initiatives across the United States. Last year alone, these excise taxes generated roughly \$1.5 billion in conservation funding and are extremely important to our member organizations, the entire conservation community, and Americans.

We recently were made aware of a critical issue regarding potential avoidance of paying the required federal excise tax (FET) on fishing and archery equipment that is coming into the United States from foreign manufacturers and distributors. Such “leakages” threatens the financial underpinning of the North American Model of Wildlife Conservation by providing an unfair advantage to foreign-based manufacturers selling in US markets made convenient through internet marketplace facilitators because of an antiquated tax collection model.

The total unpaid tax projected across all taxable archery and fishing tackle sales not being paid as a result of sales by overseas vendors directly to U.S. consumers via online marketplaces is estimated at \$17.2 million per year, and growing (Southwick & Associates). If this loophole is not addressed expeditiously, the situation will worsen and may lead to an erosion of support

for the excise tax program from the fishing and archery industries and will continue to negatively impact conservation investments across the country.

We urge you to explore this excise tax slippage issue and identify a fix that will serve to protect this critical funding source and insure that federal excise taxes collected under the wildlife and sportfish restoration programs are fair and equitable to American manufacturers. We strongly support immediate and corrective action and stand ready to work in collaboration with you and our industry partners in seeking a legislative solution that will have a long lasting positive effect on conservation, hunting, angling, associated businesses, and the American citizenry.

Thank you in advance for your attention to this matter and let us know how and when we can help.

Sincerely,

American Catfishing Association
American Fisheries Society
American Woodcock Society
American Sportfishing Association
Archery Trade Association
Association of Fish and Wildlife Agencies
Backcountry Hunters & Anglers
Bass Anglers Sportsman Society (B.A.S.S.)
BoatU.S.
Bonefish and Tarpon Trust
Boone & Crockett Club
Camp Fire Club of America
Center for Sportfishing Policy
Coastal Conservation Association
Congressional Sportsmen's Foundation
Council to Advance Hunting and the Shooting Sports
Delta Waterfowl
Ducks Unlimited
Future Fisherman's Foundation
Guy Harvey Ocean Foundation
Houston Safari Club
Izaak Walton League of America
International Game Fish Association

Major League Fishing
Marine Retailers Association of the Americas
Mule Deer Foundation
National Deer Association
National Marine Manufacturers Association
National Professional Anglers Association
National Shooting Sports Foundation
National Wild Turkey Federation
National Wildlife Federation
North American Falconers Association
North American Grouse Partnership
Orion: The Hunter's Institute
Pheasants Forever
Pope and Young Club
Quail Forever
Recreational Fishing Alliance
Rocky Mountain Elk Foundation
Ruffed Grouse Society
Safari Club International
Sportsmen's Alliance
The Bass Federation
The Student Anglers Federation
The Walleye Federation
The Wildlife Society
Theodore Roosevelt Conservation Partnership
Trout Unlimited
Whitetails Unlimited
Wild Oceans
Wildlife Forever
Wildlife Management Institute
Wildlife Mississippi