



**DOAA**

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

December 12, 2025

Honorable Michelle Au  
State Representative  
611-G Coverdell Legislative Office Building  
Atlanta, GA 30334

SUBJECT: Fiscal Note  
House Bill 2 (LC 62 0014)

Dear Representative Au:

The bill would create an income tax credit for eligible purchases of firearm safe storage devices, as defined in the bill. A taxpayer may claim a credit against their income tax in the amount spent on eligible safe storage expenses for personal use, up to a maximum of \$300 per taxpayer. Credits must be preapproved by the Department of Revenue, and no taxpayer may be preapproved for more than \$300 in the lifetime of the taxpayer. Aggregate credits cannot exceed \$5 million per year. The credits are nonrefundable and may not be carried forward or backward. The bill would become effective for eligible purchases made on or after January 1, 2026, and the law would be repealed on December 31, 2031.

#### Impact on Revenue

Georgia State University's Fiscal Research Center (FRC) estimated that the bill would decrease revenue as shown in Table 1. The appendix provides details of the analysis.

**Table 1. Estimated State Revenue Effects of LC 62 0014**

(\$ millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
State Revenue Effect	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)

#### Impact on Expenditures

The Department of Revenue would be able to implement the bill's provisions with existing resources. It noted that changes to its information systems would require approximately 14 weeks of existing staff time, equating to approximately \$140,000 in staff time.

Respectfully,

Greg S. Griffin  
State Auditor

Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/mt

### **Analysis by the Fiscal Research Center**

The subject bill proposes to establish a state income tax credit for eligible purchases of firearm safe storage devices made on or after January 1, 2026. Taxpayers will be allowed a credit against the state income tax in the amount of eligible purchases or \$300, whichever is less. To receive the credit, taxpayers must apply and be preapproved by DOR. No taxpayer may be approved for more than \$300 of this credit in their lifetime. The bill stipulates that DOR must establish a procedure for the preapproval process and that the department must preapprove applications within 30 days. Such preapproved credits shall be awarded on a first-come, first-served basis in the order of applications received, in amounts up to \$300 each, until the aggregate cap of \$5 million per year is reached. Individual taxpayers receiving the credit must maintain receipts of eligible purchases for three years, and such receipts must be made available upon request. Credits allowed may not exceed the taxpayer's tax liability for the year, and any unutilized credits may not be carried forward to succeeding years. The credit would be automatically repealed on December 31, 2030.

Eligible safe storage expenses are defined in the bill as expenses incurred by an individual taxpayer for the purchase of one or more firearm safe storage devices for personal use from a federally licensed dealer. Firearm safe storage devices are defined as "any device originally manufactured to securely store or disable a firearm and which may only be unlocked by means of a key, a combination, or other similar means. Such term shall include, but shall not be limited to, gun safes, trigger locks, chamber locks, and cable locks." These items are sold through multiple channels, including home improvement, general merchandise, and online retailers as well as gun shops and sporting goods retailers. Product prices range from as low as \$20 for simple trigger locks to several thousand dollars for large gun safes.

Based on data from business research firm IBISWorld, we estimate the U.S. retail market for home and gun safes amounted to approximately \$2.5 billion in 2024. The industry is projected to grow on average by 2.1 percent annually through 2030. National sales estimates are shared down to Georgia using the state's share of federally registered weapons, approximately 4.4 percent according to a 2024 report from the US Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). This share results in estimated annual sales of home and gun safes in Georgia of \$49.5 million. The \$5 million annual cap is equivalent to 10.1 percent of these annual sales. Specific data on other eligible devices is not available. Despite the lack of specific data on eligible products the size of the gun safe market alone implies the cap will be easily met.

According to the U.S. Census Bureau, there were approximately 4 million households in Georgia as of 2023. Studies from the Rand Corporation estimate the gun-owning share of Georgia households to be between 39 and 49 percent, or 1.56 to 1.97 million households. Assuming an average credit amount of \$200, only about 1.3 to 1.6 percent of gun-owning households making eligible purchases would be required to reach the \$5 million cap.

Given the market size in terms of the number of gun-owning households and estimated annual sales of eligible products in the state, it is expected that preapproved applications for the proposed credit will exceed the \$5 million cap from the first year the credit is available. Assuming credits allowed will impact tax collections only at the time of filing returns, state revenues are projected to be reduced by \$5 million per year beginning with the filing of tax year (TY) 2026 returns in FY 2027. These estimates represent an upper bound, as it is likely that a small percentage of preapproved taxpayers will not follow through or fully utilize the credit.