

108TH CONGRESS
2D SESSION

H. R. 5394

AN ACT

To amend the Internal Revenue Code of 1986 to
modify the taxation of arrow components.

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To amend the Internal Revenue Code of 1986 to modify
the taxation of arrow components.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXCISE TAX ON ARROWS.**

2 (a) REPEAL.—Subsection (b) of section 332 of the
3 American Jobs Creation Act of 2004, and the amend-
4 ments made by such subsection, are hereby repealed; and
5 the Internal Revenue Code of 1986 shall be applied as if
6 such subsection and amendments had never been enacted.

7 (b) TAX ON ARROW SHAFTS.—Paragraph (2) of sec-
8 tion 4161(b) of the Internal Revenue Code of 1986 (relat-
9 ing to arrows) is amended to read as follows:

10 “(2) ARROWS.—

11 “(A) IN GENERAL.—There is hereby im-
12 posed on the first sale by the manufacturer,
13 producer, or importer of any shaft (whether
14 sold separately or incorporated as part of a fin-
15 ished or unfinished product) of a type used in
16 the manufacture of any arrow which after its
17 assembly—

18 “(i) measures 18 inches overall or
19 more in length, or

20 “(ii) measures less than 18 inches
21 overall in length but is suitable for use
22 with a bow described in paragraph (1)(A),
23 a tax equal to 39 cents per shaft.

24 “(B) ADJUSTMENT FOR INFLATION.—

25 “(i) IN GENERAL.—In the case of any
26 calendar year beginning after 2005, the

1 39-cent amount specified in subparagraph
2 (A) shall be increased by an amount equal
3 to the product of—

4 “(I) such amount, multiplied by
5 “(II) the cost-of-living adjust-
6 ment determined under section 1(f)(3)
7 for such calendar year, determined by
8 substituting ‘2004’ for ‘1992’ in sub-
9 paragraph (B) thereof.

10 “(ii) ROUNDING.—If any increase de-
11 termined under clause (i) is not a multiple
12 of 1 cent, such increase shall be rounded
13 to the nearest multiple of 1 cent.”.

14 (c) ARROW POINTS.—Clause (ii) of section
15 4161(b)(1)(B) (relating to archery equipment) of such
16 Code is amended by striking “quiver or broadhead” and
17 inserting “quiver, broadhead, or point”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 subsections (b) and (c) shall apply to articles sold by the

1 manufacturer, producer, or importer after March 31,
2 2005.

Passed the House of Representatives December 6,
2004.

Attest:

Clerk.