Fiscal Score HR 1494

Sporting Goods Excise Tax Modernization Act

The Fiscal Lab has examined the fiscal effects of the Sporting Goods Excise Tax Modernization Act (H.R. 1494), introduced in the 119th Congress by Representative Jimmy Panetta. The Fiscal Lab estimates that the legislation would have a negligible net effect on the federal deficit over the 2026–2035 window, with the net budgetary effect falling below the Fiscal Lab's de minimis threshold of $1 billion. HR 1494 addresses an excise tax loophole in the Internal Revenue Code. The code collects excise taxes on manufacturers, producers, and importers of sport fishing and archery equipment. These excise taxes support fish and wildlife conservation. According to a recent Government Accountability Office (GAO) report, average annual excise tax collections between 2007 and 2024 amounted to $206 million and were paid by about 2,500 taxpayers.

However, consumers who import sport fishing and archery equipment and directly pay the foreign producer often do not pay the required excise tax, which is 10 percent on sport fishing equipment and 11 percent on archery equipment. Most of these import sales are transacted on the foreign manufacturer's web portal without advising US consumers about the required tax. In addition, GAO argues that consumers who know they must pay the tax have great difficulty doing so due to poorly provided payment information and guidance from the IRS. HR 1494, the Sporting Goods Excise Tax Modernization Act, addresses this avoidance by defining as an importer any person or business that advertises and offers for sale the taxable items. Thus, foreign-based firms that sell sport fishing or archery equipment directly to US consumers will be treated as importers and, thus, be responsible for collecting the excise taxes on those sales. Below is the Fiscal Lab's score of revenue changes stemming from the enactment of HR 1494.

HR 1494	Fiscal Years (Millions of dollars)											
Friday, May 1, 2026	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026 – 2030	2026 – 2035
Total Increase or Decrease (-) in Deficit	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**
On Budget	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**
Off Budget	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**
Direct Spending (Outlays)	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**	**~ 0**
Revenues	**9.8**	**10.1**	**10.5**	**11.0**	**11.4**	**11.9**	**12.3**	**12.8**	**13.3**	**13.9**	**52.8**	**117.1**

Notes: Amounts are shown in millions of nominal dollars and in federal fiscal years; Table 2 gives the additional revenue by category in dollars. Because the receipts are dedicated under existing law to the wildlife and sport fish restoration funds, the bill is deficit-neutral.

To amend the Internal Revenue Code of 1986 to treat certain marketplace providers as importers for purposes of the excise tax on sporting goods.

Final Score: Under $1 billion—for 2026 to 2035

Summary: The Fiscal Lab estimates that HR 1494 would have a negligible net effect on the federal deficit over the 2026–2035 window. Due to the fact that HR 1494 contains no provisions directing or modifying the use of revenues collected under Section 4161, all excise tax revenues collected would flow, under existing law, to the Federal Aid to Wildlife Restoration Fund (established by the Pittman-Robertson Act) and the Sport Fish Restoration and Boating Trust Fund (established by the Dingell-Johnson Act), both of which operate as permanent, indefinite appropriations administered through the US Fish and Wildlife Service's Wildlife and Sport Fish Restoration (WSFR) program. These receipts are automatically appropriated and apportioned to states without further congressional action, so the additional revenues would not offset any existing outlays from the funds but would instead increase spending on state wildlife restoration, sport fish restoration, and hunter education programs by an equivalent amount. As a result, the bill is expected to be deficit-neutral.

Table 1: Southwick Associates estimates of untaxed 2022 sport fishing and archery sales

Equipment category	2022 total sales	Share likely untaxed	Sales likely untaxed	Excise tax rate
Sport fishing equipment	$6,363,600,000	1.15 percent	$72,981,686	10 percent
Archery equipment	$994,121,865	1.96 percent	$19,465,868	11 percent

The Fiscal Lab relied on a survey of consumer purchases of sport fishing and archery sales conducted by Southwick Associates. The survey drew from a sampling frame consisting of all sales of sport fishing and archery equipment (see the publication for details on the items covered in these categories). In total, 1,136 consumers participated in the survey, which had a margin of error of 2.9 percent at a 95 percent confidence level.

The sales covered were those for 2022. Southwick reports total sport fishing equipment sales of $6,363,600,000 of which 1.15 percent, or $72,981,686, likely went untaxed. Similarly, Southwick reports $994,121,865 in archery equipment sales, of which 1.96 percent, or $19,465,868, likely went untaxed.

Table 2: Additional excise tax revenue by equipment category (dollars)

Fiscal Year	Additional Excise Tax on Archery Equipment	Additional Excise Tax on Fishing Equipment	Total Additional Excise Tax Revenue
2026	2,212,150	7,540,399	9,752,548
2027	2,300,636	7,842,015	10,142,650

Fiscal Year	Additional Excise Tax on Archery Equipment	Additional Excise Tax on Fishing Equipment	Total Additional Excise Tax Revenue
2028	2,392,661	8,155,695	10,548,356
2029	2,488,368	8,481,923	10,970,291
2030	2,587,902	8,821,200	11,409,102
2031	2,691,418	9,174,048	11,865,466
2032	2,799,075	9,541,010	12,340,085
2033	2,911,038	9,922,650	12,833,688
2034	3,027,480	10,319,556	13,347,036
2035	3,148,579	10,732,338	13,880,917
2026 – 2030	11,981,717	40,841,231	52,822,948
2026 – 2035	26,559,307	90,530,834	117,090,141

These estimates became the starting point for the Fiscal Lab score. We used research from McKinsey & Company, Mordor Intelligence, Grand View Research, and other sources to construct a reasonable growth path for US sporting goods sales. Total sales for sport fishing and archery equipment in 2022 were projected using the historical and forecasted growth rates identified in these sources. That provided a total sales figure by year for the budget window of 2026 through 2035. The Lab then estimated the proportion of these total sales that would likely avoid taxation by applying the Southwick percentages above to the total projected sales. These amounts then were taxed at the excise rates for fishing and archery equipment. All amounts in the table above are in nominal dollars and in federal fiscal years.

Taken together, the analysis supports a final score of deficit-neutral, with additional excise tax revenue of under $1 billion, over the 2026 to 2035 window.

Additional Notes: None

Modeling Used: Projection of sport fishing and archery equipment sales along a growth path derived from published market research; no formal econometric model.

Source(s):

Excise Taxes: Action Needed to Improve Compliance for Sport Fishing and Archery Imports (US Governmental Accountability Office, July 29, 2024).

Southwick Associates, “Unpaid WSFR Tax Revenues Associated with Direct-to-Consumer Imports: Baseline Estimates,” February 2, 2024.

Sporting Goods 2025 – The New Balancing Act: Turning Uncertainty into Opportunity (McKinsey & Company, March 4, 2025).

Sporting Goods Market Size and Share Analysis – Growth Trends and Forecast, 2026–2031 (Mordor Intelligence, last updated January 27, 2026).

Sports Equipment Market, 2026–2033 (Grand View Research, February 2026).

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