Fiscal Lab
ON CAPITOL HILL

Fiscal Score

HR 1494

Sporting Goods Excise Tax Modernization Act.

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[1], 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.[2]

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.

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

[2] *Excise Taxes: Action Needed to Improve Compliance for Sport Fishing and Archery Imports*.

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May 1, 2026

HR 1494: Sporting Goods Excise Tax Modernization Act

Fiscal Years (Dollars)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026 – 2030	2026 – 2035
Additional Excise Tax on Archery Equipment												
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	2,212,150	2,300,636	2,392,661	2,488,368	2,587,902	2,691,418	2,799,075	2,911,038	3,027,480	3,148,579	11,981,717	26,559,307
Additional Excise Tax on Fishing Equipment												
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	7,540,399	7,842,015	8,155,695	8,481,923	8,821,200	9,174,048	9,541,010	9,922,650	10,319,556	10,732,338	40,841,231	90,530,834
Total Additional Excise Tax Revenue	9,752,548	10,142,650	10,548,356	10,970,291	11,409,102	11,865,466	12,340,085	12,833,688	13,347,036	13,880,917	52,822,948	117,090,141
Total Increase or Decrease (-) in Debt	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Scoring Methodology

The Fiscal Lab relied on a survey of consumer purchases of sport fishing and archery sales conducted by Southwick Associates.[3] 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.

[3] Southwick Associates, "Unpaid WSFR Tax Revenues Associated with Direct-to-Consumer Imports: Baseline Estimates," February 2, 2024.

These estimates became the starting point for the Fiscal Lab score. We used research from McKinsey & Company,[4] Mordor Intelligence,[5] Grand View Research,[6] 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.

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.

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

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

[6] *Sports Equipment Market, 2026–2033* (Grand View Research, February 2026).