

# Firearms Dealer's licence requirements



Questions and answers for hospitality, tourism and leisure activity operators.

We have operated our business for many years and offer shooting activities on request. I am a licensed firearms owner and we have never had to be licensed as a dealer in the past, why do we have to be licensed as a dealer now?

Changes to the Arms Act 1983 that came into effect on 24 June 2021 expanded the types of activities that now require a dealer's licence. Activities which require a dealer's licence have always included the business of selling and manufacturing, but now also includes the businesses of hiring, lending or otherwise supplying arms items.

Those undertaking an activity that now falls within what are now dealer activities, who still want to carry out those activities, will need to be licensed as a dealer.

In addition to the new dealer requirements, there are further changes to the Arms Act 1983 that came into force in June 2022 that mean if you use a shooting range for these shooting activities you will also need to apply to have that shooting range certified. You will have 12 months from 24 June 2022 to apply for certification for your shooting range. Applications must be submitted no later than 24 June 2023.

I manage a business that provides a variety of outdoor experiences for locals, New Zealanders on holiday and overseas tourist visitors. One activity is clay target shooting. I employ a staff member with a firearms licence to instruct and supervise clients. Where has this requirement to have a Dealer's licence come from?

In June 2020, the Arms Act 1983 was significantly amended. Some of the changes to the Arms Act came into effect immediately. Others came into force in December 2020, some in June 2021, and further changes come in June 2022 and June 2023.

The changes to the Act that came into effect on 24 June 2021 related to dealers and expanded the types of activities that now require a dealer's licence. Activities which require a dealer's licence have always included the business of selling and manufacturing, but now also include the business of hiring, lending or otherwise supplying arms items.

Although the term "dealer" may not seem to readily apply to hiring or lending firearms or airguns for outdoor leisure activities, there are similar characteristics with stores that buy and sell firearms, for which there is a need to have controls over possession, including storage. A critical consideration is that operators providing shooting activities have firearms which the public are accessing so that it is public knowledge that there are firearms on the premises.

These operators therefore need to ensure that appropriate security against theft, comparable to that required by gun stores, exists for both their firearms that are made available to customers and those in storage. There is a significant public safety issue as theft is a major source of firearms in the black market. This is why dealers' licences, which have conditions relating to recording requirements and Police storage inspections, are appropriate.

Who needs to have the Dealer's licence if we continue to offer the clay target shooting activity? Is it me (manager), the employee or the business owner?

You must be a firearms licence holder to hold a dealer's licence. A dealer's licence should be held by a person carrying out the dealer activity for the business and who has sufficient control over the business activity. This will usually be the owner of the business, or a manager of the business. If the business is conducted by a body corporate, then the applicant will need to be a senior manager, who is a person who occupies a position that allows the person to exercise significant influence over the management or administration of the body corporate, for example a chief executive. If a business has been authorised to operate from more than one place of business, there will need to be a manager who holds a dealer's licence at each site.

An employee cannot hold a dealer's licence unless they are a manager.

## Does a person with a Dealer's licence need to be on site at all times in order for us to do clay target shooting legally?

A dealer is responsible for all commercial shooting activities on the site of the business, and should be there frequently enough to retain control and oversight of the business activities. If firearms or airguns are being supplied to people who don't hold a firearms licence, then those customers will only be able to possess the firearms lawfully when under the immediate supervision of a licence holder (unless they are 18 years or older using airguns).

The dealer is not required to be on site at all times; however the dealer must have:

- » Clear documented operating procedures relating to any shooting activities, and how any unlicensed user will be immediately supervised;
- » evidence that any staff supervising shooting activities are licensed and named in the dealer's record as an employee of the business; and
- » Staff trained in the procedures to ensure the procedures are strictly followed.

## Do all my shooting activities team members need to hold a Dealer's licence?

Only employees who are managers need to apply for and hold a dealer's licence at a specific site. As long as there is a dealer for that site, employees who have a firearms licence can supervise shooting activities at the site where the dealer's licence is held. The employee must be named in the dealer's licence record as an employee of the business.

## Does this change only apply to clay target shooting?

No, the change applies to any activity that involves the supply of firearms or airguns. This includes firearms supplied for business activities of:

- a. Clay target shooting
- b. Air pistol shooting
- c. Air rifle shooting
- d. Small bore target shooting (either on an indoor or outdoor range)
- e. Full bore target shooting
- f. Airsoft and paint ball activities/games

## Clay shooting is a very small part of our business and not a regular activity, do we still need to be a licensed as a dealer?

Yes. If your business hires, lends, or otherwise supplies the arms items as part of the business, under section 5(1)(a) of the Arms Act 1983, you require a dealer's licence to continue clay target shooting activities.

## We only use laser shotguns, why would we need a Dealer's licence?

Whilst a laser shotgun may not be a functional firearm, if it can be modified back to being a functional firearm at any point in time, it is treated as a firearm under the Arms Act and you will need a dealer's licence to supply it.

## I am operating a lodge and go out target shooting with one guest at a time. I have a standard firearms licence and provide immediate supervision at all times; if they are unlicensed why would I need a Dealer's licence?

If you are operating a lodge as a business, and one of your activities is providing firearms to your guests, for the purposes of target shooting you fall under section 5(1)(a) of the Arms Act 1983 as a business supplying or otherwise providing arms items. This means you need to be licensed as a dealer to continue those activities.

In addition to the new dealer requirements, there will be further changes to the Arms Act 1983 in June 2022 that mean you will only be able to use a certified range for the target shooting activities. If you are also the operator of the range, you will need to apply to have your range certified as a shooting range if you wish to continue providing those services on your site. You will have 12 months from 24 June 2022 to apply for a shooting range certificate for your shooting range. Applications must be submitted no later than 24 June 2023.

## I am operating a small commercial hunting guide business and might go out with one guest at a time for some clay bird shooting on my lifestyle block. Why do I need a Dealer's licence?

Commercial hunting guide services that are exempt from dealer licence requirements do not include clay bird shooting. The exemption for certain commercial hunting guides apply if you are supplying no more than six firearms to one or more clients at any one time while providing those services. Anything outside hunting, where you are supplying, hiring or otherwise providing firearms to guests as part of your business activity, falls under section 5(1)(a) of the Arms Act 1983, which means you need to be licensed as a dealer to continue those activities.

If you wish to continue providing clay bird shooting activities as part of operating your commercial hunting guide business, you will need a dealer's licence.

## Is there any difference in the type of Dealer's licence for these operators, and standard Dealers?

Each dealer licence issued will specify:

- » the specific dealer activity/ies authorised; and
- » the classes of arms items in respect of which that activity/ies may be carried out.

## New regulations 1 February 2022

The Arms Amendment Regulations 2021, to update the Arms Regulations 1992, came into force on 1 February 2022. They assist dealer's licence holder compliance with the Arms Act by giving greater transparency to the dealer's licence holder's legal requirements.

The Arms Amendment Regulations 2021 provide for:

- » the enhanced regulation of the full range of dealer activities, including information to be provided when applying for a dealer's licence, record keeping and secure storage requirements, and other licence conditions.