

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Baumann, Jack Kelly Gunsmoke Shooting Range 10076 County Road 295 Snook, TX 77878, BURLESON- 051	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782065-2016-0231-B1B		
	3. PERMIT/LICENSE NUMBER 574051078D05489	4a. TARGET DATE 9/23/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), Area Supervisor, 12/16/2015

8. PURPOSE/SPECIAL INSTRUCTIONS
Please conduct a compliance inspection of a Type 07 Manufacturer of Firearms. Please obtain a copy of the 2012 and 2013 AFMER reports and submit to HQ.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	2	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	27	NO. OF TECS HITS		2112 - P.O.A.	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2113 - COMM. AIR	
		\$ VALUE OF TAX DECREASES		2114 - RENTAL CAR	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2115 - GPV EXPENSES	
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2116 - MISC.	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		TOTAL \$ FOR INSP.	

11. ATF OFFICER'S RECOMMENDATION
Submitted by (b)(6) - Industry Operations Investigator
Submitted on: 06/30/2016
An on-site firearms inspection was conducted on 6-14-16. Two violations were cited for 27 CFR 478.126a & 18 USC 923 (g)(5)(A).
Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)	
JUN 2016	24.00		
ATF OFFICER'S SUBTOTAL	24.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	24.00		

13. REVIEW AND ROUTING
REVIEW COMMENTS AND RECOMMENDATION
Warning Letter mailed on July 1, 2016.
Viols WL ONLY and No Recall Inspection

☒ REVIEWED ☒ CONCUR ☒ SEE COMMENTS ☒ FINAL DISPOSITION
SIGNATURE AND TITLE: (b)(6) - Industry Operations Investigator REVIEW DATE: 07/01/2016
Digitally signed by (b)(6) on 07/01/2016 09:31:50 -0400. Reason: I am the author.

ROUTING SEQUENCE AND DATE:
☐ 1. _____
☐ 2. _____
☐ 3. _____
☐ 4. _____
CONTROL FILE POSTED DATE _____

Report of Violations

Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in quadruplicate. The original copy and the suspense copy (where required) will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor BAUMANN, JACK KELLY	Street Address 10076 Co. Rd. 295	City SMOOK	State TX	ZIP Code 77878	County Burleson	Page 1 of 1 Pages
License/Permit/Registry Number (if any) 5-74-051-07 8D-05489		Expiration Date 4-1-18	Date(s) or Period of Inspection 6-14-2016			

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number	USC or CFR Citation	Nature of Violation	Corrective Action to be Taken (If not corrected immediately)	Date Corrections to be Made (If not corrected immediately)
1.	27 CFR 478.1269	Failure to report Multiple Handgun sales (b)(3) Public Law 112-55, 125 STAT 552-(b)(6) (b)(3) Public Law 112-55, 125 STAT 552-(b)(6)	Execute ATF Forms 3300.4 and ensure continued regulatory compliance.	Immediately
2.	18 USC 923(g) (b)(6) (5)(A) 6-14-2016	Failure to file yearly AFMER reports (4 instances: Tax years 2012, 2013, 2014, 2015) 3	Execute ATF Forms 5300.11 and ensure continued regulatory compliance. Must file even if no production.	Immediately

I Have Received a Copy of This Report of Violations (Proprietor's signature and title)

(b)(6)	Date 6-14-2016
Signature and Title of ATF Officer (b)(6) SR. FOF	Date 6-14-2016



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

8610 Broadway, Ste. 410
San Antonio, TX 78217

July 1, 2016

www.atf.gov

782065 (b) (6)
5373

WARNING LETTER

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

Gunsmoke Shooting Range
Attn: Jack Kelly Baumann
10076 County Rd 295
Snook, TX 77878
RE: 5-74-051-07-8D-05489

Dear Mr. Baumann:

During a recent inspection at your firearms business covering the period June 1, 2015, through June 14, 2016, you were cited for violations of Title 27, Code of Federal Regulations, Part 478. A copy of the Report of Violations, ATF F 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you or your designated responsible person by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator(s). You or your responsible person indicated that you understood the requirements of the firearms laws and regulations and that corrective actions would be taken to eliminate future violations.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing efforts to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. This is critical to carrying out our mission to protect the public and to ensure that criminals do not gain access to firearms. ATF appreciates the efforts you and other industry members make in this area. We look forward to continuing to work with you in that regard.

You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. Any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

Gunsmoke Shooting Range
Attn: Jack Kelly Baumann
RE: 5-74-051-07-8D-05489

Should you have any questions regarding this matter, please contact Industry Operations
Investigator (b)(6) at (b)(6)

(b)(6)

Area Supervisor
San Antonio II Field Office

Enclosure

cc: Federal Firearms Licensing Center
San Antonio II Field Office
Houston FD

FIREARMS INSPECTION REPORT

Name: Baumann, Jack Kelly
Trade Name: Gunsmoke Shooting Range

UI#: 782065-2016-0231-B1B
FFL#: 5-74-051-07-8D-05489

Address: 10076 County Road 295
Snook, Texas 77878, Burleson County

1 - Introduction

Inspection Profile:

This assignment was a firearms inspection for a Type 07 (Manufacturer of Firearms Other Than Destructive Devices) Federal Firearms License (FFL) operated at the applicant's commercial premises. Senior Industry Operations Investigator (SIOI) (b)(6) conducted an on-site visit to the licensed premises on June 14, 2016. The inspection was conducted with Responsible Person (RP) Mr. Jack Kelly Baumann, Owner, and (b)(6), Manager. The period of inspection was June 1, 2015 to June 14, 2016. There were no other local, state, or federal agencies involved with the subject inspection. Two violations were cited.

Business Profile:

The subject FFL is operated as sole proprietor. A query of the Texas Secretary of State (SOS) database did not reveal any matches. The subject FFL does retail sales, internet transfers, and some firearms assembly with receivers brought to him. The licensee does not participate at gun shows. Mr. Baumann does some minor gunsmith repairs. The firearms assembly to date has been done with hand tools such as screw drivers, wrenches, and a rubber mallet. The current premises are located in rural Burleson County.

The FFL does have a website for the gun range but no firearms are listed for sale at this time. There is a formal display area open to the public and there is limited inventory kept. The firearms business is conducted using IRS EIN (b)(3) 26USC6103 to pay federal taxes. The FFL operates using the Texas Sales and Use Tax Permit 3-20103-0806-5 issued by the Texas Comptroller of Public Accounts (see Exhibit 1). This is the appropriate FFL for the intended business use. The licensee operates with the assumed name Gunsmoke Shooting Range (see Exhibit 2). All firearms are stored on the licensed premises.

During the inspection period, there were (b)(4) acquisitions and (b)(4) dispositions. Acquisitions consist approximately equally of new and used firearms. About 50 percent of dispositions have been gunsmith repairs with 40 percent retail sales, and 10 percent internet transfers. The primary suppliers have been (b)(4), and gunsmith customers. The subject location is leased by Mr. Baumann (see Exhibit 3). The premises are in rural Burleson County and not within any incorporated city limits. The subject FFL was issued in March 2012.

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Ownership and Control:

There have been no changes to sole proprietor structure. Mr. Baumann is still the sole FFL RP. There have been no RP additions or deletions. (b)(6) is the range manager and there are a few part-time, seasonal FFL employees. There were no signs of hidden ownership detected by SIOI (b)(6).

Variance:

The ATF variance process was reviewed by SIOI (b)(6) and no variances were requested during this inspection.

2 - Recommendation

Violations, Warning Letter only, No recall.

3 - Inspection History

The licensee received the subject FFL in March 2012. There have been no other ATF inspections since the license was issued:

Date and Type of Inspection:	February 16, 2012, Qualification Inspection
UI#:	782065-2012-0318-B1B
Inspection Results:	Application Approved.
Cited Violations:	No violations were cited.

4 - Acquisition & Disposition (A&D) Record - Inventory

The licensee maintains four manual A&D books; three for sales/transfers and one for gunsmith repairs. All four books have open entries. A 100 percent firearms inventory was conducted on June 14, 2016 by SIOI (b)(6) with the assistance of (b)(6) and Mr. Baumann. There were (b)(3) open entries in the sales/transfer books and no open entries in the repair book. All (b)(3) open entries were compared by individual serial numbers to the corresponding (b)(3) firearms in inventory. There were no inventory discrepancies. The A&D books were in the proper format. There were no untimely acquisitions or dispositions noted. There have been no thefts or losses of firearms since the license was issued. SIOI (b)(6) conducted a total of (b)(3) random NCIC checks comprised of (b)(3) firearms and three individuals, including Mr. Baumann. There were no NCIC hits for firearms or a prohibited persons. According to both Mr. Baumann and (b)(6), their standard operating procedure is for firearms to be logged into the manual A&D books immediately upon coming into their possession. When the firearms are transferred, dispositions from the A&D books are recorded immediately. There were no A&D violations cited.

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5 - ATF Forms 4473 - NICS & Other Dispositions

There were (b)(3) ATF Forms 4473 on file for the inspection period. SIOI (b)(6) reviewed all (b)(3) forms. There were no ATF Form 4473 discrepancies. There were four proceed FFL Audit Log entries for the preceding 60 day period. There were no denials for the 12 month review period. There were two denials in the past five years prior to 2014. SIOI (b)(6) verified all six Audit Log entries on file with no discrepancies. During the inspection period, there were no transfers to any LE agency. During the inspection period, there were no transfers to other licensees. When asked about his standard operating procedure on ATF Forms 4473, Mr. Baumann said that after the completion of the ATF Forms 4473 and the NICS background check, the employee on duty double checks the form's accuracy. Completed forms are kept in chronological order in an office file. Mr. Baumann and (b)(6) demonstrated an adequate understanding of the ATF Form 4473 execution process. There were no violations cited related to NICS or ATF Form 4473 execution.

6 - Multiple Sales

Per the Firearms Trace History query there were no reported Multiple Handgun Sale (MS) entries for the 12 month inspection period. However, SIOI (b)(6) discovered (b)(3) PDC unreported MS transactions, involving (b)(3) PDC handguns each, for the review period. A violation for 27 CFR 478.126a was cited in relation to the multiple sale reporting requirement (see Report of Violations (ROV), ATF Form 5030.5, and Worksheet 2).

Reference the ROV and Worksheet 2.

7 - Suspicious/Prohibited Purchasers

There were no suspicious purchasers noted for the inspection period. The results of the (b)(3) random NCIC checks conducted by SIOI (b)(6) did not reveal any stolen guns or any prohibited individuals. No violations were cited.

8 - Trace Activity

There have never been any trace requests for the subject FFL according to the Firearms Trace History query. There were (b)(3) acquisitions and (b)(3) dispositions over the past 12 month inspection period. Approximately 50 percent of the licensee's business involves secondary market firearms. No violations were cited.

9 - NFA/Importer/Collector/Manufacturer

According to Mr. Baumann, he has never done any manufacturing since the subject FFL was issued. Mr. Baumann said he has done some assembly of firearms with a few receivers brought in by family members. However, Mr. Baumann did admit he has

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never submitted any ATF Forms 5300.11, Annual Firearms Manufacturing and Exportation Reports (AFMER), to ATF. At the time of this inspection, SIOI (b)(6) had not received any submitted AFMER information from ATF BHQ query. The FFL was cited for violating 18 USC 923 (g)(5)(A), failure to file the yearly ATF Forms 5300.11 for tax years 2012, 2013, 2014, and 2015 (see the ROV). However, after the inspection, on June 30, 2016, SIOI (b)(6) did receive a response from BHQ showing a 2014 AFMER report was filed (see Exhibit 4). The ROV was amended to delete the 2014 cite and a copy was e-mailed to Mr. Baumann. All AFMER forms were immediately submitted during this inspection (see Exhibit 4).

SIOI (b)(6) discussed the FFL's responsibility for firearms markings with Mr. Baumann should be engage in future manufacturing activity. The licensee was provided contact information for the Department of State (DS) Directorate of Defense Trade Control (DDTC) Response Team and was informed he could be responsible for ITAR (International Traffic in Arms Regulations) fees if so determined by the DS. A review of the U.S. Tax & Trade Bureau (TTB) requirements and potential excise tax liability was conducted by SIOI (b)(6). Contact information for both the DS DDTC and TTB were provided by SIOI Gonzales. Mr. Baumann said he would consider applying for a Type 01 (Dealer) FFL prior to renewing the subject Type 07 license in 2018. If he does receive the Type 01 FFL, Mr. Baumann said he would surrender the current Type 07 license.

Reference the ROV for the AFMER violation.

10 - Referrals

No referrals were generated as the result of this inspection.

11 - Other

Mr. Baumann signed the Important Notice, Selling Firearms After Revocation, Expiration, or Surrender of an FFL (see Exhibit 5). Mr. Baumann received a copy.

12 - Closing Actions

The closing conference was held on June 14, 2016, with Mr. Baumann and (b)(6). Two violations were cited and reviewed with Mr. Baumann (see ROV). After signing the ROV, Mr. Baumann received the original ROV page. The Acknowledgement of Federal Firearms Regulations was discussed with and signed on June 14, 2016, by Mr. Baumann and SIOI (b)(6) (see Exhibit 6). Mr. Baumann received a copy. Several questions were addressed and answered by SIOI (b)(6).

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13 - Violations

1. 27 CFR 478.126a

Nature of violation:

Failure to report Multiple Handgun sales (█ instances; (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) █). The FFL was cited for violating 27 CFR 478.126a (see the ROV and Worksheet #2).

Licensee's response:

Mr. Baumann said, "I thought it was 3 or more."

Corrective action:

Execute ATF Forms 3310.4 and ensure continued regulatory compliance.

Reference the ROV and Worksheet 2.

2. 18 USC 923 (g)(5)(A)

Nature of violation:

Failure to file yearly AFMER reports (█ instances; (b)(3) Pub law 112-55 125 Stat. 552 The FFL was cited for violating 18 USC 923 (g)(5)(A) (see the ROV).

Licensee's response:

Mr. Baumann said, "I thought nothing was required if no firearms were ever manufactured. I just assemble."

Corrective action:

Execute ATF Forms 5300.11 and ensure continued regulatory compliance. Must file even if no production.

Reference the ROV.

FIREARMS INSPECTION REPORT

Name: Baumann, Jack Kelly
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X

(b)(6)

Industry Operations Investigator

Index of Worksheets and Exhibits

Report of Violations (ROV), ATF Form 5030.5

Worksheets

Exhibit 1, Texas Comptroller Query

Exhibit 2, Assumed Name Record

Exhibit 3, Lease

Exhibit 4, AFMER Reports

Exhibit 5, Important Notice

Exhibit 6, Acknowledgement of Federal Firearms Regulations