

MDMA

MEDICAL DEVICE MANUFACTURERS ASSOCIATION

IMPACT OF REPEALING THE MEDICAL DEVICE TAX

Since enacted in 2010, the medical device excise tax has eliminated tens of thousands of good paying jobs, led to drastic cuts to R&D and harmed patient care in the United States.

According to Ernst and Young, the 2.3% medical device tax on average **increases the effective tax rate** for America's medical technology innovators by **29 percent**.

MDMA conducted a survey of medical technology innovators to assess how repeal of the medical device tax would impact their operations. The survey included over 100 responses from senior executives at some of the United States' most innovative and entrepreneurial medical device companies.

Findings Include:



72% of companies **slowed or halted job creation** in the United States to pay the medical device tax



85% of respondents said that **if the device tax was repealed**, they would **hire new employees** in the U.S.



80% of respondents noted that they would **increase R&D** investments in the cures and therapies of tomorrow

When asked how much they would **increase their R&D** budget, the average increase was **14%**