IMPACT OF THE MEDICAL DEVICE TAX SUSPENSION

The two-year suspension of the medical device tax has provided additional resources for innovators to invest in patient care, job creation and R&D across the United States.

MDMA conducted a survey of medical technology innovators to assess how the two-year suspension of the medical device tax impacted their operations. The survey included over 100 responses from senior executives at some of the United States’ most innovative and entrepreneurial medical device companies.

Various steps have been taken, including company-wide raises, increased 401(k) matches, paid leave and much more.

NOTABLY, three out of four innovators said that they would make additional investments in job creation and R&D if the device tax was permanently repealed, as opposed to a temporary suspension.

Findings Include:

✓ 70 percent of companies increased hiring and created new jobs as a result of the suspension

✓ 73 percent of pre-revenue companies noted that suspension of the device tax has improved the climate for raising capital and funding

✓ When asked how much respondents have increased their R&D budget, the average increase was 19 percent

✓ Based on the latest industry data, this translates into a tremendous boost of additional investments in R&D alone to help create the cures and therapies of tomorrow

This survey includes 107 responses from medical technology executives from throughout the United States.