The Honorable Paul D. Ryan  
Speaker of the House  
United States House of Representatives  
H-232 The Capitol  
Washington, D.C. 20515

Dear Speaker Ryan,

We write to urge you to consider fast-tracking consideration of H.R. 184, the Protect Medical Innovation Act of 2017, authored by our colleagues Erik Paulsen and Ron Kind. It is critical that the House act to repeal this tax so the medical device industry, which includes hundreds of small businesses, has the certainty it needs to continue its research and investment in these critical life-saving innovations. Consumers who rely upon these innovative devices that improve their health will ultimately suffer the burden of this tax. This legislation enjoys broad bipartisan support as members from both parties recognize the impact this has on our constituents, both in access to the healthcare devices they need, and in hundreds of thousands employed by the industry.

The medical device industry directly employs 400,000 Americans. The industry is primarily comprised of small businesses and American companies represent 38% of the global market. Of the 6,500 medical device manufacturers in the United States, 80% employ fewer than 50 employees.

The 2.3% tax on revenue, rather than income, creates some of the nation’s highest marginal tax rates depending upon a company’s profit margin. This is simply untenable for smaller companies where margins are the thinnest. As companies look to make cuts to offset the tax, one of the first items to go is research and development. This undermines the future of the industry.

Additionally, the tax revenue generated from medical devices is approximately $2 billion annually. Relative to the federal budget, this represents roughly one half of one tenth of one percent of government spending. Repealing the tax will not have a meaningful impact on the budget, but will be significant for these small businesses and their ability to continue to grow.

As sophomore members, we made a promise to our constituents to usher in a new era of cooperation in order to restore faith in our government institutions. Repealing the medical device tax is too important to our constituents and small businesses not to act immediately, and proves that we can come together with solutions. We ask that you consider moving H.R. 184 as soon as possible in order to give our nation’s small businesses the certainty they need.

Sincerely,

Elise M. Stefanik  
Member of Congress

Mimi Walters  
Member of Congress
Barry Loudermilk
Member of Congress

Mia Love
Member of Congress

Thomas MacArthur
Member of Congress

Martha McSally
Member of Congress

Seth Moulton
Member of Congress

Dan Newhouse
Member of Congress

Bruce Poliquin
Member of Congress

Aumua Amata Coleman Radewagen
Member of Congress

John Ratcliffe
Member of Congress

David Rouzer
Member of Congress

David Trott
Member of Congress