

Congress of the United States
Washington, DC 20515

March 31, 2015

The Honorable John A. Boehner
Speaker of the House
United States House of Representatives
H-232 The Capitol
Washington, D.C. 20515

Dear Speaker Boehner,

We write to urge you to consider fast-tracking consideration of H.R. 160, the Protect Medical Innovation Act, authored by our colleague Erik Paulsen. It is critical that the House acts to protect the medical device industry prior to any action by the United States Supreme Court this spring. 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, means that the U.S. device industry is subject to one of the highest corporate tax rates in the world. And many smaller early-stage companies must pay the tax even though they are years away from becoming profitable. 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, and puts the discovery of new breakthrough medical technologies at risk.

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 freshmen 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 fast-tracking consideration of H.R. 160 during the three-week Congressional work period in April and work with us to



Mia Love
Member of Congress



Tom MacArthur
Member of Congress

Martha McSally
Member of Congress

John Moolenaar
Member of Congress

Seth Moulton
Member of Congress

Dan Newhouse
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Gary Palmer
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