

**Congress of the United States**  
**Washington, DC 20515**

January 30, 2017

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

Dear Speaker Ryan,

We write to encourage you to consider fast-tracking consideration of H.R. 184, Protect Medical Innovation Act, authored by our colleagues Erik Paulsen and Ron Kind. President Obama already has suspended the medical device tax for 2016 and 2017, but it is scheduled to go back into effect in 2018. Our legislation to permanently repeal this tax would provide the certainty needed for the medical device industry to continue its research and investment in these critical life-saving innovations.


The medical device industry, which employs nearly 400,000 Americans, is vital to our health care and our economy. The industry is comprised largely of small businesses. Of the 7,000 medical device manufacturers in the United States, the vast majority employ fewer than 50 employees. Many of these are startups that generate little to no sales revenue.

Imposing a 2.3% tax on revenue, rather than income, subjects the U.S. device industry to one of the highest corporate tax rates in the world. Unfortunately, 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 a permanent repeal would be significant for these small businesses and their ability to continue to grow.

If this tax goes back into effect, consumers who rely upon these innovative devices that improve their health will ultimately suffer the burden. The bipartisan support for this legislation demonstrates the recognition from both parties that reinstating this tax would negatively affect our constituents.

As freshmen members, we hope to work together 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 passing this legislation will demonstrate 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,



---

Jim Banks  
Member of Congress



---

John Faso  
Member of Congress



---

Ted Budd  
Member of Congress



---

David Kustoff  
Member of Congress




---

Liz Cheney  
Member of Congress




---

Claudia Tenney  
Member of Congress



---

Brad Schneider  
Member of Congress



---

Raja Krishnamoorthi  
Member of Congress



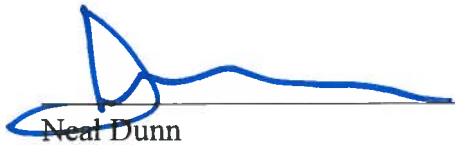
---

Trey Hollingsworth  
Member of Congress



---

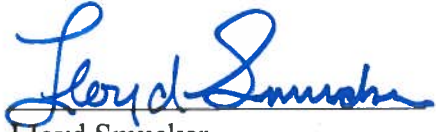
Roger Marshall  
Member of Congress



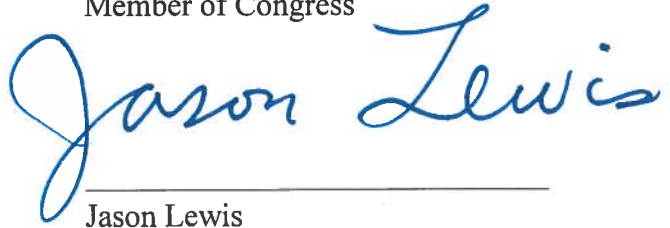
Neal Dunn  
Member of Congress



Jack Bergman  
Member of Congress



Lloyd Smucker  
Member of Congress



Jason Lewis  
Member of Congress



Brian Fitzpatrick  
Member of Congress



Tom O'Halleran  
Member of Congress



J. Luis Correa  
Member of Congress



Mike Gallagher  
Member of Congress