December 17, 2012

Taxing Innovation

Obamacare’s new medical device tax will raise $29 billion and increase the cost of health care. Every pacemaker, every wheelchair will be taxed 2.3 percent. The tax will stifle innovation. One company is eliminating 1,170 jobs – 5% of its workforce — so they can use that money to pay their $100 million dollar tax bill next year.

The Treasury Department says device manufacturers shouldn’t complain because they’ll get 30 million new customers under Obamacare. Really? Obama’s IPAB rationing board is empowered to deny payment for care, including new costly medical devices.

Sources:
“Medical giant Stryker cuts 1,170 jobs, citing a “2.3 percent medical device excise tax,”” Smart Girl Politics (Associated Press), November 17, 2012.

ObamaCare Tax on Medical Devices Prompts Pre-Emptive Layoffs,” Linda Grayling, DrugWatch, December 3, 2012.

“Medical device tax set but industry still fighting,” Jason Millman, Politico Pro, December 6, 2012.