

Device makers need many months, millions of dollars to figure out medtech tax compliance

Mass Device

The burden posed by the coming medical device tax is more than a 2.3% cut of revenues – it means millions in administrative costs and months of preparation to decipher new tax codes and develop systems for compliance.



Medical device industry lobbying groups warned that the tax slated to take effect on January 1 will cost the industry more than the \$30 billion it's slated to raise over 10 years - it could cost upwards of \$660 million annually in implementation costs alone.

Based on a small survey of 81 respondents representing a broad range of medtech companies, the sales tax will require months of preparation and millions in yearly administrative costs, adding to the 2.3% top-line cut the measure is designed to yield in support of healthcare reform.

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<http://www.mdtmag.com/news/2012/12/device-makers-need-many-months-millions-dollars-figure-out-medtech-tax-compliance>