

Excerpt from the *Health Care and Education Reconciliation Act of 2010*

SEC. 1405. EXCISE TAX ON MEDICAL DEVICE MANUFACTURERS.

(a) In General.--Chapter 32 of the Internal Revenue Code of 1986 is

Amended –

(1) by inserting after subchapter D the following new subchapter:

Subchapter E--Medical Devices

Sec. 4191. Medical devices.

(a) In General -- There is hereby imposed on the sale of any taxable medical device by the manufacturer, producer, or importer a tax equal to 2.3 percent of the price for which so sold.

(b) Taxable Medical Device.— For purposes of this section—

(1) In general -- The term “taxable medical device” means any device (as defined in section 201(h) of the Federal Food, Drug, and Cosmetic Act) intended for humans.

(2) Exemptions.— Such term shall not include –

(A) eyeglasses,

(B) contact lenses,

(C) hearing aids, and

(D) any other medical device determined by the Secretary to be of a type which is generally purchased by the general public at retail for individual use.

, and

(2) by inserting after the item relating to subchapter D in the table of subchapters for such chapter the following new item:

subchapter e. medical devices

(b) Certain Exemptions Not to Apply

(1) Section 4221(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “In the case of the tax imposed by section 4191, paragraphs (3), (4), (5), and (6) shall not apply.”

(2) Section 6416(b)(2) of such Code is amended by adding at the end the following: “In the case of the tax imposed by section 4191, subparagraphs (B), (C), (D), and (E) shall not apply.”

(c) Effective Date

The amendments made by this section shall apply to sales after December 31, 2012.

(d) Repeal of Section 9009 of the Patient Protection and Affordable Care Act

Section 9009 of the Patient Protection and Affordable Care Act, as amended by section 10904 of such Act, is repealed effective as of the date of enactment of that Act.