

Medical Device Excise Tax Suspended

The President signed the Consolidated Appropriations Act, 2016 into law on December 18, 2015. 29 CFR §4191 implements the medical device excise tax. The law adds a new subsection “(c) Moratorium – The tax imposed under subsection (a) shall not apply to sales during the period beginning on January 1, 2016, and ending on December 31, 2017”. As a result, the medical device excise tax does not apply to the sale of a taxable medical device by the manufacturer, producer, or importer of the device from Jan. 1, 2016 to Dec. 31, 2017.