

**Amendment to the Amendment in the Nature of a Substitute to H.R. 3  
Offered by Rep. Walorski of Indiana**

The amendment would strike the 95 percent excise tax imposed on certain drug manufacturers during noncompliance periods, repeal the 2.3 percent excise tax on certain medical devices, and set the income threshold for the medical expense deduction at 7.5 percent of adjusted gross income permanently.



**AMENDMENT**

**OFFERED BY MS Walorski**

Strike section 102.

At the end, add the following:

1                   **TITLE VI—REVENUE**  
2                   **PROVISIONS**

3 **SEC. 601. REPEAL OF MEDICAL DEVICE EXCISE TAX.**

4           (a) **IN GENERAL.**—Chapter 32 of the Internal Rev-  
5 enue Code of 1986 is amended by striking subchapter E.

6           (b) **CONFORMING AMENDMENTS.**—

7               (1) Subsection (a) of section 4221 of such Code  
8 is amended by striking the last sentence.

9               (2) Paragraph (2) of section 6416(b) of such  
10 Code is amended by striking the last sentence.

11           (c) **CLERICAL AMENDMENT.**—The table of sub-  
12 chapters for chapter 32 of such Code is amended by strik-  
13 ing the item relating to subchapter E.

14           (d) **EFFECTIVE DATE.**—The amendments made by  
15 this section shall apply to sales after December 31, 2019.

1 **SEC. 602. PERMANENT EXTENSION OF REDUCTION IN MED-**  
2 **ICAL EXPENSE DEDUCTION FLOOR.**

3 (a) **IN GENERAL.**—Section 213(a) of the Internal  
4 Revenue Code of 1986 is amended by striking “10 per-  
5 cent” and inserting “7.5 percent”.

6 (b) **CONFORMING AMENDMENTS.**—

7 (1) Section 213 of such Code is amended by  
8 striking subsection (f).

9 (2) Section 56(b)(1) of such Code is amended  
10 by striking subparagraph (B) and by redesignating  
11 subparagraphs (C), (D), (E), and (F), as subpara-  
12 graphs (B), (C), (D), and (E), respectively.

13 (c) **EFFECTIVE DATE.**—The amendment made by  
14 this section shall apply to taxable years ending after De-  
15 cember 31, 2018.

