Dear Members of Congress:

We write in opposition to the prescription drug pricing bill offered by House Speaker Nancy Pelosi that would impose an excise tax of up to a 95 percent on hundreds of prescription medicines. In addition to this new tax, the bill imposes new government price controls that would decimate innovation and distort supply, leading to the same lack of access to the newest and best drugs for patients in other countries that impose these price controls.

Under Speaker Pelosi’s plan, pharmaceutical manufacturers would face a retroactive tax of up to 95 percent on the total sales of a drug (not net profits). This means that a manufacturer selling a medicine for $100 will owe $95 in tax for every product sold with no allowance for the costs incurred. No deductions would be allowed, and it would be imposed on manufacturers in addition to federal and state income taxes they must pay.

The alternative to paying this tax is for the companies to submit to strict government price controls on the medicines they produce. While the Pelosi bill claims this is “negotiation,” the plan is more akin to theft.

If this tax hike plan were signed into law, it would cripple the ability of manufacturers to operate and develop new medicines.

It is clear that the Pelosi plan does not represent a good faith attempt to lower drug prices. Rather, it is a proposal that would crush the pharmaceutical industry, deter innovation, and dramatically reduce the ability of patients to access life-saving medicines.

We urge you to oppose the Pelosi plan that would impose price controls and a 95 percent medicine tax on the companies that develop and produce these medicines.

Sincerely,

Grover Norquist
President, Americans For Tax Reform

James L. Martin
Founder/Chairman, 60 Plus Association

Saulius “Saul” Anuzis
President, 60 Plus Association

Marty Connors
Chair, Alabama Center Right Coalition
Bob Carlstrom  
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Dick Patten  
President, American Business Defense Council

Phil Kerpen  
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Daniel Schneider  
Executive Director, American Conservative Union

Steve Pociask  
President/CEO, The American Consumer Institute Center for Citizen Research

Lisa B. Nelson  
CEO, American Legislative Exchange Council

Michael Bowman  
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Dee Stewart  
President, Americans for a Balanced Budget

Tom Giovanetti  
President, Americans for a Strong Economy

Norm Singleton  
President, Campaign for Liberty

Ryan Ellis  
President, Center for a Free Economy

Andrew F. Quinlan  
President, Center for Freedom & Prosperity

Jeffrey Mazzella  
President, Center for Individual Freedom

Ginevra Joyce-Myers  
Executive Director, Center for Innovation and Free Enterprise
Peter J. Pitts
President, Center for Medicine in the Public Interest

Olivia Grady
Senior Fellow, Center for Worker Freedom

Chuck Muth
President, Citizen Outreach

David McIntosh
President, Club for Growth

Curt Levey
President, The Committee for Justice

Iain Murray
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James Edwards
Executive Director, Conservatives for Property Rights

Matthew Kandrach
President, Consumer Action for a Strong Economy

Fred Cyrus Roeder
Managing Director, Consumer Choice Center

Tom Schatz
President, Council for Citizens Against Government Waste

Katie McAuliffe
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Richard Watson
Co-Chair, Florida Center Right Coalition

Adam Brandon
President, Freedomworks

George Landrith
President, Frontiers of Freedom
Grace-Marie Turner  
President, Galen Institute

Naomi Lopez  
Director of Healthcare Policy, Goldwater Institute

The Honorable Frank Lasee  
President, The Heartland Institute

Jessica Anderson  
Vice President, Heritage Action for America

Rodolfo E. Milani  
Trustee, Hispanic American Center for Economic Research  
Founder, Miami Freedom Forum

Mario H. Lopez  
President, Hispanic Leadership Fund

Carrie Lukas  
President, Independent Women’s Forum

Heather R. Higgins  
CEO, Independent Women’s Voice

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Resident Scholar, Institute for Policy Innovation

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Sal Nuzzo  
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The Honorable Paul R LePage  
Governor of Maine 2011-2019

Seton Motley  
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The Honorable Bruce Poliquin  
Maine Congressman 2nd District, 2015-18

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The Honorable Tim Jones  
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Brent Mead  
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Pete Sepp  
President, National Taxpayers Union

The Honorable Bill O’Brien  
The Honorable Stephen Stepanek  
Co-chairs, New Hampshire Center Right Coalition

The Honorable Beth A. O’Connor  
Maine House of Representatives

The Honorable Niraj J. Antani  
Ohio State Representative

Douglas Kellogg  
Executive Director, Ohioans for Tax Reform

Honorable Jeff Kropf  
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Daniel Erspamer
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Paul Gessing
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James L. Setterlund
Executive Director, Shareholder Advocacy Forum

Karen Kerrigan
President and CEO, Small Business Entrepreneurship Council

David Miller & Brian Shrive
Chairs, Southwest Ohio Center-right Coalition

Tim Andrews
Executive Director, Taxpayers Protection Alliance

Judson Phillips
President, Tea Party Nation

David Balat
Director, Right on Healthcare - Texas Public Policy Foundation

Sara Croom
President, Trade Alliance to Promote Prosperity

Kevin Fuller
Executive Director, Wyoming Liberty Group