BIOSCIENCE BUSINESS COMMUNITY ISSUES

Legislation & Economic Development
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NATIONAL

• The 2.3% medical device tax would cost more than $8 billion in lost economic output and almost 39,000 jobs if it takes effect next year according to a recent Battelle released by the Advanced Medical Technology Association (AdvaMed).

“The new tax on medical innovation takes our industry and our economy in exactly the wrong direction. It is time to repeal this anti-competitive, counterproductive, job-killing tax,” AdvaMed President and CEO Stephen Ubl said in a news.
Local

New Economic Development Deal-Closing Fund (effective upon the Governor’s signature):

- The Regional Economic Business Assistance fund (REBA) is increased from approximately $11.5 million to $78.5 million. This fund provides support for projects in the state’s metro regions.

New industries eligible for Georgia’s Job Tax Credit and Ports Tax Credit (effective January 1, 2012):

- Alternative Energy Products Manufacturing
- Biomedical Manufacturing
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New Sales Tax Exemption for Manufacturing (phased in over 4 years beginning on January 1, 2013):

• The energy used to power a manufacturing plant in Georgia will be exempt from sales tax. The Governor has the authority to offer a full, immediate exemption for a competitive project of regional significance.

New Sales Tax Exemption on Construction Materials (effective January 1, 2012):

• Construction materials purchased during the entire construction period for a project deemed by the Governor to have regional economic development significance will be exempt from sales tax.
Improvements to Georgia’s R&D Tax Credit (effective January 1, 2012):

- Companies that incur R&D expenses as defined by the IRS can now claim the state’s R&D credit against payroll withholding whenever they qualify for the incentive and do not have enough corporate income tax liability; initially this feature was limited to the first 5 years of operations in Georgia.
Alternative Investments

• Would allow for the investment of state employees retirement funds in a variety of different accounts including private investment funds, warrants, venture capital funds, leveraged buyouts, options, recapitalizations, privatizations, and mezzanine funds. The Teachers Retirement System is exempt from the provisions of the legislation.
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Marketing and Promotion to recruit companies to Georgia

• Build on our assets as the Nation's Health IT Capital

• Launch our leading position as a Medical Device Hub – over 350 FDA registered facilities and companies

• Launch a campaign around ATLANTA being The Center for Global Health
Thank you!

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