

Taiwan Tax Update

April 2025

Income Tax

In response to reciprocal tariffs imposed by the US, the Ministry of Finance announced extension of deadline for filing and payment of FY2024 corporate income tax return from May 31 to June 30, with options for interest-free deferral or installment payment

The Ministry of Finance announced the following measures on April 17, 2025:

1. FY2024 corporate income tax return filing and tax payment period is extended from May 1 to June 30.
2. Release “Guidelines for tax authorities to approve application for deferral or installment payment due to impact of US reciprocal tariff policy”. Applications submitted to the tax office should be approved in a timely, lenient, and simple manner, regardless of the tax payable amount. Nor will additional interest be levied.

FY2024 corporate income tax return filing and tax payment guidelines are summarized as follows:

Filing and payment period	May 1, 2025 – June 30, 2025
Income data query period	April 28, 2025 – June 30, 2025
Deadline for submitting attachments for online filings	<ol style="list-style-type: none">1. For corporate income tax (including CPA certified tax report):<ol style="list-style-type: none">(1) The deadline for submitting hard copies is July 31, 2025.(2) The deadline for submitting electronic copies via the filing and payment system is July 30, 2025.2. For individual income tax, the deadline for submitting additional documents is July 10, 2025.
Application to extend deadline for provision of	The deadline for submission can be extended to December 31, 2025.

CFC financial statements	
Extension of deadline for dissolution, liquidation, and special accounting year end income tax returns	<ol style="list-style-type: none"> 1. For dissolution, liquidation, and special accounting year end income tax returns, if the filing and tax payment deadline is originally between May 1 and May 31, 2025, the filing and payment deadline may be extended by 30 days. 2. For those applying for an extension to submit CFC financial statements or other substitute documents, the deadline is 6 months from the next day following the end of the filing period.
Application to defer tax payments or pay taxes due in installments	<p>Taxpayers affected by the US tariff policy who are unable to pay their taxes in full within the prescribed payment deadline may apply for deferral (up to 1 year) or installment payment (up to 36 installments), regardless of the tax payable amount, and with no additional interest due, if they meet the following conditions:</p> <ol style="list-style-type: none"> (1) Received assistance measures provided by competent authorities. (2) Reduction of corporate revenues. (3) Individuals undergoing salary reduction, involuntary termination of employment, reduced working days, or other circumstances.
Taxes eligible for deferral or installment payments	Corporate Income Tax, Individual Income Tax, House and Land Transactions Income Tax, Business Tax, Commodity Tax, Tobacco and Alcohol Tax, Specifically Selected Goods and Services Tax, House Tax, Land Value Tax, Vehicle License Tax, etc.

PwC Reminder:

1. The deadline for FY2024 corporate income tax return filing and tax payment has been extended to June 30 for those adopting calendar year end. For those applying for investment tax credits (such as R&D tax credits, smart machinery & 5G tax credits), the deadline to submit application to the Ministry of Economic Affairs is the same as the corporate income tax filing deadline, and thus can also be extended.
2. Taxpayers applying for deferral or installment payment of taxes should submit their application to the tax authority within the prescribed payment deadline. Applicable tax categories are not limited to Corporate Income Tax and Individual Income Tax,

but also include House and Land Transactions Income Tax, Business Tax, Commodity Tax, Tobacco and Alcohol Tax, Specifically Selected Goods and Services Tax, House Tax, Land Value Tax, Vehicle License Tax, and others.

3. If a company does not meet the conditions for being affected by US tariff policy, it can still apply to the tax authority for deferral or installment payment of corporate income tax according to Article 26 of the Tax Collection Act. However, the tax authority will determine the deferral deadline or number of installments based on the tax amount bracket, with no additional interest due.
4. A company that submits application and is approved to defer tax payment or pay tax in installments is considered to have paid its taxes on time, and may enjoy all benefits given to a blue tax return or a CPA certified tax return. However, companies should be reminded that if any one installment payment is not made on time, the corporate income tax return for that particular year will be regarded as a normal return, and will no longer be eligible for benefits granted to blue tax return or CPA certified tax return.
5. The individual income tax refund schedule remains unchanged as a result of extension of filing and payment deadline. Income tax returns filed online by June 30, 2025, or pre-calculated tax forms issued by the tax office which is confirmed in writing or otherwise by the taxpayer before May 12, 2025 are still eligible for the first batch of tax refund due for release on July 31, 2025.

Ministry of Finance announced amendment to Article 34 of Regulations Governing Application of Agreements for the Avoidance of Double Taxation with Respect to Taxes on Income by extending the withholding tax refund application period for non-resident taxpayers seeking treaty benefits from 5 years to 10 years

Under the amended regulation, non-residents seeking to apply treaty benefits may obtain approval from the Taiwan tax authority to do so within 10 years from the tax payment date. Due to extension of withholding tax refund application period from 5 years to 10 years, additional guidance during the transition period is also provided. After the amended Article 34 takes effect, for cases where 5 years have already elapsed from the tax payment date, the amended regulation does not apply. Conversely, for cases where less than 5 years have elapsed, the withholding tax refund application period is extended to 10 years.

PwC Analysis:

The amendment to Article 34 of said Regulation was announced on April 8, 2025. In accordance with Article 13 of the Central Regulation Standard Act, regulations that are implemented on the announcement date will take effect on the third day thereafter. Therefore, amendment to Article 34 of said Regulation became effective on April 10, 2025.

Regarding applicability of amended Regulation during the transition period, for cases that have exceeded 5 years from the tax payment date to April 10, 2025, such cases will not be eligible for the extended 10-year application period.

Please refer to January 2025 Taiwan Tax Update for more details.

Ministry of Finance announced that companies, institutions, and organizations can perform online query of FY2024 income data using electronic certificates from April 28, 2025 to June 30, 2025

The relevant guidelines are as follows:

1. Scope of income data that may be queried: All income categories subject to filing of withholding and non-withholding tax statements (including government subsidies, but excluding customs refund and insurance claims).
2. Query webpage: <https://www.etax.nat.gov.tw/etwmain/tax-info/113-year-income-data-area>
3. Companies/institutions/organizations that do not adopt calendar year end should also visit the query webpage to inquire, download, and save income data during said period.

Value-Added Tax

Ministry of Finance announced amendment to tax registration threshold for foreign electronic service providers on April 7, 2025, which is increased from NT\$480,000 to NT\$600,000 in annual B2C sales

According to the revised regulations, effective immediately from the announcement date, for foreign companies, institutions, and organizations without a fixed place of business in Taiwan that sell electronic services to Taiwan individuals via the internet or other digital means (i.e., foreign electronic services providers), where annual B2C sales exceed NT\$600,000, tax registration should be performed with the competent authority.

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