



# GMS Flash Alert

2023-230 | December 1, 2023



## United States – U.S.-Taiwan Double-Tax Mitigation Bill Moves Forward

On November 30, 2023, the U.S. House Committee on Ways and Means approved the *United States-Taiwan Expedited Double-Tax Relief Act*.<sup>1</sup>

As reported in [GMS Flash Alert 2023-183](#) (September 21, 2023), the bill, which has bipartisan support, would address the double taxation of American and Taiwanese tax residents. The bill includes provisions that address permanent establishment, income from employment, and residency issues.

If passed and signed into law, Taiwan would need to enact reciprocal legislation for the bill's measures to take effect.

KPMG is planning on releasing a detailed report of this proposal.

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### WHY THIS MATTERS

While this bill does not constitute a full-fledged, traditional convention between the U.S. and Taiwan with respect to taxes on income and capital, it does aim to foster cross-border commerce and mitigate double taxation faced by cross-border businesses, investors, and workers.

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### More Information on the Legislation

The staff of the Joint Committee on Taxation released a description of the chairman's mark of the act ([JCX-52-23](#)) and a description of the chairman's modification to the chairman's mark ([JCX-55-23](#)).

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## KPMG INSIGHTS

KPMG LLP (U.S.) is following the legislative process of the “United States-Taiwan Expedited Double-Tax Relief Act” and will be providing further updates as necessary. As noted above, KPMG will be providing further analysis as to how this bill may impact global mobility programs should it pass Congress and be signed into law.

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### FOOTNOTES:

1 Read the description of the chairman's amendment prepared by the JCT dated November 29, 2023: [JCX-55-23](#). Read the description the *U.S.-Taiwan Expedited Double-Tax Relief Act* prepared by JCT dated November 28, 2023: [JCX-52-23](#).

For a related report, see "Legislative update: House Ways and Means approves Taiwan double-tax relief bill" in *TaxNewsFlash* (November 30, 2023), a publication of KPMG LLP in the United States at: <https://kpmg.com/us/en/home/insights/2023/11/tmf-house-ways-means-approves-taiwan-double-tax-relief-bill.html>.

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### **2024 Personal Tax Planning Guide Now Available!**

Prepared by professionals from the Washington National Tax office, the [KPMG 2024 Personal Tax Planning Guide](#) provides information and planning tips to help you make sense of the complex and ever-evolving array of U.S. federal tax rules affecting individuals and their closely held businesses. Each chapter in this guide includes a brief overview of tax rules and planning tips that might be relevant to you.

**The above information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230 as the content of this document is issued for general informational purposes only.**

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