KPMG

Taxation of international executives: Taiwan

February 2026

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01

Overview and Introduction

1 Overview and Introduction

Personal income tax is levied on the source principles. Generally, only income derived from activities or work carried out in Taiwan, or other income from sources in Taiwan, is subject to tax.

Nevertheless, if a resident's non-Taiwan sourced income exceeds TWD 1,000,000, such income is subject to Basic Tax, generally referred as Alternative Minimum Tax (AMT).

A resident's net taxable income is taxed at progressive rates ranging from 5 percent to 40 percent. For non-resident foreign individuals, the tax rate is fixed at 18 percent on gross salary income and 20 percent on other income.

The official currency of Taiwan is the Taiwan Dollar (TWD).

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Income tax

2 Income Tax

2.1 Tax Returns and Compliance

When are tax returns due?

31 May of the following year (i.e., the year ending 31 December) and extension of the filing deadline is generally not allowed.

However, if the taxpayer permanently leaves Taiwan during the year, the taxpayer is required to file final tax return before departure.

What is the tax year-end?

31 December. Taiwan follows the calendar year (January 1st to December 31st).

What are the compliance requirements for tax returns in Taiwan?

For any foreign individuals having income from sources in Taiwan, individual income tax shall be levied on the income derived from such sources in accordance with the Income Tax Act. Foreign taxpayers can be categorized as Non-Residents and Residents based on the number of days they resided in Taiwan in a calendar year:

Non-Residents

- For a foreign individual who stayed in Taiwan for 90 days or less within a calendar year, the income derived from sources in Taiwan shall be withheld at source according to the withholding rate and paid at the respective sources. The taxpayer does not need to file an income tax return. However, if an individual has income derived from property transaction, occasional trade, interest from mortgages, etc., from Taiwan sources, he/she should declare and pay tax prior to departure.
- For a foreign individual who stays in Taiwan over 90 days but less than 183 days within a calendar year, individual income tax should be filed. The individual will be taxed on remuneration received onshore or abroad for services rendered in Taiwan at 18 percent tax rate on gross salary.

Residents

- A foreign individual who stays in Taiwan for 183 days or longer within a calendar year is regarded as a resident for tax purposes. Such individual's remunerations received from onshore and abroad for services rendered in Taiwan and other types of income sourced from Taiwan shall be declared and calculated based on a progressive rate basis. His/her net consolidated income (i.e., taxable income) shall be the annual gross consolidated income.

Severe penalties for omission and failure to file a return

In the case where the taxpayer is found by the tax authority for failure of filing the tax return and paying the tax due in accordance with the rules, the taxpayer is subject to a fine up to three time of underpaid tax. The tax authority can also inform the immigration authority to disapprove the taxpayer's departure from Taiwan. However, if the taxpayer files his/her tax return and pays tax due before the tax authority finds out such non-compliance, except for interest on the amount of tax due, the penalty could be exempted.

Penalty provisions

Situation	Penalty
Failure to pay tax due by 31 May	Interest is charged on any tax due and delinquent surcharge is imposed after 31 May.
Tax return not submitted at all	The penalty up to three times of the tax due may be imposed.
Failure to report income	The penalty up to two times of the tax due may be imposed.
Failure to pay income tax due	Generally, this situation does not arise since the tax office will only accept a fully paid tax return.
Incorrect or fraudulent return	The earlier mentioned penalty may be imposed depending on the actual circumstances.

Statute of limitations

For taxpayers who have filed in accordance with the income tax law, the statute of limitations is 5 years. For taxpayers who fail to file in accordance with the income tax law, the statute of limitations is 7 years.

Residents

The tax compliance rules are same for residents and non-residents.

Non-residents

The tax compliance rules are same for residents and non-residents.

2.2 Tax Rates

What are the current income tax rates for residents and non-residents in Taiwan?

Residents

Residents pay the greater of Regular Income Tax or the Basic Tax. Please see the income tax bracket for Regular Income for 2026 tax year in New Taiwan dollar (TWD):

Taxable income bracket		Tax rate on income in bracket
From TWD	To TWD	Percent
0	610,000	5%
610,001	1,380,000	12%
1,380,001	2,770,000	20%
2,770,001	5,190,000	30%
5,190,001	Above	40%

Basic Tax is taxed at a rate of 20% on the net amount of Basic Income after deducting the exemption amount of TWD 7,500,000. Basic Income amount includes Regular Net Taxable Income amount as prescribed in the Income Tax Act and the following add-back items:

- Overseas income (if overseas income is over TWD 1,000,000)

- Gain from the sale of Taiwan unlisted company's shares (starting from January 1, 2021)
- Other items (e.g., income derived from transactions of beneficiary certificates of privately placed securities investment trust funds in Taiwan)

Non-residents

For non-resident foreign individuals, the income tax rate is flat at 18 percent on salary income for remuneration received onshore or abroad in relation to services rendered in Taiwan. The tax rate is 20 percent on other income.

Additionally, from 1 January 2018, withholding tax on dividend income for non-residents is increased from 20 percent to 21 percent.

2.3 Residence Rules

For the purposes of taxation, how is an individual defined as a resident of Taiwan?

For tax purposes, an individual is considered a resident of Taiwan if they meet either of the following criteria:

- They are domiciled in Taiwan and habitually reside in Taiwan at all times (i.e., having the center of their lives and economy located in Taiwan).
- They are not domiciled in Taiwan but has stayed in Taiwan for 183 days or more during a taxable calendar year.

The individual is considered a non-resident if they do not satisfy either of the previous mentioned criteria.

Is there a de minimis number of days when it comes to residency start and end dates? For example, a taxpayer can't return to the host country/jurisdiction for more than 10 days after their assignment is over and they repatriate.

No, the residency test will be determined by the total number of days the foreigner stays in Taiwan in a calendar year.

What if the assignee enters the country/jurisdiction before their assignment begins?

The days will be counted as if they physically stayed in Taiwan even before their assignment begins.

2.4 Termination of Residence

Are there any tax compliance requirements when leaving Taiwan?

Individual residents should file their returns for the current year before leaving Taiwan permanently.

What if the assignee comes back for a trip after residency has terminated?

The days will be counted as if they physically stayed in Taiwan even after residency has terminated.

Communication between immigration and taxation authorities

Do the immigration authorities in Taiwan provide information to the local taxation authorities regarding when a person enters or leaves Taiwan?

The local taxation authority can directly link to the immigration authority to review such information.

Filing requirements

Will an assignee have a filing requirement in the host country/jurisdiction after they leave the country/jurisdiction and repatriate?

It is possible, if they have Taiwan-sourced income to report. For example, if the assignee exercises the stock option after they depart from Taiwan, but they worked in Taiwan from the grant date to the vesting date, they will have Taiwan-sourced income in the year of exercise.

2.5 Economic Employer Approach

Do the taxation authorities in Taiwan adopt the economic employer approach to interpreting Article 15 of the Organization for Economic Co-operation and Development (OECD) treaty? If no, are the taxation authorities in Taiwan considering the adoption of this interpretation of economic employer in the future?

Information is not available.

De minimus number of days

Are there a de minimus number of days before the local taxation authorities will apply the economic employer approach? If yes, what is the de minimus number of days?

Information is not available.

2.6 Types of Taxable Compensation

What categories are subject to income tax in general situations?

In general, all remuneration and benefits received by an employee for services rendered in Taiwan are considered taxable income, regardless of where such payments are made. This applies only to those who have remained in Taiwan for longer than 90 days in a calendar year.

Types of compensation included as taxable income are as follows:

- base salary and bonus
- cost-of-living allowance
- if employees are reimbursed for car expenses incurred on company business, this is not considered taxable income unless compensation exceeds equivalent taxi or ticket prices of trains and buses
- home leave for expatriates is deemed not taxable if supported by appropriate invoices and contracted for in the employment agreement.
  - However, home leave expenses for other family members paid by the employer are taxable.
- expatriation premium
- education for dependent children
- the employee's portion of pension contributions made by the employer on behalf of the employee is taxable
- relocation allowance
- group life insurance payments exceeding TWD 2,000 per month made by the employer on behalf of the employee are considered taxable income
  - However, the employer's portion of contribution to Labor Insurance and National Health Insurance is not taxable.
- taxes paid on behalf of an employee by the employer are considered taxable income.

Intra-group statutory directors

Will a non-resident of Taiwan who, as part of their employment within a group company, is also appointed as a statutory director (i.e., member of the Board of Directors in a group company

situated in Taiwan) trigger a personal tax liability in Taiwan, even though no separate director's fee/remuneration is paid for their duties as a board member?

Whether the director would trigger Taiwan individual tax will depend on if he/she has physical presence in Taiwan.

Will the taxation be triggered irrespective of whether or not the board member is physically present at the board meetings in Taiwan?

If the board member is physically present at the board meetings in Taiwan, he/she may trigger Taiwan individual income tax depending on the days he/she stays in Taiwan and if the relevant costs are charged to a Taiwan entity.

Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Taiwan (i.e., as a general management fee where the duties rendered as a board member is included)?

No, as whether the board member may trigger Taiwan individual income tax depends on if he/she is physically present in Taiwan and receive remuneration in Taiwan.

In the case that a tax liability is triggered, how will the taxable income be determined?

In general, taxable income will be determined based on the board member's remuneration received in Taiwan.

2.7 Tax-Exempt Income

Are there any areas of income that are exempt from taxation in Taiwan? If so, please provide a general definition of these areas.

The following items are exempt from individual income tax given certain criteria are met.

- Salary paid by a foreign government to foreign technicians and professors for services rendered in Taiwan under an agreement between the governments.
- A meal allowance of up to TWD 3,000 per month is exempt from individual income tax.
- Overtime pays of up to 46 hours on weekdays per month is exempt from tax and in excess of this level is considered taxable income.
- A daily allowance for food, lodging, and living expenses received by foreign technicians or professionals hired by a Taiwanese government agency or a private enterprise to provide service in Taiwan and stay for not more than 90 days shall be exempt from tax up to TWD 2,000 per day upon the approval of the Ministry of Economic Affairs.
- Moving expenses paid for by the employer for the shipping of an employee's household goods for the period of assignment are tax-exempt. In addition, the national tax administration under the Ministry of Finance in all districts is responsible for the identification and review of the relevant documents of foreign professionals applying for tax preferences in accordance with the Scope of Application for Tax Preferences Provided to Foreign Professionals.
- If the employer provides housing for the employee, rather than pay a cash allowance or reimbursement, the value of the benefit may be wholly excluded from taxation. In addition, the national tax administration under the Ministry of Finance in all districts is responsible for the identification and review of the relevant documents of foreign professionals applying for tax preferences in accordance with the Scope of Application for Tax Preferences Provided to Foreign Professionals.

2.8 Expatriate Concessions

Are there any concessions made for expatriates in Taiwan?

Effected on February 8 2018, in accordance with Article 20 of the Act for the Recruitment and Employment of Foreign Professionals, where a foreign special professional engages in professional work and meets specified conditions, does not have household registration within Taiwan and has for the first time been approved to reside in Taiwan for the purpose special skilled of work, or has obtained an Employment Gold Card (EGC)* under the provisions of the previous Article, and during the period of validity of the Employment Gold Card* is employed to conduct professional work, then within 5 years starting from the tax year in which said person for the first time meets the conditions of residing in the State for a full 183 days of the year and having salary income of more than TWD3 million, the part of said person's salary income above TWD3 million in each such tax year in which said person resides in Taiwan for fully 183 days shall be halved in amount in the computation of total income for the assessment of individual income tax liability in that year.

*An approval from the National Immigration Agency, Ministry of the Interior.

2.9 Salary Earned from Working Abroad

Is salary earned from working abroad taxed in Taiwan? If so, how?

For the foreigner, if their income is paid and borne by the offshore company and they stay in Taiwan for less than 90 days in a taxable year, the income earned from working abroad is not taxed in Taiwan. However, if their income is paid or borne by the Taiwan Company, such income is taxed in Taiwan though it may be earned from working abroad.

If the foreigner stays in Taiwan for longer than 90 days in a taxable year, the compensation in relation to his or her services performed while in Taiwan is generally taxed in Taiwan.

2.10 Taxation of Investment Income and Capital Gains

Are investment income and capital gains taxed in Taiwan? If so, how?

Dividends, interest, and rental income

- **Interest**

For each year, the first TWD 270,000 of interest earned from financial institutions (sourced in Taiwan) is excluded from a resident individual's taxable income and in excess of TWD 270,000 is considered taxable income. In addition, interest on short-term bills (subject to 10 percent withholding for resident and 15 percent for non-resident) and tax-free postal passbook savings accounts is not included in while calculating the above tax exempted interest TWD 270, 000.

- **Dividend**

Normally, cash and stock dividends distributed from the local company are taxable.

From 1 January 2019 onwards, surtax on undistributed earnings can no longer be credited against dividend withholding tax. In addition, from 1 January 2018, withholding tax on dividend income for non-residents is increased from 20 percent to 21 percent.

- **Rental income**

Rental and royalty income is taxed net of certain necessary expenses. A standard percentage is allowed as a deduction from rental income if preferred. The current deduction is 43 percent of the gross rental income.

Gains from stock option exercises

Residency status	Taxable at:		
	Grant	Vest	Exercise
Resident	N	N	Y
Non-resident	N	N	Y

Foreign exchange gains and losses

Foreign Exchange Gains and Losses derived within Taiwan are normally taxable.

Principal residence gains and losses

The new capital gain tax applied to (1) buildings and land acquired after 1 January 2016, or (2) buildings and land acquired after 2 January 2014 but being held for less than 2 years. The new capital gain tax is payable within 30 days from the following date the ownership registration is completed.

Effective on July 1, 2021, the below new capital tax rates apply on the sale of building and land:

Holding Time	Resident	Non-resident
Time =< 2 years	45%	45%
2 years< Time <= 5 years	35%	35%
5 years <Time <= 10 years	20%	35%
10 years <Time	15%	35%

If the resident holds the principle residence over 6 years and meets the qualifications under the Act, the capital gain TWD4,000,000 is tax exempted and the excess over TWD4,000,000 is taxed at 10%.

Capital losses

Basically, the capital loss can offset the capital gain of the same capital type. The remaining capital loss, if any, cannot offset the other capital gain or income.

Personal use items

Generally, the gain from selling personal clothes, furniture is not taxable.

Gifts

Gifts (cash and non-cash) from employers are general taxable benefits-in-kind.

2.11 Additional Capital Gains Tax (CGT) Issues and Exceptions

Are there additional capital gains tax (CGT) issues in Taiwan? If so, please discuss?

There is no capital gains tax on selling stocks in Taiwan effective on 1 January 2016. However, the gain from the sale of Taiwan unlisted company's shares is subject to the Basic Tax starting from January 1, 2021.

As for capital gain tax on sales of land and buildings, please refer to Section **Taxation of Investment Income and Capital Gains.**

Are there capital gains tax exceptions in Taiwan? If so, please discuss? Pre-CGT assets

There is no capital gains tax on selling stocks in Taiwan effective on 1 January 2016. However, the gain from the sale of Taiwan unlisted company's shares is subject to the Basic Tax starting from January 1, 2021.

Deemed disposal and acquisition

No particular issues. The general tax principle applies.

2.12 General Deductions from Income

What are the general deductions from income allowed in Taiwan?

Tax residents of Taiwan are entitled to the following exemptions and deductions.

Exemptions

For 2026, the personal exemption allowed for an individual, their spouse and each qualified dependent is TWD 101,000. For a lineal ascendant who is at least 70 years old, the personal exemption is TWD 151,500.

Deductions

The taxpayer is entitled to claim the greater of itemized deductions or standard deduction.

- **Standard deduction**

  - TWD 136,000 for a single taxpayer and TWD 272,000 for a married taxpayer.

- **Itemized deduction**

  - **Donation:** Donation made to officially registered educational, cultural, or public welfare and charitable organizations or agencies is deductible. The deduction should not be more than 20% of the gross consolidated income. Donations made to national defense, or the government is not subject to this 20 percent restriction.
  - **Insurance premiums:** Insurance premiums paid for life or labor insurance by the taxpayer on behalf of themselves, their spouse, or lineal relatives may be deducted to the extent of TWD 24,000 per person.
  - **Premiums for National Health Insurance:** Insurance premium paid for National Health Insurance are fully deductible.
  - **Medical and Maternity Expenses:** Medical and childbirth expenses incurred by the individual or their spouse and paid to a public hospital, an approved private hospital, or clinic shall be deductible insofar as they are not compensated by insurance.
  - **Losses from Disasters:** Losses caused by natural disasters are deductible. However, no deduction allowed for the portion of losses that is covered by insurance or other benefits/reliefs. To claim a deduction, the taxpayer should apply to the tax authorities for an investigation to appraise the losses within 30 days after the disaster's occurrence.
  - **Mortgage Interest Paid on a Loan for an Owner-Occupied Residence:** Mortgage interest incurred and paid by the individual to a financial institution for a loan to purchase a self-use residential dwelling shall be deductible up to TWD 300,000 per income tax return. Such a deduction is limited to one house or property only. However, if the taxpayer also claims a special deduction for savings and investment (see below special deductions for savings and investments), the special deduction should be subtracted from the interest.

- **Special Deductions**

  In addition, the taxpayer may claim the following special deductions:

- **Special deduction for wage:** Each salary or wage earner can deduct up to TWD 227,000 of their salary or wage income from their taxable income.
- **Special deduction for disability:** TWD 227,000 disability deduction is allowed for each taxpayer, spouse, and dependent who is a mental patient or a disabled person.
- **Special deduction for tuition:** A taxpayer may claim a maximum deduction of TWD 25,000 for each dependent child, if their child/children are attending colleges/universities without subsidies or scholarships.
- **Special deduction for pre-school children:** A taxpayer who has children under or equal to 6 years of age may claim the special deduction of TWD 150,000 per child per year for the first child and the next child is TWD 225,000 per child per year.
- **Special deduction for long term care:** the taxpayer, his/her spouse or any dependent who has a physical or mental disability and requires long term care services, as announced by the Ministry of Health and Welfare, may claim the special deduction of TWD 180,000 per person per year if his/her circumstances do not fall under any of the conditions (see Notes).
- **Special deduction for rent for housing:** A taxpayer, spouse or dependent who incurred and paid rent as their own residence within a tax year can deduct up to TWD 180,000 per year per return, not including government subsidy, if his/her circumstances do not fall under any of the conditions (see Notes). The rental residence must be solely for personal residing purposes, not business related, etc. However, no deduction shall be available for taxpayers, spouses, or lineal dependent(s) who own a house in Taiwan.
- **Special deduction for property transaction losses:** Losses from property transactions may be deducted from the gains from property transactions for the same year. However, losses arising from the sale of land or securities are not deductible. If the deductible amount exceeds the gains, the difference may be carried forward for up to three years.
- **Special deduction for saving and investments:** A maximum of TWD 270,000 per year per return of interest earned from financial institutions (sourced in Taiwan) can be deducted from a resident individual's taxable income.

Basic Living Expense Difference (Deduction)

- **Basic Living Expense Difference:** The total basic living expense shall be calculated in accordance with the expense of basic living for each person, TWD 213,000 announced by the Central Authority for 2025, multiplied by the number of persons in one tax return. If the amount of basic living expense is higher than the sum of exemptions, standard deduction (or itemized deduction) and the above special deductions excluding special deduction for wages and for property transaction losses, the difference can be used as an additional deduction from the gross consolidated income.

If a resident of Taiwan intends to depart and will not return within the same calendar year, the amounts for exemptions, standard deduction, and basic living expense shall be calculated in proportion to the total number of days he/she stayed in Taiwan.

Notes:

1. After deducting the special deduction for long-term care and for rent for housing, the taxpayer's tax rate is equal to or greater than 20% or the tax rate of the taxpayer's or his/her spouse's separately computed salary or categorized income is equal to or greater than 20%. This also applies to taxpayers who opt for the single tax rate of 28% on the total amount of the dividends and earnings that is computed separately.
2. The amount of the basic income of the taxpayer is greater than TWD $7,500,000.

2.13 Tax Reimbursement Methods

What are the tax reimbursement methods generally used by employers in Taiwan?

The actual tax reimbursement method is generally used.

2.14 Calculation of estimates/ prepayments/ withholding

How are estimates/prepayments/withholding of tax handled in Taiwan? For example, Pay-As- You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

For a taxpayer receiving salaried income, the employer must withhold tax payable at the time of payment (by the Taiwan entity) as per the prescribed tax rates and withholding procedures, and report and pay the tax withheld in accordance with the provisions of the income tax law.

Pay-as-you-go (PAYG) withholding

The Taiwan employer must withhold tax payable at the time of payment.

PAYG instalments

No instalments arrangement.

2.15 Relief for Foreign Taxes

Is there any Relief for Foreign Taxes in Taiwan? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

Under the regular tax, there is no relief for foreign taxes allowed for foreign expatriates. However, if the resident pays alternative minimum tax due to the inclusion of their offshore income, they may claim the foreign tax credit given that the supporting documents are submitted.

2.16 General Tax Credits

What are the general tax credits that may be claimed in Taiwan? Please list below.

The general tax credits include investment tax credit and home re-purchase tax credit.

2.17 Sample Tax Calculation

This calculation assumes a married taxpayer resident in Taiwan with two children whose 3-year assignment begins 1 January 2023 and ends 31 December 2025. The taxpayer's base salary is 100,000 US dollars (USD) and the calculation covers 3 years.

Calendar	2023 USD	2024 USD	2025 USD
Salary	100,000	100,000	100,000
Bonus	20,000	20,000	20,000
Cost-of-living allowance	10,000	10,000	10,000
Net housing allowance	12,000	12,000	12,000
Company car	6,000	6,000	6,000
Moving expense reimbursement	20,000	0	20,000
Home leave	0	5,000	0
Education allowance	3,000	3,000	3,000
Interest income from non-local sources	6,000	6,000	6,000

Exchange rate used for calculation: USD1.00 = TWD30.

Other assumptions

- All earned income is attributable to Taiwan sources.
- Bonuses are paid at the end of each tax year and accrue evenly throughout the year.
- Interest income is not remitted to Taiwan.
- The company car is used for business and private purposes and originally cost USD 50,000.
- The employee is deemed resident throughout the assignment.
- Tax treaties and totalization agreements are ignored for the purpose of this calculation.

Calculation of taxable income

Year-ended 31 December	2023 USD	2024 USD	2025 USD
Days in Taiwan during year	**365**	**365**	**365**
Earned income subject to income tax			
Salary	3,000,000	3,000,000	3,000,000
Bonus	600,000	600,000	600,000
Cost-of-living allowance	300,000	300,000	300,000
Net housing allowance	360,000	360,000	360,000
Company car	0	0	0
Moving expense reimbursement	0	0	0
Home leave	0	150,000	0
Education allowance	90,000	90,000	90,000
Total earned income	4,350,000	4,500,000	4,350,000
Deductions	823,000	868,000	868,000
Basic living expense difference	192,000	190,000	202,000
Total taxable income	3,335,000	3,442,000	3,280,000

Calculation of tax liability

Year-ended 31 December	2023 TWD	2024 TWD	2025 TWD
Taxable income as above	3,335,000	3,442,000	3,280,000
Taiwanese tax thereon	608,500	618,900	570,300
Less:			
Domestic tax rebates (dependent spouse rebate)	0	0	0
Foreign tax credits	0	0	0
Total Taiwanese tax	608,500	618,900	570,300

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Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency Rules

Are there special residency considerations for short-term assignments?

If the foreigner stays in Taiwan for 90 days or less in a calendar year and their income is paid and borne by the foreign employer, their employment income is not taxed in Taiwan.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

The foreigner should have a valid work permit before receiving the employment income from the Taiwanese company under Taiwan payroll.

3.3 Taxable income

What income will be taxed during short-term assignments?

Basically, all Taiwan-sourced income is taxed in Taiwan. However, if the foreigner stays in Taiwan for 90 days or less in a calendar year and their income is paid and borne by the foreign company, their employment income is not taxed in Taiwan.

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in Taiwan?

No.

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Other taxes and levies

4 Other taxes and levies

4.1 Social Security Tax

Are there social security/social insurance taxes in Taiwan? If so, what are the rates for employers and employees?

Employer and employee

National health insurance rate currently is 5.17 percent of insurable amount, and the maximum insurable amount is TWD 313,000/month. The insurance premium will increase if there is an additional family member. For the following table, we assume that the employee is single.

Labor insurance rate currently is 11.5 percent of insurable amount for foreign national and 12.5% for Taiwan national employee and the maximum insurable amount is TWD 45,800 per month. The employer and employee contribution rates for national health insurance and labor insurance are listed as below:

Type of insurance	Paid by employer	Paid by employee	Paid by government	Total
National health insurance	4.839%	1.551%	0.517%	6.907%
Labor insurance (foreign)	8.05%	2.30%	1.15%	11.5%
Labor Insurance	8.75%	2.50%	1.25%	12.5%
Total	12.889% 13.589%	3.851% 4.051%	1.667% 1.767%	18.407% 19.407%

4.2 Gift, Wealth, Estate, and/or Inheritance Tax

Are there any gift, wealth, estate, and/or inheritance taxes in Taiwan?

Gift tax is based on all property transferred annually and includes:

- Gift made by a person who is a Taiwanese citizen and regularly resides in Taiwan, irrespective of whether the property gifted is located within or outside of Taiwan.
- Gift made by a person who is a Taiwanese citizen but reside outside Taiwan regularly, or who is not a Taiwanese citizen, only if the property given is located within Taiwan.

Generally, the taxpayer is the donor.

Estate tax is based on all property transferred at death. The scope of estate tax covers the following:

- Property left by the deceased who was a Taiwanese citizen and regularly resided in Taiwan, irrespectively of whether the location of the property is within or outside Taiwan.

- Property left by the deceased who was a Taiwanese citizen but resided outside Taiwan regularly, or who was not a Taiwanese citizen, only when the property is located within Taiwan.

The total estate is valued according to the prescribed property value prevailing at the time of death.

4.3 Real Estate Tax

Are there real estate taxes in Taiwan?

Yes, Land value tax is levied on a taxpayer's total land value assessed and publicly announced by the relevant local government authority at progressive rates ranging from 1% to 5.5%, or at special rates depending on the use of the land. Besides, the transfer of land in Taiwan is subject to Land Value Incremental Tax.

A House tax is imposed on all buildings in Taiwan at varying rates, depending on their classification. It is levied annually on the assessed value of the building at a rate ranging from 1.2% to 3.6% for residential buildings and 3% to 5% for commercial buildings.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Taiwan?

Yes. In general, a 5 percent value-added tax will be imposed on goods and services sold or provided in Taiwan and goods imported into Taiwan.

4.5 Unemployment tax

Are there unemployment taxes in Taiwan?

There is no unemployment tax in Taiwan.

4.6 Other taxes

Are there additional taxes in Taiwan that may be relevant to the general assignee? For example, customs tax, excise tax, stamp tax, and so on.

No.

Land tax

If the assignee owns the land, they need to pay Land Value Tax annually (see above real estate tax).

Payroll tax

No, there is no payroll tax.

4.7 Other taxes

Is there a requirement to declare/report offshore assets (e.g., foreign financial accounts, securities) to the country/jurisdiction's fiscal or banking authorities?

There is no such requirement.

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Immigration

5 Immigration

Following is an overview of the concept of Taiwan's immigration system for skilled labor.

(E.g., which steps are required, authorities involved, in-country/territory and foreign consular processes, review/draft flow chart illustrating the process)

The relevant procedures are listed out as below:

- Apply to the Council of Labor Affairs to obtain the work permit (Note): approx. 8-9 working days (online application)Apply to the National Immigration Agency for issuance of the Alien Resident Certificate and re-entry permit.

Note: There are two kinds of applications for obtaining the work permit in Taiwan:

1 **The foreign national is employed by the local company directly.**

The employer and foreign employee shall comply with relevant requirements to apply for the work permit. The applicant will be the employer. The general work permit and special skilled work permit are included.

2 **The foreign national is dispatched to Taiwan to perform the service contract between the foreign company and a local company.**

The applicant will be the local company or an authorized person.

- In case the working period is less than 30 days, the foreign national's entry visa can be deemed as the work permit. No work permit is needed to be applied.
- In case the working period is 30-90 days, the work permit is required to be applied. However, the government authority will not review the foreign national's education/work experience background.
- In case the working period is more than 90 days, the work permit is required to be applied. The foreign national shall comply with relevant requirements related to education/work experience background to apply for the work permit.

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Taiwan as non-visa national, (b) which activities they may perform and (c) the maximum length of stay.

The non-visas types, the maximum length of stay and eligible countries are outlined as below:

Visa-exempt entry:

- **A duration of stay of up to 90 days:**
- Albania, Andorra, Australia, Austria, Belgium, Bulgaria, Canada, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Eswatini*, Finland, France, Germany, Greece, Guatemala, Haiti, Holy See, Honduras*, Hungary, Iceland, Ireland, Israel, Italy, Japan*, Kosovo, Republic of Korea, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Marshall Island*, Monaco, Netherlands, New Zealand, Nicaragua, North Macedonia*(effective till March 31, 2030), Norway, Palau, Paraguay, Poland, Portugal, Romania, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tuvalu*, the United Kingdom, the United States of America*.

Note: Canadian and UK passport holders are eligible for the visa exemption program with a duration of stay of 90 days which is extendable up to 180 days.

- **A duration of stay of up to 30 days**
- Belize, Dominican Republic, Malaysia, Nauru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Singapore.
- **A duration of stay of up to 14 days**
- Thailand, Brunei, and the Philippines (effective until July 31, 2026)

Landing visa:

Eligible countries:

- Holders of emergency or temporary passports with validity of more than six months for nationals of those countries (except for US) eligible for visa-exempt entry.

Duration of stay:

- The 30-day duration of stay starts from the next day of arrival and is not extendable.
- The above-said landing visa cannot be converted to visitor or resident visa under normal circumstances.

In general, the visa just allows a foreigner to enter and stay in Taiwan. However, in case s/he will work in Taiwan, s/he shall obtain work permit before starting to work. In addition, in case a foreigner obtains the work permit validated over 6 months, s/he can use such work permit to obtain Alien Resident Certificate in Taiwan.

Describe (a) the regulatory framework for business traveler being visa nationals (especially the applicable visa type), (b) which activities they may perform under this visa type and the (c) maximum length of stay.

The visa types, the maximum length of stay and eligible countries are outlined as below. In addition, **below visas need to be applied in an R.O.C. (Taiwan) overseas mission before foreign nationals arriving in Taiwan:**

Visitor visa:

- **Eligible Persons:** Foreign nationals, who hold ordinary passports or other legal travel documents and who intend to stay in Taiwan for no more than six months for the purposes of transit; tour; visit relatives; undertake visits; undertake inspection tours; attend international conferences; conduct business; pursue short-term study; undertake short-term employment; undertake short-term missionary work; and engage in other activities in the ROC as approved by MOFA.
- **Duration of stay:** 14, 30, 60 or 90 days (Visitor Visa holders who are permitted to stay in Taiwan for sixty or ninety days and whose visas bear no such remark as "no extension will be granted" may apply at local service centers of the National Immigration Agency for a maximum of 120 or 90 days of extensions.)

Resident visa:

- **Eligible Persons:** foreign nationals, who hold ordinary passports or other legal travel documents, who intend to stay in the Republic of China for more than six months for the purpose of join family; pursed studies; undertake employment; invest; conduct missionary work; conduct official duties; participate in international exchange programs; and engage in other activities approved by MOFA or other relevant agencies at the central-government level.
- **Duration of stay:** Resident Visa holders are required to apply for the Alien Resident Certificate and Re-entry Permit at local service centers of the National Immigration Agency within 30 days starting

from the next day of their arrival. They may stay in the ROC (Taiwan) as long as the Alien Resident Certificate remains valid.

Note: If foreign nationals who have entered into ROC (Taiwan) with Visitor Visas are subsequently legally employed in the ROC (Taiwan), they may make the necessary change from their Visitor Visa into a Resident Visa in the ROC (Taiwan) directly.

The above regulations do not apply to blue collar workers or those who enter the ROC (Taiwan) via the visa exemption program or landing visa.

Outline the process for obtaining the visa type(s) named above and describe (a) the required documents (including any legalization or translation requirements), (b) process steps, (c) processing time and (d) location of application.

Foreign nationals shall obtain below visas from an ROC (Taiwan) overseas mission and the processing time will be decided by the ROC. (Taiwan) overseas mission case by case:

Visitor visa for employment purpose

Requirement:

- Completed & signed application form;
- Two passport-size photos in color within 6 months: Photos with a white color background; Passport (original & photocopy): Valid for 6 months with blank pages;
- Approval Letter issued by Ministry of Labor, Taiwan;
- Other additional documents may be required during processing: ticket, electronic ticket or proof of a travel agency.

Procedures:

- Applicants can lodge their applications with the necessary documents and statutory fee at our overseas missions.
- Interview may be required when necessary.

Resident Visas for White Collar Workers

Requirement:

- Application form;
- Two color passport-size photos: paste on the application form two color passport-size photos with a white background taken within 6 months;
- Passport and one photocopy of the passport: the passport must be valid for at least 6 months and there are blank pages left in it. One photocopy of the passport bio-page including the holder's picture is required;
- Original and one photocopy of work permit issued by competent authorities of central government of the R.O.C. (Taiwan): remaining period of employment indicated on the work permit must be more than 6 months at the time of Resident Visa application;
- **Other supporting documents: to be decided on a case-by-case basis. Applicants who apply for a Resident Visa after having arrived in the R.O.C. (Taiwan) are required to also present one photocopy of the Visitor Visa and the immigration entry stamp.**

Procedures:

- Applicants outside of the R.O.C. (Taiwan) are advised to apply for the visa from an R.O.C. (Taiwan) overseas mission.

- Applicants who enter the R.O.C. (Taiwan) on a non-extendable Visitor Visa for the purposes of employment, investment, business or tourism may apply for a Resident Visa 8 workdays before the duration of stay expires. The applicants may apply, without having to leave Taiwan, to the Bureau of Consular Affairs or any of its Central, Southwestern, Southern, or Eastern Taiwan Offices.

Note:

1 Visa issuance is an act of sovereignty. According to the "Statute Governing Issuance of R.O.C. Visas in Foreign Passport" and "Enforcement Rules for the Issuance of R.O.C. Visas to Foreign-Passport Holders," the R.O.C. reserves the right not to issue a visa and is under no obligation to disclose the reason. Application fee for no-issuance cases is non-refundable.

2 Processing of Resident Visa application inside the R.O.C. (Taiwan) takes 8 workdays. Resident Visa applicants are advised to apply to the Bureau of Consular Affairs 8 workdays before the duration of stay expires. Application will be turned down and fee not refunded in the event that required documents are not submitted in full within 7 days after the applicant is informed by the Bureau of Consular Affairs. In the event that the applicant's duration of stay expires while the Resident Visa is under processing and eventually rejected, the applicant is to assume the sole responsibility of overstay and the penalty therefore imposed.

3 Original documents are to be returned after review.

4 For visa application fees, please refer to "Standard Fees for R.O.C. (Taiwan) Visas in Foreign Passports"(pdf file).

5 Those who currently stay in the R.O.C. (Taiwan) as blue-collar workers may not apply for a Resident Visa for white collar workers.

6 Those who enter the R.O.C. (Taiwan) on a Resident Visa or get a Resident Visa after having arrived in the R.O.C. (Taiwan) must apply for an Alien Resident Certificate and Re-entry Permit at local service centers of National Immigration Agency. The former must apply within 15 days from the next day of arrival, and the latter must apply within 15 days from the Resident Visa issuance date. Duration of stay is noted on the Alien Resident Certificate.

7 Applicants who enter the R.O.C. (Taiwan) via visa exemption and have obtained a work permit for fulfilling contract purpose issued before or within 30 days of their entry may apply to the Bureau of Consular Affairs or any of its Central, Southwestern, Southern, or Eastern Taiwan Offices for an extendable Visitor Visa. For others who obtains work permits (exclude fulfilling contract purpose) granted for a period over 6 months, shall apply for their residency directly to the National Immigration Agency according to the "Act for the Recruitment and Employment of Foreign Professionals."

Are there any visa waiver programs or specific visa categories for technical support staff on short-term assignments?

No. Please see above visa information.

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Taiwan? In this context outline whether a local employment contract is required for the specific permit type.

For long-term assignments, the work permit is still same. However, a foreign special professional complying with relevant requirement may apply for special work permit or Employment Gold Certificate to enjoy the individual tax benefit.

For local employment, a local employment contract is required.

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit).

Please see above procedures information.

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments?

Unless specified otherwise, the monthly amount of average salary for employed foreigners shall be no less than TWD 47,971.

Can allowances be taken into account for the salary?

Allowance can be considered as one of the items of salary.

Is there a fast-track process which could expedite the visa/ work permit?

No.

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

They shall obtain work permit before starting to work.

Can a short-term permit/ business visa be transferred to a long-term permit in Taiwan?

It cannot be transferred. However, it can apply for extension before expired.

Is it possible to renew work and residence permits?

Yes.

Is there a quota or system or a labor market test in place?

No.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Taiwan?

Yes. However, they shall comply with relevant requirements.

What if circumstances change after the Work and Residence application process (e.g., change of employment or personal situation, including job title, job role or salary)?

The work permit or Alien Resident Certificate shall be amended in case there is any records is to be changed.

How long can a permit holder leave Taiwan without their permit becoming invalid?

No limitation. However, in case s/he back to Taiwan after the work permit/ARC was expired, it shall be applied as the new application, not the extension application.

Must immigration permissions be cancelled by the end of the assignment/employment?

Yes.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

Yes.

5.4 Other Important Items

List any other important items to note, or common obstacles faced, in Taiwan when it comes to the immigration processes.

None.

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