

FAQs for “Regulations Governing Reduction and Exemption of Income Tax of Foreign Specialist Professionals”

【General Principles】

Q1: What is the legal basis for the tax incentives for foreign specialist professionals? When were they put into practice? And what do they include?

- A1: 1. The tax incentives regulated in the “Act for the Recruitment and Employment of Foreign Professionals” (hereinafter referred to as “the Act”) came into force on February 8, 2018. A qualified foreign specialist professional may apply for this tax incentives from 2018. In order to enhance incentives for recruiting foreign specialist professionals, full text of the Act was amended and promulgated on July 7, 2021 and took effect on October 25, 2021 as approved by the Executive Yuan. Among the amendments is the extension of the applicable period of tax incentives from three years to five years under Article 20 (formerly Article 9). On September 24, 2025, the full text of the Act was amended and promulgated. Article 20 was renumbered as Article 22, and its content remains unchanged and takes effect on January 1, 2026.
2. From 2018, if a foreigner engages in professional work and meets certain requirements, then within 5 years starting from the taxable year in which the foreign specialist professional for the first time meets the conditions of residing in the R.O.C. for 183 full days of the year, and having a salary income of more than NT\$3 million, one half of the amount of the salary income exceeding NT\$3 million for each such year shall be excluded from the gross consolidated income for the assessment of individual income tax liability. In addition, any overseas income set forth in Subparagraph 1 of Paragraph 1 of Article 12 of the Income Basic Tax Act in such taxable year shall be excluded from the basic income.

【Applicable Subjects and Requirements】

Q2: What is the definition of “foreign specialist professionals?”

- A2: The term "foreign specialist professional" shall refer to a foreign professional who engages in professional work in the R.O.C. and possesses specific expertise needed by the R.O.C. in science & technology, digital economy, the economy, education, culture & the arts, sports, finance, law, architectural design, national defense, environmental protection, biotechnology, and other fields as announced by the central competent authorities, or who has been

recognized by the National Development Council in consultation with the central competent authorities as possessing specific expertise.

Q3: Following Q2, what is the definition of “professional work?”

A3: “Professional work” means the following work:

1. Work as specified in Subparagraphs 1 to 3, 5, and 6, Paragraph 1 of Article 46 of the Employment Service Act.
2. Work as specified in Subparagraphs 1 and 3, Paragraph 1 of Article 48 of the Employment Service Act.
3. A full-time foreign language teacher in a short-term tutorial school registered in accordance with the Supplementary and Continuing Education Act (hereafter referred to as “a short-term tutorial school”), or possessing specialized knowledge or skills, and approved as a short-term tutorial school teacher by the central competent authorities in consultation with the Ministry of Education.
4. A teacher of a subject other than a foreign language in a special class approved by the Ministry of Education for the children of foreign professionals, foreign specialist professionals, and foreign senior professionals, as well as a teacher employed by public and private senior high school level or below that implement bilingual education programs, teaching in either language or non-language domains such as arts, activities, and other fields or subjects related to their area of expertise, and assisting in relevant teaching activities, teacher training, and professional development programs.(The latter part applies to teachers hired under the bilingual education program, effective June 30, 2026)
5. Work in teaching academic subjects or foreign language courses, teacher training, curriculum development, and activity promotion, as specified in the Enforcement Act for School-based Experimental Education, the Act Governing the Commissioning of the Operation of Public Schools at Senior High School Level or Below to the Private Sector for Experimental Education, and the Enforcement Act for Non-school-based Experimental Education at Senior High School Level or Below.

Q4: Who is eligible to apply for the tax incentives for foreign specialist professionals?

A4: A foreign specialist professional, who has been recognized as possessing specific expertise announced by the central competent authorities, has obtained the approved employment of a foreign specialist professional issued by the

Ministry of Labor or by the Ministry of Education (if he/she is not required to apply for a permit under Article 7, Article 12, or Paragraph 1 of Article 31 of the Act, the approved employment of a foreign specialist professional shall be replaced by the certificate of specific expertise issued by the central competent authorities), or has obtained the Employment Gold Card issued by the National Immigration Agency, Ministry of the Interior (hereinafter referred to as the NIA), and has met all of the following requirements is eligible to apply for the tax incentives:

1. He/she has been approved for the first time to reside in the R.O.C. for the purpose of work.
2. He/she has engaged in professional work related to the recognized specific expertise in the R.O.C.
3. During the five years prior to the date of his/her employment engaged in professional work or the date of obtaining his/her Employment Gold Card, he/she had no household registration in the R.O.C. and was not an individual residing in the R.O.C. in accordance with the Income Tax Act.

Q5: If a foreigner, upon first coming to the R.O.C. for work, obtains the approved employment of a foreign specialist professional or an Employment Gold Card (hereinafter collectively referred to as “the approved employment of FSP or the Gold Card”) after obtaining residency in the R.O.C. under other approved employment, is he/she eligible to apply for the tax incentives for foreign specialist professionals?

A5: A foreigner who has first been approved to reside in the R.O.C. under other approved employment and subsequently applies for the approved employment of FSP or the Gold Card does not meet the requirement of being " the first time approved to reside in the R.O.C. for the purpose of work," and therefore is not eligible for the tax incentives for foreign specialist professionals. However, if a foreign specialist professional applies for the approved employment of FSP or the Gold Card, and simultaneously or subsequently applies for other approved employment and obtains such other approved employment first, then, upon subsequently obtaining the approved employment of FSP or the Gold Card and engaging in the same professional work under the same employment contract, he/she shall be deemed to have met the qualifications of a foreign specialist professional as of the date of obtaining such other approved employment. If the remaining conditions set forth in Q4 are met, he/she shall be eligible for the tax incentives.

Q6: Following Q4, if a foreigner had been previously approved to reside in the R.O.C. before being employed to engage in professional work, does he/she

still meet the requirement of “the first time approved to reside in the R.O.C. for the purpose of work”?

A6: If a foreigner had been previously approved to reside in the R.O.C. before being employed to engage in professional work in the R.O.C., but such approval was not given because of engagement in professional work (such as residence as a dependent, for study or for non-professional employment) the foreigner shall not be subject to the first-time approval requirement. (See Q14 for the example)

Q7: Following Q4, what are the specific dates of “the date of employment engaged in professional work” and “the date of obtaining the Employment Gold Card,” respectively?

A7: 1. “The date of his/her employment engaged in professional work” refers to the first date of the employment period of the approved employment of a foreign specialist professional issued by the Ministry of Labor or by the Ministry of Education, while “the date of obtaining his/her Employment Gold Card” refers to the “date of issue” shown on the Employment Gold Card.

2. If, as described in Q5, a foreign specialist professional applies for the approved employment of FSP or the Gold Card, and simultaneously or subsequently applies for other approved employment and obtains such other approved employment first, the relevant date shall be the first date of the employment period of such other approved employment.

Q8: Following Q4, how is “a person who has no household registration in the R.O.C. and is not an individual residing in the R.O.C. in accordance with the Income Tax Act” defined?

A8: 1. This refers to an individual who has no household registration in the R.O.C. and stays in the R.O.C. for fewer than 183 days within a taxable year (1/1~12/31).

2. If, as described in Q6, a foreign specialist professional had resided in the R.O.C. for the purpose of study prior to engaging in professional work and had obtained an associate degree or higher from a junior college or university in the R.O.C., the period of residence in the R.O.C. during such study, as well as any post-graduation extension of residency granted pursuant to Article 12 of the Act, shall not be counted toward the number of days of residence in the R.O.C. (See Q14 for the example)

Q9: Following Q4, what are the regulations for a foreign specialist professional who is not required to apply for a permit according to Article 7, Article 12, or Paragraph 1 of Article 31 of the Act?

A9: A foreign specialist professional who meets one of the following conditions is not required to apply for a permit to engage in professional work in the R.O.C.:

1. Employed as a consultant or researcher at any level of government or its subordinate academic research agencies (institutes).
2. Employed by public or registered private colleges/universities for lecturing or academic research as approved by the Ministry of Education.
3. Obtained permanent residency approved by the NIA.
4. Obtained an associate degree or higher in the R.O.C. and obtained a post-graduation extension of residency approved by the NIA.
5. Obtained R.O.C. nationality by naturalization while retaining foreign nationality and having no household registration in the R.O.C.
6. Approved for residency by the NIA pursuant to Subparagraph 1 or Subparagraph 4 of Paragraph 1 of Article 9 of the Immigration Act, and having a father or mother who is or was a national of the R.O.C. residing in the Taiwan Area with household registration.

【Explanation of the Applicable Period of the Tax Incentives】

Q10: How is the starting time for counting the “first 5 years” determined when a foreign specialist professional's salary income exceeds NT\$3 million and is eligible for the tax incentives?

A10: 1. The term "first 5 years" in the tax incentives shall start from the taxable year when the foreign specialist professional has resided in the R.O.C. for 183 full days for the first time, and has an annual salary income over NT\$3 million. The taxpayer cannot choose the starting year and applicable years as he/she wishes. (See Q11 to Q14 for the example)

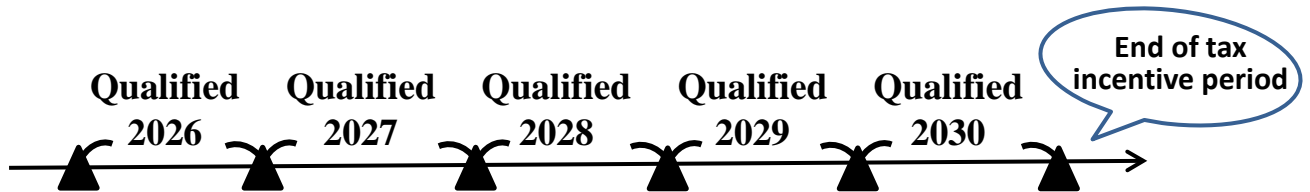
2. If a foreign specialist professional changes employers or employment during the five-year tax incentive period but continues to engage in professional work referred to in Q3, he/she may continue to apply for the tax incentives until the expiration of such five year period. (See Q15 for the example)

Q11: Example: Engaging in Professional Work in the R.O.C. for the First Time in 2026

David, obtaining the approved employment of a foreign specialist

professional in 2026 and meeting the requirements mentioned in Q4, resides in the R.O.C. for 183 full days and has an annual salary income over NT\$3 million derived from his professional work during the years 2026 to 2030. What is the applicable period of his tax incentives?

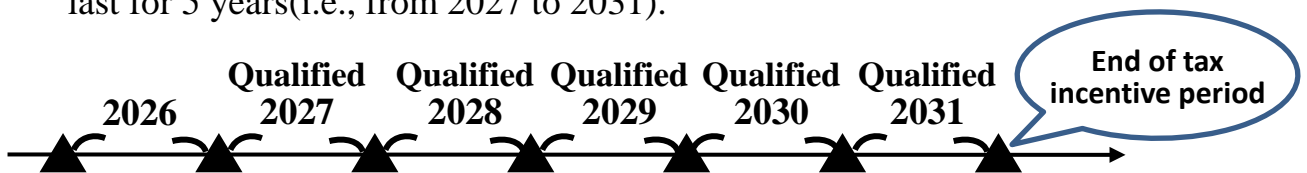
A11: Year 2026 is the first applicable year and David can apply for the tax incentives from 2026 to 2030.



Q12: Example: Engaging in Professional Work in the R.O.C. for the First Time in 2026 but Becoming Eligible for the Tax Incentives in the Following Years

David, obtaining the approved employment of a foreign specialist professional in 2026 and meeting the requirements mentioned in Q4 (but residing in the R.O.C. for fewer than 183 days or earning less than NT\$3 million in salary income derived from professional work in that year), resides in the R.O.C. for 183 full days and has an annual salary income over NT\$3 million derived from his professional work in 2027 and continues to meet the requirements in each year through 2031. What is the starting time and the applicable period of his tax incentives?

A12: Since David's salary income is less than NT\$3 million or the total days of his residence in the R.O.C. are fewer than 183 days in 2026, 2027 is the first taxable year in which he qualifies for the tax incentives, and the tax incentives last for 5 years(i.e., from 2027 to 2031).



Q13: Example: Engaging in Professional Work in the R.O.C. for the First Time in 2026 but Meeting the Tax Incentives Requirements in Only Certain Year

David, obtaining the approved employment of a foreign specialist professional in 2026 and meeting the requirements mentioned in Q4, resides in the R.O.C. for 183 full days and has an annual salary income over NT\$3 million derived from his professional work in 2027, 2029, and 2031 (his salary income is less than NT\$3 million or the total days of his

**residence in the R.O.C. are fewer than 183 days in 2026, 2028, and 2030).
What is the starting time and the applicable period of his tax incentives?**

A13: Since David's salary income is less than NT\$3 million or the total days of his residence in the R.O.C. are fewer than 183 days in 2026, 2027 is the first taxable year in which he qualifies for the tax incentives, and the tax incentives last for 5 years (i.e., from 2027 to 2031). In addition, since David's salary income is less than NT\$3 million or the total days of his residence in the R.O.C. are fewer than 183 days in both 2028 and 2030, the applicable years for David's tax incentives are 2027, 2029, and 2031.



Q14: Example: Engaging in Professional Work in the R.O.C. for the First Time in 2026 but Having Resided in the R.O.C for Study in the Previous Year

David has been in Taiwan for study since September 1, 2022, without household registration in the R.O.C. and continuously resides in the R.O.C. until his graduation from university on July 1, 2026. Thereafter, he is granted an extension of residency by the NIA pursuant to Article 12 of the Act to seek employment. On September 1, 2026, he obtains the approved employment of a foreign specialist professional issued by the Ministry of Labor and begins engaging in professional work. From 2027 to 2031, he resides in the R.O.C. for 183 full days and has an annual salary income over NT\$3 million derived from his professional work. What is the applicable period of his tax incentives?

- A14: 1. From September 1, 2022 to August 31, 2026, David resides in the R.O.C. for the purposes of “study” and “other (extension of residency pursuant to Article 12 of the Act)”. As he does not engage in professional work during this period, this period is not counted toward determining whether he meets the requirement of first-time residence approval for the purpose of work. Therefore, when David begins engaging in professional work in the R.O.C. on September 1, 2026, he meets the requirement in Q4 of “first-time residence approval in the R.O.C. for the purpose of work”.
2. In determining whether David is an individual residing in the R.O.C. during the five years prior to the date of his employment engaged in professional work (September 1, 2026), the period from September 1, 2022 to August 31, 2026, during which David resides in the R.O.C. for study and under the

extension of residency, shall not be counted toward the number of days of residence. Accordingly, for each of the years from 2022 through 2026, his days of residence in the R.O.C. does not reach 183 days. Therefore, he meets the requirement in Q4 that “during the last five years prior to the date of his/her employment engaged in professional work, he/she had no household registration in the R.O.C. and was not an individual residing in the R.O.C. in accordance with the Income Tax Act”.

3. Although David meets all the requirements in Q4 in 2026, he resides in the R.O.C. for fewer than 183 days during that year (122 days from September 1 to December 31); therefore, the tax incentives shall not apply for that year. 2027 is the first taxable year in which he qualifies for the tax incentives, and the tax incentives last for 5 years. Therefore, the applicable years for David’s tax incentives are 2027 to 2031.

Q15: Example: Changing Employment During the Tax Incentive Period

Referring to the case in Q14, David changes his employer or employment in 2029. Will this affect the applicability of his tax incentives?

A15: During the tax incentive period (from 2027 to 2031), changing employer or employment will not affect the applicability of the tax incentives as long as the foreign specialist professional still meets the requirements in Q4, i.e., engaging in professional work in the R.O.C. related to their recognized specific expertise. Therefore, David’s tax incentives could continue to apply for the taxable years 2029 to 2031.

【Explanation of the Computation of Income Tax Relief】

Q16: Example

David, a foreign specialist professional meeting the requirements mentioned in Q4, has a salary income of NT\$ 8,227,000 related to his professional work and overseas income of NT\$2,000,000 in the applicable year. How should the amount of income eligible for tax reduction or exemption be calculated?

A16: 1. The amount of salary income shall include all salaries after deducting the special deduction for salary income or necessary expenses. Assuming a special deduction of for salary income of NT\$ 227,000 in this case, then a salary income would be NT\$8,000,000 (i.e., NT\$ 8,227,000 – NT\$ 227,000).

2. Amount of non-taxable salary income = (NT\$ 8,000,000 – NT\$ 3,000,000)
*50% =NT\$ 2,500,000

3. Amount of taxable salary income =
NT\$8,000,000-NT\$2,500,000=NT\$5,500,000

4. Overseas income of NT\$2,000,000 shall be excluded from basic income.

Q17: What is the applicable scope of “salary income” mentioned in the Act ?

A17: 1. The term "salary income" in the Act shall refer to the amount of aggregate salaries which may be calculated in gross consolidated income paid by domestic and offshore employers for the foreign specialist professional's engagement of professional work. However, other salary unrelated to the foreign specialist professional's specific expertise shall not be applicable to the tax incentives.

2. The above-mentioned salary income shall be applied to the tax incentives in the taxable year. For instance, according to Article 19-1 of the Statute for Industrial Innovation, an individual who acquires stocks as an employee's bonus, he/she may opt to include the salary income in the gross income and declare their income tax in the year of transfer or book-entry transfer. Therefore, if a foreign specialist professional receives the salary income of stocks acquired as stock-based employee compensation according to Article 19-1 of the Statute for Industrial Innovation and opts to declare their income tax in the year of transfer, such income shall be calculated in salary income and applied to the tax incentives in the year of transfer.

【The Application Procedure of the Tax Incentives】

Q18: If a foreign specialist professional would like to apply for the tax incentives, when should the application be submitted, and what supporting documents are required?

A18: A foreign specialist professional meeting the requirements of tax incentives shall apply to the competent tax authorities when filing his/her annual income tax return in May each year or the departure income tax return before leaving the R.O.C.

1. For those obtaining the approved employment of a foreign specialist professional issued by the Ministry of Labor or by the Ministry of Education, the required documents are as follows:

(1) Application for Exemption from Income Tax for Foreign Specialist Professionals.

(2) The supporting document of the first-time residence approval in the R.O.C. for the purpose of work (i.e., a photocopy of the ARC with the reason for work); in the case of a foreign specialist professional was previously approved to reside in the R.O.C., the supporting document

showing that the previous approval was not for professional work is also required (i.e., a photocopy of the ARC for study, as a dependent or for non-professional employment).

- (3) A photocopy of the approved employment of a foreign specialist professional issued by the Ministry of Labor or by the Ministry of Education.
 - (4) An employment contract or other supporting documents showing that the employment engaged in professional work is related to the recognized specific expertise.
2. For those obtaining the Employment Gold Card, the required documents are as follows:
- (1) Application for Exemption from Income Tax for Foreign Specialist Professionals.
 - (2) A photocopy of the Employment Gold Card with the first-time residence approval in the R.O.C. for the purpose of work; in the case a foreign specialist professional was previously approved to reside in the R.O.C., the supporting document showing that the previous approval was not for professional work is also required (i.e., a photocopy of the ARC for study, as a dependent or for non-professional employment).
 - (3) An employment contract or other supporting documents showing that the employment engaged in professional work is related to the recognized specific expertise.
3. For those who are not required to apply for the work permits in accordance with Article 7, Article 12, or Paragraph 1 of Article 31 of the Act, the required documents are as follows:
- (1) Application for Exemption from Income Tax for Foreign Specialist Professionals.
 - (2) The supporting document of the first-time residence approval in the R.O.C. for the purpose of work (i.e., a photocopy of the ARC with the reason for work); in the case of a foreign specialist professional was previously approved to reside in the R.O.C., the supporting document showing that the previous approval was not for professional work is also required (i.e.: a photocopy of the ARC for study, as a dependent or for non-professional employment).
 - (3) A photocopy of the relevant certificate of having specific expertise issued by the central competent authorities. If a foreign specialist professional has obtained permanent residency approved by the NIA and submits the Alien Permanent Resident Certificate for verification of recognized specific expertise, the required document shall be exempted.

- (4) An employment contract or other supporting documents showing that the employment engaged in professional work is related to the recognized specific expertise.

Q19: If a foreigner, due to the circumstance described in Q5 or other reasons not attributable to him/her, is unable to obtain the approved employment of FSP or the Gold Card before the expiration of the filing period for the income tax return of the applicable year, when should the application for the tax incentives be submitted, and what supporting documents are required?

A19: The application shall be submitted to the competent tax authorities within one month from the date of obtaining the approved employment of FSP or the Gold Card. He/she shall submit the application in the prescribed format and provide the documents listed in Q18, together with supporting documents showing the timing of the application for the approved employment of FSP or the Gold Card, the timing of any other approved employment, and that he/she engages in the same professional work under the same employment contract. If the application is not filed in the prescribed format before the expiration of such period, the tax incentives shall not apply.

Q20: If a foreign specialist professional files the individual income tax return late, or files on time but applies for the tax incentives only after the filing period has ended, can the incentives still apply?

A20: If the application is not filed in the prescribed format before the expiration of filing period for the annual individual income tax return for the applicable taxable year, the tax incentives shall not apply for that year. However, the tax incentives may still be applied for other taxable years within the tax incentive period, provided that the requirements are met and the application is filed within the filing period for the annual individual income tax return.

【Other】

Q21: May the tax incentives for foreign specialist professionals under the Act be applied simultaneously with the tax preferences under The Scope of Application for Tax Preferences Provided to Foreign Professionals?

A21: 1. According to “The Scope of Application for Tax Preferences Provided to Foreign Professionals” (amended and promulgated by Decree No. 11204616990 by the Ministry of Finance on January 11, 2024), if an employer hires a foreign professional qualified for the tax preferences, the payment made in accordance with the content of an employment contract may be claimed as expenses, such as the round trip air fare of the foreign professionals and his/her family, home leave vacation pay according to the

contract, home moving expenses, utility bills, cleaning bills, telephone bills, house rentals, repair costs for place of residence, and educational scholarships for children and other such items may be excluded from the taxable income of the foreign professionals.

2. The tax preferences under the “Scope of Application for Tax Preferences Provided to Foreign Professionals” may apply during the entire employment period. However, the tax incentives for foreign specialist professionals under the Act are subject to limitations on the applicable years and the salary income threshold. Although the two tax incentives differ in their requirements, a foreign specialist professional who meets the eligibility requirements for both may claim both tax benefits simultaneously.

Q22: Are residents in Hong Kong or Macau eligible for the tax incentives for foreign specialist professionals?

A22: In accordance with Paragraph 1, Article 30 of the Act, the provisions apply mutatis mutandis to residents of Hong Kong and Macau. In other words, Hong Kong or Macau residents are also eligible for the tax incentives for foreign specialist professionals under Article 22 of the Act.

Q23: Are dual nationalities eligible for the tax incentives for foreign specialist professionals?

A23: In accordance with Paragraph 2, Article 31 of the Act, a national of the R.O.C. who concurrently holds foreign nationality and has no household registration in the R.O.C., and who has resided in the R.O.C. as holder of a foreign passport to engage in professional work or to seek employment, shall be treated in accordance with the requirements of the Act. In other words, those with dual nationalities are also eligible for the tax incentives for foreign specialist professionals as regulated by Article 22 of the Act, and he/she should fill the application for Exemption from Income Tax for Foreign specialist professionals and certify that the nationality information is true and correct to the best of his/her knowledge and belief.

Q24: Does a foreign specialist professional meeting the requirements of the tax incentives for foreign specialist professionals need to file his/her income basic tax return?

A24: If a foreign specialist professional meeting requirements mentioned in Q4 obtains the overseas income set forth in Subparagraph 1 of Paragraph 1 of Article 12 of the Income Basic Tax Act in the taxable year in which the tax incentives under Article 22 of the Act apply, such income may be excluded from the basic income when calculating the income basic tax. However, if

he/she obtains other kinds of basic income other than overseas income (such as income derived from securities transactions), and the sum of such income and the net taxable income exceeds the threshold (NT\$7.5 million for the 2026 taxable year), he/she shall still file the income basic tax return.

Q25: What will happen if a foreign specialist professional applies for the tax incentives but fails to submit the required supporting documents, or does not to meet the eligibility requirements?

- A25: 1. If any of the documents required to be submitted by a foreign specialist professional pursuant to the regulations are deficient and are not supplemented or corrected within the prescribed period after notification by the tax authorities, or are supplemented or corrected but remain deficient, the application shall not be accepted.
2. If a foreign specialist professional has applied for the reduction or exemption of the consolidated income tax and income basic tax pursuant to the regulations, but was found not to be in compliance with the conditions stipulated in relevant regulations by the tax authorities afterwards, his/her case shall be subject to supplementary tax payable in accordance with the relevant regulations. If he/she submits false statements or provides improper information, tax evasion will be subject to penalty.