



財政部臺北國稅局新聞稿

以服務打動人心 以專業贏得信賴 以創新提升效能

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Title : Foreign profit-seeking enterprises selling cross-border electronic services fail to file Income Tax returns of the taxable year 2020 and make tax payments before the deadline will result in delinquent reporting surcharges.

National Taxation Bureau of Taipei (hereinafter referred to as the NTBT) expressed that foreign profit-seeking enterprises having neither permanent establishments nor business agents (hereinafter referred as the Foreign Enterprises), selling cross-border electronic services to domestic buyers and obtaining income not within the withholding tax scope under Article 88 of the Income Tax Act during 2020 are required to file income tax returns in the 「Tax on Cross-Border Electronic Service」 section on the website of eTax Portal, Ministry of Finance and make payments before June 30, 2021.

The NTBT explained that in accordance with Explanatory Decree No.10804524120 issued by the Ministry of Finance on April 26, 2019, the aforementioned Foreign Enterprises sell cross-border electronic services to domestic buyers within the territory of R.O.C. and obtain income not within the withholding tax scope under Article 88 of the Income Tax Act (for example income derived from B to C transactions), are mandatory to file profit-seeking enterprise income tax returns of the taxable year and make tax payments during the declaration period (for example from May 1 to June 30, 2021 for the taxable year 2020) in accordance with

Paragraph 1, Article 73 of the same Act and Article 60 of the Enforcement Rules of the same Act. Where the Foreign Enterprises fail to file annual income tax returns within the declaration period, the tax authorities shall serve delinquent notices in accordance with Paragraph 1, Article 79 of the Income Tax Act, requesting the Foreign Enterprises to complete annual income tax returns within 15 days from the date of receipt of the notices. Should the Foreign Enterprises file the returns within the notice period, the tax authorities shall determine the amount of income and the amount of tax payable through investigation, and levy a delinquent reporting surcharges in an amount equal to 10% of the assessed tax payable in accordance with Paragraph 1, Article 108 of the same Act. The amount of delinquent reporting surcharges shall not exceed NT\$30,000 but shall not be less than NT\$1,500. Where the Foreign Enterprises fail to file an annual income tax returns within the time limit, the tax authorities shall levy a delinquent reporting surcharges in an amount equal to 20% of the assessed tax payable in accordance with Paragraph 2, Article 108 of the same Act. The amount of delinquent reporting surcharges shall not exceed NT\$90,000 but shall not be less than NT\$4,500.

The NTBT reminded that the deadline prescribed for filing profit-seeking enterprise income tax returns for the taxable year 2020 is June 30, 2021. The Foreign Enterprises which haven't filed income tax returns yet should file their profit-seeking enterprise income tax returns at their earliest convenience through eTax Portal, Ministry of Finance (website : <https://www.etax.nat.gov.tw>) "Tax on Cross-Border Electronic

Services/Profit-Seeking Enterprise Income Tax” section and make tax payments.

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