

Title: The business tax from May to August 2017 paid by the cross-border e-commerce business entities was significant, approximately up to NTD900 million

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The National Taxation Bureau of Taipei, Ministry of Finance(NTBT) has expressed that cross-border e-commerce business entities selling e-services to domestic individuals should apply for taxation registration since May 1st of this year(2017). Those foreign business entities who have applied for taxation registration should file business tax return bimonthly and pay the tax burden of the preceding two months prior to the fifteenth day of the following period, whether they have sales or not.

NTBT explained that until October 12th of this year, NTBT has approved 59 cross-border e-commerce business entities' taxation application. Among these business entities, 20 of them had applied by themselves, 39 of them had appointed their tax-filing agent. In this September, it is the second time for these cross-border business entities to file their business tax returns and pay the business tax except 1 business entities commencing its business in October 2017. According to the statistics, 57 business entities had completed the declaration of their business tax of July to August 2017(54 business entities had tax payable, 3 business entities has no tax payable), the declared sales amount was about NTD10,836,260,000 and the tax payable was approximately NTD465,040,000. 47 of these foreign business entities paid their business tax by remitting, 7 of them appointed their tax-filing agent to print out the tax payment slip with bar code and paid the tax to the tax collection institutions. The sales amount of the first two period from May to August 2017 declared by cross-border e-commerce business entities has accumulated to NTD20,344,350,000, and the tax revenue has accumulated to NTD892,720,000.

NTBT has appealed that cross-border e-commerce business entities should file and pay the business tax in accordance with relevant regulations, otherwise belated filing or non-filing returns and tax debt will incur mandatory delinquency charges, surcharges, and interests. Furthermore, although business entities have filed their tax

return, if their sales amount or tax payable were under-reported, when they voluntarily filed a supplementary tax declaration with the tax collection authorities and made supplementary payment covering the tax amount which they had failed to declare, as long as it is neither a case brought about by an informant, nor a case under investigation by an investigator appointed by the tax collection authorities or the Ministry of Finance, the taxpayer may be remitted from the punishment imposed under the provisions of Article 41 through 45 of the Tax Collection Act or under various tax acts and regulations governing tax evasion. To maintain one's rights and interests, the business entities must examine whether their sales amount or tax payable are under-reported.