

Title: Tutorial Period Has Expired, the Offshore E-commerce Suppliers not Issuing Cloud Invoices Will Be Punished as the Provisions Stipulated

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The National Taxation Bureau of Taipei, Ministry of Finance (NTBT) expressed that the tutorial period has expired for offshore e-commerce suppliers to issue cloud invoices, these suppliers shall commence issuing cloud invoices since January 1st, 2020. Any offshore e-commerce supplier failing to commence issuing cloud invoices after the deadline will be subject to penalties stipulated by related laws and regulations.

NTBT states that as for December 31st, 2019, there are 31 foreign business entities already issuing cloud invoices, such as UpToDate, Google, Apple, Sony, Digital River GmbH, Various, Amazon, Airbnb, Uber, Uber Eat, Nexway, and Audible. As NTBT estimated, 3 business entities, including Expedia, Agoda, and Dropbox, will commence issuing the cloud invoices from January 1st, 2020. Due to that these suppliers have only filed the sales amounts without listing their transactions and that there are many offshore e-commerce suppliers starting issuing the cloud invoices last month, NTBT cannot get any idea about the monthly count of the cloud invoices issued by such suppliers. The rate is 95.54% on the sales amounts of September and October 2019 filed by the 34 suppliers already commencing issuing the cloud invoices from January 1st, 2020 over total sales amounts of the offshore e-commerce suppliers registered. The public can query the list of the offshore e-commerce suppliers already issuing cloud invoices at the eTax Portal, Ministry of Finance (<http://www.etax.nat.gov.tw>)/“Tax on Cross-border E-Commerce Suppliers”/“Business Tax”/“Inquire about Registered Business Entities”. Other offshore e-commerce suppliers with sales to domestic individuals will get penalties resulted from not issuing the cloud invoices up to today. The penalties are prescribed under Article 51 or 52 of “Value-added and Non-value-added Business Tax Act” and

Article 44 of Tax Collection Act. Besides, the final penalty will be the highest amount of fine prescribed by the aforesaid provisions.

NTBT further states that to facilitate the e-commerce suppliers to match a proper domestic value-added center and get the basic information of these centers such as “Paid in Capital,” “Information Security Certification,” “Number of Entities Served,” and “Available Foreign Languages,” NTBT has collected a list of the value-added centers which have completed uploading cloud invoices and are willing to offer services to offshore e-commerce suppliers. The list could be located on the aforesaid website for priority references: eTax Portal, Ministry of Finance/“Tax on Cross-border E-Commerce Suppliers”/“Cloud Invoice”/“The Information Zone of Cloud Invoice Implementation for Cross-border E-Commerce Suppliers”/“Reference Material and Examples”/“The list of the value-added centers”.

NTBT called on that should these suppliers have any queries or difficulties on the introduction of the cloud invoice, they can contact NTBT or the Fiscal Information Agency, Ministry of Finance as soon as possible. They will facilitate these suppliers to complete system interfaces and go smoothly to issuing cloud invoices. Failure to issue cloud invoices does harm to the rights of the consumers winning the uniform invoice lottery. Thus issuing cloud invoices will avoid these suppliers getting reported by the consumers.