



INSTRUCTIONS

A. WHO IS LIABLE FOR INDIVIDUAL INCOME TAX?

- 1. Any individual who has income derived from sources in the Republic of China shall be liable for individual income tax in accordance with the Income Tax Act of the Republic of China.
- 2. In the case that a taxpayer is under the obligation to file an Individual Income Basic Tax (IIBT) Return, he or she is required to file the IIBT Return jointly with the Individual Income Tax Return (General Form).
- 3. Individual Controlled Foreign Company (CFC) Rules are enforced from January 1, 2023. If any member of the tax household directly or indirectly holds the shares or capital of a foreign affiliated enterprise in a low-tax country or jurisdiction, please refer to “Statement of The Shareholding of An Individual and of His/her Related Parties” to determine the applicability of Individual CFC Rules. If the individual and his/her related parties directly or indirectly hold 50% or more of the shares or capital of such a foreign affiliated enterprise, or had control over it, the individual shall file “Statement of The Shareholding of An Individual and of His/her Related Parties” (including the Attachment: The Organization Chart) and submit with “Individual Income Tax Return of the Republic of China”. Where the individual, himself/herself, with his/her spouse or relatives within the second degree of kinship directly holding 10% or more of the shares or capital of such a CFC on December 31, 2024, or directly holding below 10% of the shares or capital however the CFC has current-year losses that would be deducted in the following years, please fill out “Business Income Statement of a Controlled Foreign Company (CFC) for Individual” and submit with related proof documents.

B. WHAT DOES “TAXPAYER ID NO.” MEAN ? WHAT DOES “TAXPAYER CODE NO.” MEAN ? WHERE CAN THE TAXPAYER FIND “TAX JURISDICTION CODE”? WHAT DOES “TAXPAYER TIN” MEAN?

- 1. The “Taxpayer ID No.” is the ID number printed on the “ALIEN RESIDENT CERTIFICATE”, which is originally composed of two letters and eight Arabic numerals. The National Immigration Agency, Ministry of the Interior released new ID Nos. on Jan. 2, 2021, and the original ID Nos. will be completely invalidated from January 1, 2031.The new ID No. is composed of one letter and nine numerals. For instance: (1) Mr. Robert W. Davidson's old ID No. is “AA12345678”. His new ID No. would be “A880000018”. (2) Ms. Carol Lee's old ID No. is “AD37000022”. Her new ID No. would be “A900000016”.
- 2. The “Taxpayer Code No.” is composed of eight Arabic numerals and two letters. The numerals are derived from the taxpayer's date of birth and the letters are from the first two letters of his or her English name in the order printed on his or her passport. For instance, the “Taxpayer Code No.” given to Robert W. Davidson, born on July 12, 1942, would be “19420712RO”.
- 3. The taxpayer can find the “TAX JURISDICTION CODE” from the website of the jurisdictional district tax authority.
- 4. “Tax Identification Number (TIN)” is a unique combination of letters or numbers assigned by a jurisdiction to an individual or an Entity and used to identify the individual or Entity for the purposes of administering the tax laws of such jurisdiction. If the taxpayer doesn't have TIN, please enter “NOTIN”.

C. HOW DOES A TAXPAYER COMPUTE HIS OR HER INCOME?

- 1. The gross income of an individual shall be the aggregate of the categories of income indicated in “D” and “E” below for the full tax year or the period during which the taxpayer has resided in the R.O.C. However, in the case that the categories of income listed in “D” and “E” are subject to be separately taxed in accordance with the stipulation of the Income Tax Act, the two classes of income shall not be required to be aggregated in the gross income.
- 2. Remunerations received by an individual who is either a non-resident or a resident of the R.O.C. in respect of services performed in the R.O.C. shall be taxable in the R.O.C. This shall apply if the recipient is present in the R.O.C. for a period or periods exceeding an aggregate of 90 days in a taxable year even if the remunerations are paid by an employer outside the R.O.C. (See Notice)

D. WHAT DO “SALARIES” AND “WAGES” MEAN?

- 1. Salaries and wages mean all income received for services rendered or work performed, including salaries, remunerations, wages, allowances, annuities, endowments, bonuses and/or any other similar subsidies or compensations.
- 2. Each person receiving salaries and wages may claim a deduction up to a maximum of NT\$218,000 or the necessary expenses directly related to performing duties or doing work and borne by the recipient to be deducted from his or her salaries and wages in accordance to Subparagraph 1, Category 3, Paragraph 1 of Article 14 of the Income Act. For filing the necessary expenses deducted from salaries and wages, please submit the “2024 Application for Necessary Expenses Deducted from Salaries and Wages” and other supporting documents when declaring.
- 3. From 2018, if a foreign specialist professional meets certain requirements, referring to Article 20 of the Act for the Recruitment and Employment of Foreign Professionals and Regulations Governing Reduction and Exemption of Income Tax of Foreign Specialist Professionals, during the first five years starting from the year when he or she for the first time has resided in the R.O.C. for 183 full days of the year and has had an annual employment income of over NT\$3 million, one half of the amount of the employment income exceeding NT\$3 million of each such year may be excluded from the gross consolidated income. Overseas income is excluded from the basic income when calculating the income basic tax. Please submit the “Application for Exemption from Income Tax for Foreign Specialist Professionals” and other supporting documents when declaring.

E. WHAT DOES “INCOME OTHER THAN SALARIES AND WAGES” MEAN?

- 1. Income derived from investment in business enterprises or profits from occasional trade.
- 2. Income derived from professional services, including remunerations from performances after deduction of office rentals, salaries for employees, necessary transportation and other direct and necessary expenses.
- 3. Income derived from interest, such as that derived from government or corporate bonds, bank deposits and loans.
- 4. Income derived from rents or royalties after deduction of related expenses or losses.
- 5. Income derived from self-employed farming, fishing, animal husbandry, forestry and mining activities.
- 6. Income derived from transactions in properties and rights.  
A Taxpayer who has income or losses derived from the transaction of house and land which falls under Article 4-4 of the Income Tax Act shall fill out a tax return to the tax collection authority-in-charge within 30 days from the next day on which the ownership transfer registration of house and land was completed. The aforesaid income shall not be included in the gross income.
- 7. Income derived from prizes or awards won in contests or lotteries.
- 8. Payments for retirement, severance, resignation, or pensions not including insurance payments provided that such disbursements do not include payments from periodically withheld amounts of salaries and resulting interest.
- 9. Miscellaneous income.

F. WHAT DO “NON-RESIDENT” AND “RESIDENT” OF THE REPUBLIC OF CHINA MEAN?

- 1. An alien who stays within the territory of the Republic of China for less than 183 days in a taxable year is regarded as a non-resident.
- 2. An alien who stays within the territory of the Republic of China for 183 days or more in a taxable year is regarded as a resident.
- 3. The period of residence of an alien in the R.O.C. is calculated according to the entry and exit dates stamped in his or her passport or the “Certificate of Entry and Exit Dates” issued by the National Immigration-Agency, Ministry of the Interior. (The periods for pilots, flight attendants, and sailors are, in addition, also calculated by their duty records or service records.)

G. HOW DOES A TAXPAYER COMPUTE HIS OR HER “NET INCOME”?

Income tax shall be levied on the taxpayer's net income, which is computed by subtracting the exemption and deductions from gross income. However, a non-resident's gross income is regarded as his or her net income. A non-resident may not claim any exemptions or deductions.

H. INVESTMENT TAX CREDITS

- 1. Taxpayers who invest in entities under Article 33 of the Statute for Encouragement of Private Participation in Transportation Infrastructure Projects may credit up to 20% of the price paid for the acquisition of the registered share certificates of the said entities against the individual income tax payable within five years starting from the year in which the two-year holding requirement is met.
- 2. The credit in each year shall be limited to not more than 50% of individual income tax payable, or not more than 50% of the total amount of individual income tax payable and the tax on dividends and earnings which is calculated separately from the gross income. The abovementioned limitation, with the exception, shall not apply to the credit in the final year.

I. HOW DOES A TAXPAYER COMPUTE HIS OR HER “EXEMPTION” AND “DEDUCTIONS”?

A resident who abolishes his or her domicile or residence and is going to leave the territory of the R.O.C. must file a return in the interim. The amount of exemption and standard deduction shall be calculated in proportion to the total number of days in the whole year in which he or she has stayed in the R.O.C. prior to departure.

- 1. EXEMPTION: The exemption is NT\$97,000 for a taxpayer, and NT\$145,500 for a taxpayer who is 70 years of age or over.
- 2. DEDUCTIONS:
  - (1)Standard Deduction: There is a NT\$131,000 deduction for a single taxpayer.
  - (2)Special Deductions:
    - a. Losses from property transactions may be deducted from the gains from property transactions for the same year. If the deductible amount exceeds the gains, the difference may be carried forward to the following three years.
    - b. Special Deduction for Savings & Investment:  
The following kinds of income received by the taxpayer may be exempted from income tax in full if the total amount for the whole year does not exceed NT\$270,000.
      - ①Interest derived from deposits made in financial institutions. However, the following categories of interest are excluded: (i)The interest accrued from postal passbook savings. (ii)The interest derived from government bonds, corporate bonds, financial bonds and short-term commercial papers. (iii) The interest distributed from asset-backed securities issued in accordance with the Financial Asset Securitization Act and the Real Estate Securitization Act. (iv)The interest derived from repo (RP/RS) trade.
      - ②Profits derived from trust funds of a similar nature to savings accounts. From Jan. 1, 1999, dividends received from registered and listed stocks and shares are not included in this item.
    - c. Special Deduction for Disability: If the taxpayer, his (her) spouse or dependent(s) has (have) a disability certificate(s) or identification or being a patient as defined in Subparagraph 4, Article 3 of the Mental Health Act, a deduction of NT\$218,000 per year may be made for each person. A copy of the disability certificate or a copy of a medical diagnosis issued by a specialist physician for a severe patient must be submitted, and a major illness certificate could not be used as a substitute.
    - d. Special Deduction for Long-Term Care: The taxpayer who has a physical or mental disability and requires long-term care services, as announced by the Ministry of Health and Welfare, must submit any of the relevant documents, such as a copy of the permit document for hiring a foreign family caregiver, a copy of the disability identification that meets specific qualifications, or a copy of a medical certificate of disability etc., to claim the special deduction of NT\$120,000 per person per year. (See Note)
    - e. Special Deduction for Rent for Housing: Rent for housing in the R.O.C. paid by a taxpayer, his or her spouse, and lineal dependents and used as their own residence rather than for business or performing professional services, may be deducted from their consolidated income up to a limit of NT\$180,000 per year per tax return, not including government subsidy. (See Note) However, no deduction shall be made for taxpayers, their spouses, or lineal dependents who own a house in the R.O.C., unless the self-owned house meets the conditions mentioned in Explanatory Decree No. 11304656750.  
Note: The taxpayer can't claim the special deduction for long-term care and rent for housing if his or her circumstances falls under any of following conditions: (i)The taxpayer's tax rate is equal to or greater than 20%, that is, his or her net taxable income is equal to or greater than NT\$1,330,001after deducting long-term care and rent for housing deduction.(ii)The amount of basic income of the taxpayer is greater than NT\$7,500,000.

J. WHAT DOES “BASIC LIVING EXPENSE DIFFERENCE” MEAN?

For maintaining one's basic living, there is a NT\$210,000 basic living expense for taxpayer. The basic living expense less exemption, standard deduction, special deduction for savings & investment, special deduction for disability, special deduction for long-term care and special deduction for rent for housing is the “Basic Living Expense Difference”.

K. DEDUCTION FOR INVESTING IN INNOCATIVE STARTUPS

- 1. In accordance with Article 23-2 of the Statute for Industrial Innovation, for an individual who invests at least NT\$1 million in cash in 1 year in R.O.C.'s innovative startups which have been incorporated for less than 2 years and identified by the central authority in charge of relevant enterprises as high-risk innovative startups, and acquires and holds the new shares issued by the company for 2 years, up to 50% of the investment may be excluded from the individual's consolidated income for the year in which the second anniversary of such shareholding falls. The aggregate amount excludable from an individual's consolidated income each year shall not exceed NT\$3 million.(Please submit “Certificate of Deduction for Investing in R.O.C.'s Innovative Startups” issued by National Taxation Bureau when declaring.)
- 2. For an individual who meets the abovementioned condition and acquired shares on or after January 1, 2022, and has held the shares for 2 years in 2024, the amount that has been excluded from the individual's consolidated income of 2024 shall be included in the individual's basic income of 2024.

L. DEDUCTION FOR INVESTING IN BIOTECH AND PHARMACEUTICAL COMPANIES

- 1. In accordance with Article 8 of the Act for the Development of Biotech and Pharmaceutical Industry, where an individual invests at least NT\$1 million in cash in 1 year in a Biotech and Pharmaceutical Company that is not listed on the Taiwan Stock Exchange or the Taipei Exchange, incorporated and registered within a specific period in accordance with Paragraph 2 of the same Article, and acquires the new shares issued thereby and holds such shares for 3 years, up to 50% of the investment may be excluded from the individual's consolidated income within 2 years commencing from the third anniversary of such shareholding; provided that the aggregate amount deductible from an individual's consolidated income each year shall not exceed NT\$5 million. (Please submit “Certificate of Deduction for Investing in R.O.C.'s Biotech and Pharmaceutical Companies” issued by National Taxation Bureau when declaring.)
- 2. For an individual who meets the abovementioned condition and acquires shares on or after January 1, 2022, and has held the shares for 3 years in 2024, the amount that has been excluded from the individual's consolidated income of 2024 shall be included in the individual's basic income of 2024.

M.TAX TABLE

- 1. The Individual Income Tax shall be levied at various flat rates if the taxpayer is a non-resident.
  - (1) Tax rates on monthly salaries, in full amount, are:
    - a. 6% if total payments are equal to or lower than 1.5 times the monthly baseline salary as assessed by the Executive Yuan
    - b. 18% if total payments are higher than 1.5 times the monthly baseline salary as assessed by the Executive Yuan.
  - (2) Commissions, interest, rentals, income from professional practice, awards or prizes obtained from participating in contests, games, or lotteries, and reward for information or accusation shall be taxed at the rate of 20%.  
(Note: The following kinds of interest are subject to be taxed at the rate of 15%: (i)The portion of the pecuniary amount realized by short-term commercial papers at their maturity in excess of the selling price at their initial issuance. (ii) The interest distributed from beneficiary securities or asset-backed securities issued in accordance with the Financial Asset Securitization Act and the Real Estate Securitization Act. (iii) The interest derived from government bonds, corporate bonds and financial bonds. (iv)The interest derived from repo (RP/RS) trade.)
  - (3) Dividends shall be taxed at the rate of 21%
  - (4) Income from property transactions (except income from securities transactions) and self-employed farming, fishing, animal husbandry, forestry and mining activities shall be filed and taxed at the rate of 20%.
  - (5) Retirement payments or pensions shall be taxed at the rate of 18% net with certain exemptions.
  - (6) Miscellaneous income shall be filed and taxed at the rate of 20%.
  - (7) Where a trust deed is set up by a profit-seeking enterprise, the income derived by the beneficiary shall be filed and taxed at the rate of 20% for the value or the increased portion of the value of his or her entitlement to such trust benefit in the year the trust deed takes effect, the beneficiary change takes effect, or the trust property increase takes effect.
  - (8) For income from transactions in structured products between taxpayers and securities firms or banks, 15% of the income derived is withheld.
- 2. The following table shall be used to determine a resident's individual income tax:

Net Taxable Income		Tax Rate		Progressive Difference		Tax Payable	
0	to	590,000	x	5%	—	0	=
590,001	to	1,330,000	x	12%	—	41,300	=
1,330,001	to	2,660,000	x	20%	—	147,700	=
2,660,001	to	4,980,000	x	30%	—	413,700	=
4,980,001	and above		x	40%	—	911,700	=

N. HOW TO RECEIVE TAX REFUND VIA A BANK ACCOUNT

- 1. Accounts applicable for use in this request are limited to those of a transferable NT-dollar-account of specified banks which have signed contracts with the Financial Information Service Co., Ltd. or Chunghwa Post Co., Ltd. The account shall belong to the taxpayer and have been opened with the use of a R.O.C. ID No. or an ARC ID No. (Please submit a copy of the binding of the bankbook of the holder of the account at the time of application.)
- 2. Applicable only for tax returns filed by June 2, 2025.
- 3. In the case that the National Taxation Bureau (NTB) is unable to deposit such tax refund as may be owing directly into the appointed bank account, the NTB will mail a notice to the taxpayer informing him or her of this fact. Please note that no ATM transactions are performed in relation to this item.

Notice:

- 1. A taxpayer, stayed over 90 days in a taxable year, whose income paid by an employer outside the territory of the R.O.C. for services rendered in the R.O.C. must also declare his or her income and submit a certificate from his or her employer certified by a Certified Public Accountant, or by the tax authorities of the area in which his or her employer's company is registered verifying the actual amount paid abroad.
- 2. In the case of a taxpayer who has filed an annual income tax return, any omission or under-reporting of taxable income hereunder shall be subject to a fine of no more than two times the amount of tax underpaid.  
A taxpayer failing to file an annual income tax return and being found by the tax authority to have income taxable hereunder shall be subject to a fine of no more than three times the amount of tax underpaid.
- 3. In the case of filing by an alien, payment of tax is only allowed by cash, check or financial chip card via the website (<https://paytax.nat.gov.tw>).Remittance from a bank account is not permitted.
- 4. In accordance with the first section of Paragraph 3 and Paragraph 8 of Article 7 of the Taxpayer Rights Protection Act, if a taxpayer conceals, makes false or misleading presentation, or provides incorrect information to material items when declaring or being investigated which result in the tax collection authorities making an inaccurate decision, the tax collection authority may impose a penalty for tax evasion.
- 5. Should the English translation of these instructions differ from the Chinese text of the relevant laws, the Chinese text shall govern.