

Taiwan

Summary of CbC Reporting and Transfer Pricing Documentation Rules

For more detailed guidance and the latest updates, please see the [Bloomberg Tax BEPS Tracker](#).

Country-by-Country Report

- Effective Date: Fiscal years beginning on or after January 1, 2017.
- Filing Threshold: An MNE resident in Taiwan with consolidated group revenue exceeding NT\$27 billion in the previous year. A CbC report is not required if the ultimate parent entity is resident outside Taiwan and the Taiwan entity does not meet the monetary thresholds for filing a master file.
- Surrogate Filing: Surrogate filing is available.
- Local Filing: A Taiwan entity may be required to file the CbC report if certain conditions exist.
- Information Reported: Generally consistent with OECD guidance.
- Language: Chinese and English.
- Forms/Filing Instructions:
 - CbC Notification of Reporting Entity: Reported on corporate income tax return (page B6).
 - CbC Report: Filed electronically.
- Deadline for Filing Notification of Reporting Entity: Reported on corporate income tax return for the reporting year (i.e., due by May 31st for calendar-year entity).
- Deadline for Filing CbC Report: Within 12 months from the last day of the fiscal year end.
- Penalties: Penalties ranging from NT\$3,000 to NT\$30,000 may apply for noncompliance.
- Exchange of Information:
 - MCAA CbC: Not signed.
 - Other CAA CbC: Australia, Japan, New Zealand, Switzerland.

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Master File

- Effective Date: Fiscal years beginning on or after January 1, 2017.
- Filing Threshold: In general, a Taiwan entity is not required to file a master file if total revenue does not exceed NT\$3 billion or total cross-border controlled transactions are less than NT\$1.5 billion in the current year.
- Information Reported: Generally consistent with OECD guidance.
- Language: Chinese or English (if English, the tax authority may request a Chinese translation to be provided within one month of a request).
- Deadline for Preparation/Submission: Prepared by the filing date of the corporate income tax return and submitted within 12 months from last day of the reporting year.
- Penalties: Penalties ranging from NT\$3,000 to NT\$30,000 may apply for noncompliance.

Local File

- Effective Date: Fiscal years beginning on or after January 1, 2017 (existing local jurisdiction transfer pricing documentation rules apply)

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- Filing Threshold: In general, a Taiwan entity is not required to prepare a transfer pricing report (i.e., local file) if total revenue does not exceed NT\$300 million or if total controlled transactions are less than NT\$200 million in a year (additional exemptions may apply).¹
- Information Reported: Generally consistent with OECD guidance.
- Language: Chinese; however, English may be submitted if prior approval is obtained from the tax authorities.
- Deadline for Preparation/Submission: Prepared by the filing date of the corporate income tax return and submitted within one month of a request from the tax authority.
- Penalties: Penalties ranging from NT\$3,000 to NT\$30,000 may apply for noncompliance.

Transfer Pricing Disclosure

In general, taxpayers meeting certain transaction thresholds and revenue thresholds must disclose detailed information regarding its related party transactions in its corporate income tax return (including information on the nature of the business involved, related party, transaction type, amount, etc.).

For more detailed guidance, please see the Transfer Pricing Portfolio: [Taiwan, Chapter 170:V.B](#) (Documentation and Reporting Requirements – Disclosure Requirements).

¹ To alleviate the burden on taxpayers and reduce compliance costs, the tax authorities have issued tax rulings to establish safe harbor rules which allow taxpayers to prepare other documentation, in lieu of a full transfer pricing report. For example, Tax Ruling No. 09704555160 (issued November 2008) identified additional safe harbor provisions including that an entity is not required to prepare a transfer pricing report if total revenue exceeds NT\$300 million but is less than NT\$500 million in a year, and the entity is neither entitled to tax benefits exceeding NT\$2 million in a year nor eligible for a loss carried forward deduction exceeding NT\$8 million in the preceding years. In addition, Tax Ruling No. 10304578300 (issued February 2015) provides that taxpayers are exempt from the preparation of a transfer pricing report if the aggregate amount of controlled transactions of the same type is less than NT\$10 million.