Content

Title：	Directions on the Levying of Business Tax on Cross-Border Electronic Services Transactions Ch
Date：	2025.04.07
Legislative：	1. Issued by the Ministry of Finance on April 24, 2017 under Decree No. 10600549520. 2. Amended by the Ministry of Finance on April 7, 2025 under Decree No. 11404515421.
Content：	1. These directions stipulate the levying of business tax on the sales of electronic services over the internet or other digital network to an individual in the territory of the R.O.C. by a foreign enterprise, institution, group, or organization having no fixed place of business within the territory of the R.O.C., which is classified as a business entity (hereinafter referred to as the offshore electronic services business entity), in accordance with the provisions of the Value-Added and Non-Value-Added Business Tax Act (hereinafter referred to as the Business Tax Act) and other relevant laws and regulations. 2. The terms used in these directions are defined as follows: 2.1 Electronic services: Refers to any of the following: 2.1.1 The services are accessed by downloading via the internet or other digital network and are saved to computers or mobile devices (such as smartphones, tablets, etc.) for use. 2.1.2 The services are accessed on the internet or via other digital network without being downloaded or saved to any device, including services used in digital form, like online games, advertisements, audio-visual browsing, voice frequency broadcasting, information contents (such as movies, television series, music, etc.), and interactive communications. 2.1.3 Other services are supplied via the internet or other digital network; for example, the services are supplied via the online platforms set up by an offshore electronic business entity and accessed at a physical location. 2.2 An individual in the territory of the R.O.C.: 2.2.1 In cases that the purchased services are used without a physical location, individuals who have a domicile or residence within the territory of the R.O.C. or those who meet any of the following conditions shall be considered: 2.2.1.1 Individuals who use computers or mobile devices to connect to the internet or other digital network through technologies such as electronics, wireless, and optical fiber to purchase services, with their equipment or devices installed within the territory of the R.O.C. 2.2.1.2 Individuals who use mobile devices to purchase services and whose mobile phone country code is 886. 2.2.1.3 Individuals who can be reasonably identified as being in the territory of the R.O.C. based on information relevant to transactions, such as billing address, bank account used for payment, IP address of equipment

or devices, SIM card of a device, etc.
2.2.2 In cases that the purchased services are used at a physical location within the territory of the R.O.C., individuals who purchase the services shall be considered. The physical location where the services are used shall be determined as follows:
2.2.2.1 If the supplied services are associated with real estate (such as accommodation services or building repair services, etc.), the real estate shall be located within the territory of the R.O.C.
2.2.2.2 If the transportation service is supplied, the location where the services are used shall be within the territory of the R.O.C.
2.2.2.3 If the supplied services involve performances, exhibitions, or similar events, the location where the services are used shall be within the territory of the R.O.C.
2.2.2.4 For other services, the location where the services are used shall be within the territory of the R.O.C.
3. Taxation registration:
3.1 An offshore electronic services business entity selling electronic services to an individual in the territory of the R.O.C. with annual sales amount exceeding NT$600,000 shall apply for taxation registration with the competent tax authority, either by itself or through an appointed tax-filing agent, in line with Paragraph 1, Article 28-1 of the Business Tax Act and Chapter 3 of the Regulations Governing Taxation Registration (hereinafter referred to as the Registration Regulations).
3.2 An offshore electronic services business entity or the appointed tax-filing agent shall apply for taxation registration online via the "Tax on Cross-Border Electronic Services" section of the Ministry of Finance's eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/etw310w/cases/services/olfetwb24) and upload the electronic copies of the documents required under Article 14 of the Registration Regulations.
3.3 When an offshore electronic services business entity receives notification from the competent tax authority approving the taxation registration, it shall use the business ID number, tax serial number, and home country registration number specified in the notification to apply for an exclusive account number and password via the "Tax on Cross-Border Electronic Services" section of the Ministry of Finance's eTax Portal (https://pfiles.tax.nat.gov.tw/blrc/en/register.jsp). The account shall be used to process subsequent matters online, including applications for changes to the taxation registration, the filing and payment of business tax, and the uploading or downloading of relevant official documents.
3.4 Once the taxation registration application from the offshore electronic services business entity is approved by the competent tax authority, the tax authority shall notify the applicant in writing. If the offshore electronic services business entity appoints a tax-filing agent for the application on its behalf, the notification shall be issued to the agent; the offshore electronic services business entity may also be notified when necessary. If the offshore electronic services business entity agrees, the notification of all official documents may be made electronically, and the offshore electronic services business entity or the tax-filing agent may log in to the "Tax on Cross-Border Electronic Services" section of the

Ministry of Finance’s eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/cbec-tax-area/business-tax/business-entity-download-area) with its account number and password to download official documents.

3.5 Where any particulars of the taxation registration are changed, including changes to the appointed tax-filing agent, or the duration or scope of the appointment, the offshore electronic services business entity shall, within fifteen days from the occurrence of the facts, apply for modification registration online via the “Tax on Cross-Border Electronic Services” section of the Ministry of Finance’s eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/cbec-tax-area/business-tax/file-taxation-registration).

3.6 Prior to the temporary suspension of business or a resumption of business after the suspension, the offshore electronic services business entity shall file for approval and recordation online via the “Tax on Cross-Border Electronic Services” section of the Ministry of Finance’s eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/cbec-tax-area/business-tax/file-taxation-registration).

3.7 Under any of the circumstances specified in Article 17 of the Registration Regulations, the offshore electronic services business entity shall apply for cancellation of registration online via the “Tax on Cross-Border Electronic Services” section of the Ministry of Finance’s eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/cbec-tax-area/business-tax/file-taxation-registration) within fifteen days from the date of occurrence of the facts.

3.8 The competent tax authority may nullify the taxation registration ex officio if any of the circumstances referred to the events in subparagraph 1 or 2 of Article 17 of the Registration Regulations occurs and the offshore electronic services business entity has not applied for cancellation of registration after six months even if such entity has been notified by the tax authority.

4. The scope and method of tax levy:

4.1 An offshore electronic services business entity that sells electronic services to an individual in the territory of the R.O.C. via its own website or electronic sales system and collects full payment for such service shall file and pay business tax in accordance with Article 35 of the Business Tax Act.

4.2 A foreign enterprise, institution, group, or organization having no fixed place of business within the territory of the R.O.C. (hereinafter referred to as the foreign supplier A) that sells electronic services to individual 乙 (Note 1) in the territory of the R.O.C. via the website or electronic sales system set up by the offshore electronic services business entity B and collects full payment for such service by itself:

4.2.1 In cases where the services are used without a physical location:

4.2.1.1 The foreign supplier A shall be classified as an offshore electronic services business entity. If it is required to apply for taxation registration pursuant to Subparagraph 1 of the preceding point, it shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.

4.2.1.2 The service fee (e.g., administration fee or commission) charged by

the offshore electronic services business entity B to the foreign supplier A is not subject to the scope of business tax levy in the R.O.C.
4.2.2 In cases where the services are used at a physical location:
4.2.2.1 If the aforesaid location is within the territory of the R.O.C.:
4.2.2.1.1 The foreign supplier A shall be classified as an offshore electronic services business entity. If it is required to apply for taxation registration pursuant to Subparagraph 1 of the preceding point, it shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.2.2.1.2 The service fee (e.g., administration fee or commission) charged by the offshore electronic services business entity B to the foreign supplier A is not subject to the scope of business tax levy in the R.O.C.
4.2.2.2 If the aforesaid location is not within the territory of the R.O.C.: It is not subject to the scope of business tax levy in the R.O.C.
4.3 The foreign supplier A sells electronic services to individual 乙 in the territory of the R.O.C. via the website or electronic sales system set up by the offshore electronic services business entity B, and the offshore electronic services business entity B collects the full payment for such service:
4.3.1 In cases where the services are used without a physical location:
4.3.1.1 The offshore electronic services business entity B shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.3.1.2 The payment received by the foreign supplier A from the offshore electronic services business entity B is not subject to the scope of business tax levy in the R.O.C.
4.3.2 In cases where the services are used at a physical location:
4.3.2.1 If the aforesaid location is within the territory of the R.O.C.:
4.3.2.1.1 The offshore electronic services business entity B shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.3.2.1.2 The payment received by the foreign supplier A from the offshore electronic services business entity B is not subject to the scope of business tax levy in the R.O.C.
4.3.2.2 If the aforesaid location is not within the territory of the R.O.C.: It is not subject to the scope of business tax levy in the R.O.C.
4.4 The business entity 甲 (Note 2) in the territory of the R.O.C. sells electronic services to individual 乙 in the territory of the R.O.C. via the website or electronic sales system set up by the offshore electronic services business entity B and collects the full payment for such service by itself:
4.4.1 In cases where the services are used without a physical location:
4.4.1.1 The business entity 甲 in the territory of the R.O.C. shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.4.1.2 The business entity 甲 in the territory of the R.O.C. who pays the service fee (e.g., administration fee or commission) to the offshore electronic services business entity B shall file and pay business tax in accordance with Paragraph 1, Article 36 of the Business Tax Act.
4.4.2 In cases where the services are used at a physical location:

4.4.2.1 If the aforesaid location is within the territory of the R.O.C.:
4.4.2.1.1 The business entity 甲 in the territory of the R.O.C. shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.4.2.1.2 The business entity 甲 in the territory of the R.O.C. who pays the service fee (e.g., administration fee or commission) to the offshore electronic services business entity B shall file and pay business tax in accordance with Paragraph 1, Article 36 of the Business Tax Act.
4.4.2.2 If the aforesaid location is not within the territory of the R.O.C.: It is not subject to the scope of business tax levy in the R.O.C.
4.5 The business entity 甲 in the territory of the R.O.C. sells electronic services to individual 乙 in the territory of the R.O.C. via the website or electronic sales system set up by the offshore electronic services business entity B, and the offshore electronic services business entity B collects the full payment for such service:
4.5.1 In cases where the services are used without a physical location:
4.5.1.1 The offshore electronic services business entity B shall file and pay business tax based on the full payment received from the purchaser 乙in accordance with Article 35 of the Business Tax Act.
4.5.1.2 The business entity 甲 in the territory of the R.O.C. shall file and pay business tax based on the payment received from the offshore electronic services business entity B in accordance with Article 35 of the Business Tax Act.
4.5.2 In cases where the services are used at a physical location:
4.5.2.1 If the aforesaid location is within the territory of the R.O.C.:
4.5.2.1.1 The offshore electronic services business entity B shall file and pay business tax based on the full payment received from the purchaser 乙 in accordance with Article 35 of the Business Tax Act.
4.5.2.1.2 The business entity 甲 in the territory of the R.O.C. shall file and pay business tax based on the payment received from the offshore electronic services business entity B in accordance with Article 35 of the Business Tax Act.
4.5.2.2 If the aforesaid location is not within the territory of the R.O.C.: It is not subject to the scope of business tax levy in the R.O.C.
4.6 Transaction models of cross-border electronic services sold to individuals in the territory of the R.O.C. that are not covered in the aforementioned cases shall still be subject to business tax in accordance with the provisions of the Business Tax Act. In case of any doubt, the competent tax authority may submit the matter to the Ministry of Finance for further interpretation.
5. Taxation filing and payment:
5.1 An offshore electronic services business entity that has completed taxation registration shall file and pay business tax online via the “Tax on Cross-Border Electronic Services” section of the Ministry of Finance’s eTax Portal (https://www.etax.nat.gov.tw/etwmain/en/cbec-tax-area/business-tax/file-busines-tax-payment) within the period specified in Article 35 of the Business Tax Act.
5.2 An offshore electronic services business entity that undergoes a merger, ownership transfer, dissolution, or nullification of business shall file and pay business tax for the current reporting period within fifteen

days from the occurrence of the facts in accordance with Article 33 of the Enforcement Rules of Business Tax Act.
5.3 An offshore electronic services business entity that obtains the documentary evidence specifying the amount of input business tax from business entities in the territory of the R.O.C may deduct such input tax from its output tax, provided that there are no circumstances under Paragraph 1, Article 19 of the Business Tax Act that prohibit such deduction, the input tax is exclusively used for the sale of electronic services to individuals in the territory of the R.O.C., and the requirements under Paragraph 1, Article 38 of the Enforcement Rules of the Business Tax Act are satisfied.
5.4 When an offshore electronic services business entity that sells electronic services in foreign currency files the sales amount and business tax payable or overpaid pursuant to Article 35 of the Business Tax Act, such amounts shall be converted into New Taiwan Dollars at the closing spot buying exchange rate (if unavailable, the cash buying exchange rate shall be adopted) announced by the Bank of Taiwan on the applicable date below. If the sales amount of the electronic services is not denominated in a foreign currency announced by the Bank of Taiwan, it shall first be converted into any foreign currency announced by the Bank of Taiwan at the closing spot buying exchange rate (if unavailable, the cash buying exchange rate shall be adopted) announced by the intermediary bank on the applicable date, and then into New Taiwan Dollars at the closing spot buying exchange rate (if unavailable, the cash buying exchange rate shall be adopted) announced by the Bank of Taiwan on the same date.
5.4.1 The last day of the taxable period (Note 3).
5.4.2 Where an offshore electronic services business entity undergoes a merger, ownership transfer, dissolution, or nullification of business, the last day of the prior taxable period of any of these events.
5.4.3 If the last day of the aforesaid period falls on a Sunday, a national holiday, or any other holiday, the last day shall be the day following that day instead, and if the last day of the period falls on a Saturday, the last day shall be the Monday of the following week instead.
5.5 The foreign exchange rates for the dates specified in the preceding subparagraph are published on the “Tax on Cross-Border Electronic Services” section of the Ministry of Finance’s eTax Portal (https://pfiles.tax.nat.gov.tw/blrc/ch/ExchangeRate.jsp).
5.6 An offshore electronic services business entity shall pay business tax in New Taiwan Dollars. If the payment is made via remittance, the business entity shall bear any remittance fees and relevant processing charges.
6. For the collection of information required for taxation, investigators appointed by the competent tax authority or the Taxation Administration of the Ministry of Finance may conduct investigations in accordance with Article 30 of the Tax Collection Act. The offshore electronic services business entity shall be obligated to cooperate.
7. If an offshore electronic services business entity is involved in the violation of provisions in the process of taxation registration or filing and paying business tax, penalties shall be imposed in accordance with the Tax Collection Act, the Business Tax Act, and other relevant regulations.

Note:
1. The Chinese symbol representing an individual in the territory of the R.O.C. (the purchaser).
2. The Chinese symbol representing a business entity in the territory of the R.O.C.
3. The taxable period refers to a two-month period (e.g., Jan-Feb, Mar-Apr, etc.).

Data Source：Ministry of Finance, R.O.C. Laws and Regulations Retrieving System