



## Content

Title :	 Regulations Governing Tax Preferences for Quarantine Leave of Severe Pneumonia with Novel Pathogens 
Date :	2020.03.10
Legislative :	<p>1. Formulated in 7 articles and announced on March 10, 2020, by the Ministry of Health and Welfare, under Wei-Shu-Chi Order No.1090100465 and the Ministry of Finance, under Tai-Tsai-Shui Order No.10904530540; shall enter into force on January 15, 2020.</p> <p>2. Abrogated on July 19, 2023, by the Announcement of the Ministry of Health and Welfare, under Wei-Shou-Chi Order No. 1120100809, and the Ministry of Finance, under Tai-Tsai-Shui Order No. 11204612080.</p>
Content :	<p><b>Article 1</b></p> <p>These Regulations are enacted pursuant to paragraph 3, Article 4 of the “Special Act for Prevention, Relief and Revitalization Measures for Severe Pneumonia with Novel Pathogens” (hereinafter referred to as the “Act”).</p> <p><b>Article 2</b></p> <p>The terms as used in these Regulations shall be defined as follows:</p> <ol style="list-style-type: none"><li>1. “Leave period” means that which satisfies one of the following requirements:<ol style="list-style-type: none"><li>i. An employee assigned by a competent health authority of any level to home isolation, home quarantine, group isolation, or group quarantine shall be entitled to disease prevention isolation leave.</li><li>ii. An employee taking care of family members incapable of handling daily living themselves subjected to isolation or quarantine shall be entitled to disease prevention isolation leave.</li><li>iii. An employee subject to a response measures conducted in accordance with orders issued by the Commander of the Central Epidemics Command Center may be entitled to leave of absence.</li></ol></li><li>2. “Employee” means a person who is hired by an authority (agency), enterprise, school, legal entity, or organization to work for salaries.</li><li>3. “Salary payment” means the remuneration which an employee receives in salaries, stipends, wages, and any other regular payments for his/her services rendered. Also, the amount of salary payment shall not have income tax payable, insurance, and membership dues deducted.</li></ol> <p><b>Article 3</b></p> <p>An authority (agency), enterprise, school, legal entity, or organization may deduct the salary payment paid to its employees during their leave period from its amount of income of the current year as follows:</p> <ol style="list-style-type: none"><li>1. For the case of declaring an annual income tax return, a current final report on</li></ol>

total business income, or a current final report on income earned from liquidation of Profit-Seeking Enterprise Income Tax, taxpayers may claim double deduction from the amount of the profit-seeking enterprise income of the current year.

2. For the case of practitioners of profession, private cram schools, kindergartens, and nursing homes which should file an annual income tax return of Individual Income Tax, taxpayers may claim double deduction from the actual amount of income of the professional practice or other income of the current year.

#### **Article 4**

The amount of salaries paid to the employee by an authority (agency), enterprise, school, legal entity, or organization eligible for tax benefit under paragraph 1, Article 4 of the Act shall be calculated based on the amount assessed by the tax collection authority, not including government subsidy.

If the amount of salaries paid by an authority (agency), enterprise, school, legal entity, or organization with respect to tax benefits is being applied according to other laws, these Regulations shall not apply again to the same.

The deductible amount applied by an authority (agency), enterprise, school, legal entity, or organization under these Regulations shall be limited to the amount of income as calculated in accordance with category 2, paragraph 1, Article 14; category 10, paragraph 1, Article 14; or Article 24 of the Income Tax Act. Also, the amount of income as calculated in the preceding Income Tax Act which is negative may not be applied to a double deduction under these Regulations.

#### **Article 5**

An authority (agency), enterprise, school, legal entity, or organization applying for the double deduction salaries of paragraph 1, Article 4 of the Act, shall fill in the stipulated forms at the time of filing an income tax return of the current year, a current final report on total business income, or a current final report on income earned from liquidation, and submit the salary document, the details of which are computed according to the preceding Article, and the following documents:

1. For a disease prevention isolation leave due to home isolation, home quarantine, group isolation, or group quarantine:
  - i. Disease prevention isolation leave form, leave record, or other certificates.
  - ii. Home isolation, home quarantine, group isolation, group quarantine, or other related notices issued by the competent health authority of any level.
2. For a disease prevention isolation leave due to taking care of family members incapable of handling daily living themselves subjected to quarantine or

isolation:

- i. Disease prevention isolation leave form, leave record, or other certificates.
  - ii. The family members' isolation or quarantine notice in accordance with the second item of the preceding subparagraph.
3. For a leave of absence due to response measures conducted in accordance with orders issued by the Commander of the Central Epidemics Command Center:
- i. Leave form, leave record, or other certificates.
  - ii. The certified document in accordance with response measures conducted in accordance with orders issued by the Commander of the Central Epidemics Command Center.

The stipulated forms under the preceding paragraph shall be regulated by the Ministry of Finance.

If there is any omission in the information reported filed by an authority (agency), enterprise, school, legal entity, or organization in accordance with paragraph 1, the tax collection authority may issue notice to require a supplement or correction within a specified period of time. If such supplement or correction is not made within the specific time, the filing will not be accepted by the tax collection authority.

#### **Article 6**

If false evidence is found by the tax collection authority with respect to the amount of double deduction wages from income under these Regulations, the case shall be subject to the provisions for tax evasion or omission provided in Article 110 of the Income Tax Act and the termination of the tax incentive and recovery of the benefits provided in paragraph 1, Article 48 of the Tax Collection Act.

#### **Article 7**

These Regulations shall be enforced from January 15, 2020.