Content

Title：	Regulations Governing the Installments of Tax Payment with Interest Surcharge for the Taxpayer Ch
Date：	2022.01.05
Legislative：	Promulgated per the Order of Tai-Tsai-Shuei-Tze No. 11004699370 issued by the Ministry of Finance on January 5, 2022.
Content：	Article 1 These Regulations are enacted pursuant to the provisions set out in the forepart of Paragraph 3, Article 26-1 of the Tax Collection Act (hereinafter referred to as the “Act”). Article 2 The term "tax payable" prescribed in these Regulations shall refer to the principal amount of tax, belated surcharge, interest, delinquent reporting surcharge, non-reporting surcharge and fines. Article 3 The term “Taxpayers are unable to pay income tax due to financial hardship”, prescribed in Subparagraph 1 of Paragraph 1, Article 26-1 of the Act shall be determined in accordance with the following provisions: 1.Within one year prior to the expiration of the payment period for the individual income tax payable, if the taxpayer or the spouse filing jointly meets any of the following circumstances, as verified by the tax authority, the following provisions shall apply： (1)Received unemployment benefits or vocational training living allowances in accordance with the Employment Insurance Act. (2)Received emergency aid in accordance with the Public Assistance Act.

(3)The implementation period of reduced working hours covers more than one-half of the working days in each of two or more months.

(4)Due to other factors leading to financial hardship, the taxpayer is unable to pay the tax payable in full within the payment period.

2.Within one year prior to the expiration of the payment period for the profit-seeking enterprise income tax payable, if the taxpayer meets any of the following circumstances, as verified by the tax authority, the following provisions shall apply：

(1)The total net operating income of the profit-seeking enterprise in any four consecutive months has decreased by 30% or more compared to the corresponding period in the previous year.

(2)Educational, cultural, public welfare, and charitable organizations or institutions (hereinafter referred to as the “organizations”) whose total income in any four consecutive months, including that of each affiliated operational unit, has decreased by 30% or more compared to the corresponding period in the previous year.

(3)Due to other factors leading to financial hardship, the taxpayer is unable to pay the tax payable in full within the payment period.

Article 4

The term “a large amount of payment” prescribed in Subparagraph 2, Paragraph 1, Article 26-1 of the Act refers to each instance where the amount of additional tax is NT$1,000,000 or more for an individual, or NT$2,000,000 or more for a profit-seeking enterprise (including organizations).

Article 5

Where a taxpayer applies under these Regulations for the installments

payment of tax payable with accrued interest, if the amount of tax payable is NT$1,000,000 or more for an individual or NT$2,000,000 or more for a profit-seeking enterprise (including organizations), the tax authority may request the taxpayer to provide equivalent collateral.

The scope, valuation, and other related matters concerning the security referred to in the preceding paragraph shall be governed by the provisions of Article 11-1 of the Act.

Article 6

The interest accrued for installments payment prescribed under these Regulations shall be calculated on a monthly basis, with the tax payable divided and paid in multiple installments, up to a maximum of thirty-six installments. The taxpayer shall be charged the daily interest accrued on the amount of such supplementary tax at the interest rate based on the fixed interest rate on January 1 of each year for one-year time deposit of postal savings, for the period from the date following the original deadline for making the payment of such tax to the date of payment of tax. However, the provisions regarding the accrual of interest shall not apply to delinquent reporting surcharge, non-reporting surcharge, or fines.

When the tax authority accepts a taxpayer's application for installments payment of the tax payable with accrued interest, it shall, in accordance with the following provisions, exercise discretion in approving the number of installments:

1.Where the amount of tax payable is less than NT$200,000, payment may be made in two to six installments.

2.Where the amount of tax payable is NT$200,000 or more but less than NT$1,000,000, payment may be made in two to twelve installments.

3.Where the amount of tax payable is NT$1,000,000 or more but less than NT$5,000,000, payment may be made in two to twenty-four installments.

4.Where the amount of tax payable is NT$5,000,000 or more, payment may be made in two to thirty-six installments.

The amount of each installment shall not be less than a specific amount of payment waived in accordance with Article 25-1 of the Act.

Article 7

A taxpayer applying for installments payment of the tax payable with accrued interest shall, within the prescribed tax payment period, submit an application to the tax authority using the form prescribed by the Ministry of Finance, together with supporting documents.

A taxpayer who, due to force majeure or causes not attributable to them, is unable to submit the application referred to in the preceding paragraph within the prescribed tax payment period may, within ten (10) days after the cessation of such cause, apply for restoration to the original state by submitting supporting documents. At the same time, the taxpayer may file a supplementary application for installments payment of the tax payable, including accrued interest.

Article 8

A tax payment that has been approved for payment by installments with accrued interest shall not be re-applied for installments again based on the same reason.

Where a taxpayer has tax payable approved for installments payment with accrued interest and, on different reason, reapplies for installments payment with accrued interest for the unpaid tax amount, the tax authority shall, based on the grounds for the current application and the amount of unpaid tax, approve the number of additional installments with accrued interest in accordance with the provisions of Paragraphs 2 and 3 of Article 6. The total period of all installments plans approved on different grounds shall not exceed three (3) years.

Article 9

In the event that a taxpayer fails to make timely payment of any tax for

which the payment by installments has been approved, the tax authority shall, in accordance with Article 27 of the Act, issue a written notice demanding payment of the remaining tax in a lump sum within ten (10) days. Interest shall accrue on a daily basis, calculated from the day following the original payment due date to the due date specified in the notice for the unpaid installments, based on the fixed interest rate for one-year time deposits of postal savings as announced on January 1 of each respective year, and shall be collected together with the tax payable. In the event that the taxpayer is subject to a delinquency charge while further fails to pay such tax within the given time limit, the tax authorities shall forward the case to compulsory execution.

Where the taxpayer pays the overdue tax before the service of the payment notice issued pursuant to the preceding paragraph, a belated surcharge shall be imposed in accordance with the Act, calculated from the day following the due date for the installment payment; the case shall not be processed under Article 27 of the Act.

Article 10

Where, prior to the promulgation and enforcement of these Regulations, the tax authority has approved the taxpayer's application for installments payment of income tax with interest in accordance with the relevant provisions, any remaining tax after the promulgation and enforcement of these Regulations shall be subject to the provisions hereunder. However, in cases where the provisions in effect prior to the promulgation and enforcement of these Regulations are more favorable to the taxpayer, the most favorable provisions for the taxpayer shall apply.

The period for which a taxpayer applies to pay the remaining tax with accrued interest in installments pursuant to Paragraph 2, Article 8, combined with the period previously approved by the tax authority for installments payment with accrued interest prior to the promulgation and enforcement of these Regulations, shall not exceed three (3) years in total.

Article 11

These Regulations shall enter into force from the date of promulgation.