Content

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| Title： | Regulations Governing Certified Public Accountants Acting as Income Tax Agents Ch |
| Date： | 2016.05.10 |
| Legislative： | 1.Promulgated on September 9, 1964<br>2.Amended on May 28, 1970<br>3.Amended on July 21, 1983<br>4.Amended and Promulgated by Decree No.50867 issued by the Ministry of Finance on February 9, 1984.<br>5.Amended and Promulgated by Decree No. 841629371 issued by the Ministry of Finance on June 29, 1995.<br>6.Amended and Promulgated by Decree No. 0890458213 issued by the Ministry of Finance on December 4, 2000.<br>7.Amended and Promulgated by Decree No. 09304536040 issued by the Ministry of Finance on November 30, 2004.<br>8.Amended and Promulgated by Decree No. 09404585680 issued by the Ministry of Finance on December 30, 2005.<br>9.Amended and Promulgated by Decree No. 10504564340 issued by the Ministry of Finance on May 10, 2016. |
| Content： | Article 1<br><br>These Regulations are prescribed in pursuance of the provision of Paragraph 1, Article 102 of the Income Tax Act.<br><br>Article 2<br><br>Any certified public accountant (hereinafter referred to as "CPA") who applies to register himself/herself to act as a tax agent shall submit the following documents and pay the certification fee：<br><br>1. An application in duplicate;<br>2. Three (3) recent two-inch photographs of the applicant showing his/her face and shoulders<br>3. An imprint specimen of his/her personal signature and seal in sextuplet; and<br>4. His/her membership certificate issued by the Certified Public Accountants (CPAs) Association.<br><br>Where the Registered Tax Agent Certificate is lost, a loss notice stating therein the annulment of the original Registered Tax Agent Certificate (showing the registration number thereof) shall be published in a newspaper for three (3) consecutive days, and a written application form for issuance of a new Registered Tax Agent Certificate, annexed thereto with a full-page of the newspaper whereon the said loss notice was published, three (3) recent two-inch photographs of the applicant showing his/her face and shoulders, and a payment of the certification fee, shall be filed with the competent authority. In the case that the original Registered Tax Agent Certificate, which was reported as lost certificate, is found and/or |

recovered afterwards, such recovered original certificate shall be turned in to the competent authority for destruction thereof.

Where a Registered Tax Agent Certificate is damaged, a written application form annexed thereto with the original (damaged) certificate, Three (3) recent two-inch photographs of the applicant showing his/her face and shoulders, and a payment of the certification fee may be submitted to the competent authority for issuance of a replacement certificate. The certification fee to be collected under these Regulations shall be fixed by the Ministry of Finance and the collection and payment thereof shall be effected in accordance with the budgeting procedures.

Article 3

A CPA who has applied for registration to act as a tax agent, and has been qualified to act as such by the issuance of a Registered Tax Agent Certificate may accept a mandate to act as a tax agent to handle, on behalf of his/her principal, the following affairs pertaining to income tax:

1. To act as an agent in completing the statutory procedures in respect of the registration of incorporation, merger or consolidation, assignment, inactivation and/or alteration of a profit-seeking enterprise;
2. To design the accounting system and to prepare and draft tax-related business letters and documents for his/her principal;
3. To perform the matters in connection with the auditing, sorting, analyzing, certifying, verifying, and report filing of accounting records and books, financial statements, and financial condition;
4. To apply for approval and change of assets appraisal reappraisal and accounting method;
5. To handle, as an agent, the filing(s) pertaining to the provisional income tax return, income tax return, sundry statement(s) of changes to the Imputed Credit Account of shareholders, the undistributed earnings return, income tax return for the period ended on the date of dissolution, and income tax return for the period of liquidation; making tax payments, applying for tax refund or tax credit, or applying for tax incentives and exemption, etc.;
6. To apply for error correction and re-examination, or to institute administrative appeal and/or administrative proceedings in respect of matters related to income tax affairs;
7. To apply for legal interpretation in respect of issues involving income tax laws and relevant regulations;
8. To act as a liquidator, a bankruptcy administrator, a will executor, or as a trustee for other income tax related matters;
9. To apply for an advance-pricing agreement in respect of a business transaction between interested parties; and
10. To act as an agent in respect of the matters pertaining to income tax affairs.

Article 4

A civil servant whose official duty was related to taxation affairs during the two years prior to separation from service and who applies to register himself/herself as a tax agent after the said resignation, shall not handle income tax related matters as mandated in the same jurisdiction where he/she used to serve his/her official duty within two (2) years after the resignation.

Article 5

Where a CPA has applied for and has been approved to register himself/herself as a tax agent, the Ministry of Finance shall inform the taxation authority of such registration, and shall publish such registration on its web site, and the foregoing requirements shall also apply when there is any change in such registration. In case any person who is not a qualified tax agent practices the business of a tax agent at his/her own discretion, the taxation authority shall, in addition to rejecting the taxation cases initiated by such unqualified tax agent, report the case to the Financial Supervisory Commission under the Executive Yuan for referral of the case to the Disciplinary Committee of the CPA Association to deal with cases in accordance with the law.

Article 6

A CPA who performs transactions under any of the following circumstances shall not accept any mandate to provide auditing or certification services for his/her mandator in respect of the income tax payment affairs:

1. Where he/she is presently retained or employed by the mandator to perform regular work for and receives fixed salary from the mandator;
2. Where he/her was a member of staff or employee of the mandator, and has separated from the mandator for a period of less than two (2) years;
3. Where he/she has a relationship with the responsible person or manager of the mandator in terms of spouse, a lineal consanguinity, is a linear relative by marriage, or has a collateral consanguinity within the first four degrees; or
4. Where the CPA himself/herself or his/her spouse has an investment or profit-sharing relationship with the mandator.

Article 7

A CPA shall join at least one CPAs Association before applying to register himself/herself as a tax agent and handle income tax related matters nationwide as mandated.

A CPA who has registered as a tax agent before this article was amended and came into force on May 10, 2016 may handle tax related matters nationwide rather than within the jurisdiction of the province (city) where he/she registered.

Article 8

A CPA acting as an income tax agent shall not commit any of the following acts:

1. Failing to make essential explanation in respect of the case handled by him/her on behalf of his/her mandator, knowing well that he/she must make detailed explanations of the mandated case in order to avoid causing any third party to misunderstand the situation;
2. Completing the certification, verification or filing processes, knowing well that the contents of the mandated case are improper and untrue;
3. Failing to correct, adjust or point out the errors, knowing well that the contents of the mandated case do not conform to the provisions set out in the tax laws and/or relevant laws and regulations and the generally accepted accounting principles;
4. Allowing any person not entitled to act as a tax agent to solicit income tax agent business in the name of or in collaboration with the qualified CPA himself/herself;
5. Obtaining a mandate contract from a mandator, or influencing the decisions of tax officers with undue tricks; or
6. Committing any other acts contrary to the provisions of relevant laws and regulations or the occupational professional ethics of CPAs.

Article 9

Under any of the following circumstances, a CPA shall refuse to accept a tax agent mandate offer or shall terminate an existing mandate contract:

1. When the mandator does not provide necessary accounting books and records, documentary evidence or relevant supporting documents;
2. When the mandator attempts to make untrue or improper filing, certification, verification or reporting; or
3. When a just, complete and accurate certification can not be made due to the intentional concealment and/or deceit of the mandator.

Article 10

A CPA acting as an income tax agent may enter into an agreement with his/her mandator in regard to a lawful amount of the remuneration, but shall not collect any additional compensation for any reason.

Article 11

When handling the income tax related matters as mandated, the CPA acting as a tax agent shall submit a duplicate of the power-of-attorney issued by the mandator along with the items in case to be filed with the competent tax collection authority.

Article 12

A CPA registered as a tax agent shall perform his/her duties of income tax

related affairs as mandated in accordance with the provisions set out in the relevant laws and regulations as well as in these Regulations. If he/she has acted in violation of any of the provisions set out in such relevant laws and regulations or these Regulations, the tax collection authority shall, contingent upon the degree of seriousness of such violations, report the case stating therein the facts and attach thereto relevant supporting evidence and information to the Financial Supervisory Commission under the Executive Yuan for the referral of the case to the Disciplinary Committee of the CPA Association to deal with in accordance with the law.

Article 13

When filing the profit-seeking enterprise income tax return, the sundry statement of changes in the Imputed Credit Account of shareholders, or the undistributed earnings return under a mandate, the CPA shall adopt one of the following methods:

1. Audit and certification: The CPA shall, in accordance with the provisions set out in the Income Tax Act and other relevant laws and regulations, execute necessary auditing procedures on the accounting books and records, vouchers and relevant documentation in connection with the business transactions made in the current year by the mandator with his/her/its related party, the amount of income, the sundry changes in the Imputed Credit Account of the shareholders, the undistributed earnings in the preceding year, and the amount of income tax payable; make proper corrections, adjustments and explanations; prepare complete and accurate working papers; and submit an audit report. In the event of the filing of a profit-seeking enterprise income tax return, sundry statements comparing and analyzing the assets, liabilities, profits and losses in the current and the previous tax periods shall also be annexed to the tax return for examination and verification by the competent tax collection authority.
2. Filing on behalf of the mandator: The CPA shall, in accordance with the provisions set out in the Income Tax Act and other relevant laws and regulations, conduct an overall verification of the accounting books and records, vouchers and relevant documentation in connection with the business transactions made in the current year by the mandator with his/her/its related party, the amount of income, the sundry changes in the Imputed Credit Account of shareholders, the undistributed earnings in the preceding year, and the amount of income tax payable. Necessary adjustments and explanations of any contents thereof not conforming to the statutory requirements shall be made.

Article 14

With respect to an income tax case that was audited and certified by a mandated CPA in accordance with the provisions of these Regulations, the tax collection authority shall examine and verify the case based on the documentation filed, unless the tax collection authority has any questions or deems that further examination is required with respect to the audit

report, working papers or the explanations contained in other relevant statements. Under such circumstances, the tax collection authority may send an enquiry to the CPA, or may send a notification to the CPA to submit supplementary explanations under a deadline, or may send a notification to the CPA to inform the mandator to provide relevant accounting books and record to prepare to answer any questions. However, in the event that the CPA fails to submit such accounting books and records within the prescribed time period, or is disqualified as a tax agent, or can not be notified for any other reasons, then the tax collection authority may make a direct request to the mandator for his/her/its presentation of accounting books and records for further investigation.

The tax collection authority may, as permitted by its manpower, conduct periodic physical examination of the cases subject to documentary examination under the preceding paragraph provided. However, in the case of a CPA who has been evaluated and rated excellent, filings audited and certified by him/her may be exempted from such physical examination.

Article 15

n the case that during the examination of an income tax filing case that was audited and certified by a mandated CPA, the opinion of the tax collection authority on the application of accounting principles is different from the opinion of the CPA, both the tax collection authority and the CPA may refer the dispute to the R.O.C. National Association of Certified Public Accountants for review and decision.

The review and decision-making procedures set forth in the preceding paragraph shall not affect the tax assessment conducted by the tax collection authority in cases with tax payable. If a taxpayer disagrees with the assessment made by the tax collection authority, the taxpayer may proceed in accordance with the administrative remedy procedures.

Article 16

In the absence of an uniformed or standardized format specified by the tax collection authority, the format of the various documents, statements and working papers to be used under these Regulations may be designed and formulated by a CPA depending upon the actual requirements of the affairs mandated, or may be so created by the CPA Association.

Article 17

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Article 17-1

A CPA who has accepted the mandate to handle an income tax matter may not sub-assign the whole or any part of the mandate to any other CPA.

Article 18

These Regulations shall come into effect from the date of promulgation.

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