

Recent Development in the Tax Administration / Updates on Tax Reform

51st SGATAR ANNUAL MEETING

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Outline



**1. Recent Developments
in Taxation**



**2. Improvements for
Tax Administration**



3. Global Initiatives



Recent Development in Taxation

Addressing
Inflationary Pressures

01

02 Tax Revenue
Impacts from
COVID-19

Global
Warming

04

03 Building a
Healthy Real
Estate Market



Addressing Inflationary Pressures

- Temporary Partial or Full Reduction of Tax on Raw Materials



- The Adjustment Mechanism of Individual Income Tax along with CPI

When filing 2022 Tax Return

Increase in
Disposable Income
US\$300 mil.



Tax Revenue Impacts from COVID-19 (1/2)

□ Adjust the Tax Amount based on the Actual Business

Unit: US\$ million

Item	Measures	Results
Business Tax	Sales amount reassessed	21.40
House Tax	Tax rate cut for stoppage of operation	20.57
Vehicle License Tax	Tax exemption while out of service	93.43
Amusement Tax	Tax deduction for stoppage of operation or use	18.30

□ The Deferral and Installments of Tax Payment

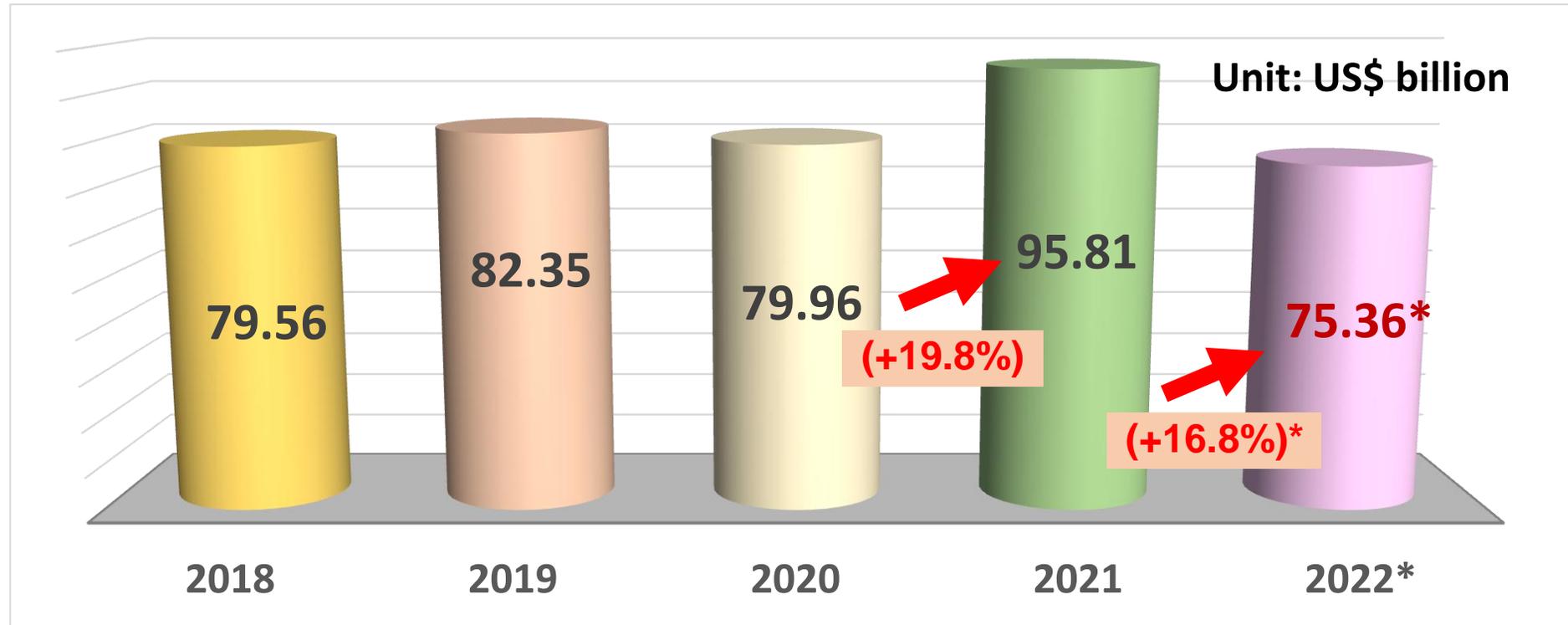
From January 15th, 2020 to August 31st, 2022

- ✓ Approved cases: **90,675**
- ✓ Tax payment: **US\$3.95 billion**



Tax Revenue Impacts from COVID-19 (2/2)

❑ The total tax revenue has grown steadily recently



Note: In 2022, the cumulative January to August was **US\$ 75.36 billion**, **US\$10.83 billion (+16.8%)** more than the same period last year.

Building a Healthy Real Estate Market

❑ Implement Income Tax of the House & Land Transactions 2.0

01

Raise the tax rate applicable to short-term cases

02

Amend the applicable tax rate of corporations

03

Add transactions of presale house and qualified shares or capital into H&L 2.0

❑ The tax revenues have been distributed to the expenditures of **housing policy** and **long-term social care services**.



From January 2016 to August 2022

US\$ 2.59 Billion



Global Warming

Commodity Tax & Vehicle License Tax Reduction / Exemption



Purchase electric-operated vehicles



Scrap used vehicles as well as purchase new ones



Purchase energy-saving electric appliances



Import or produce the glass used exclusively for photovoltaic modules

01

02

03

04

Carbon Fee First



Improvements for Tax Administration



Upgrading Individual Income Tax Return

☐ Strengthen the Mobile Tax Filing System

Edit declarations by taxpayers

Tax payment via mobile devices

1.25 Mil.
Cases Filed

+49%
Increase in
Cases Filed

98%
Satisfied



☐ Rolling Out Two Kinds of Tax AI Chatbot

- User guidance of tax filing system
- Consulting service of tax laws and regulations

Little Big Helper

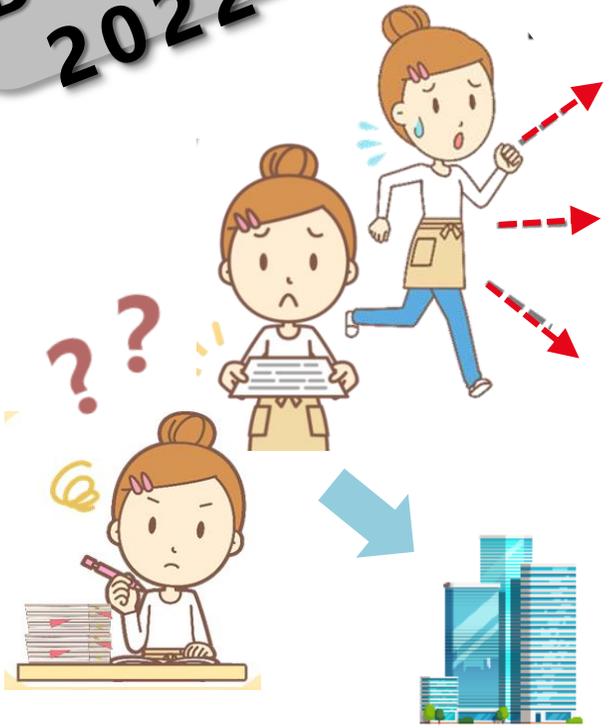


Fabulous!



The Service of Pre-calculation of Estate Tax Returns

Before 2022



1. Deposit
2. Life Insurance
3. Security / Bond
4. Real estate
5. Vehicle
6. Claim / Right
7. Genealogical List of Inheritance
8. Deduction Certificate

Tax Authorities

After 2022

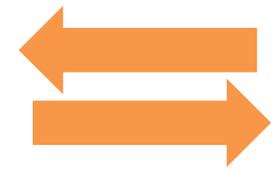


35,490 cases

e Much easier to complete return



Tax Authorities



Financial Institutions & Public Authorities

pre-calculation

Submit the confirmation on the internet



Global Initiatives



Enforcing CFC Rules from 2023

July 2016

CFC rule for enterprises brought into law

January 2021

Designating the enforcement date

May 2017

CFC rule for individuals brought into law

Challenges

From taxpayers' concerns and information collection

2023

Enforcement

Strategies

- ✓ Consulting Service
- ✓ Guides to CFC Rules
- ✓ Seminars



Tax Transparency & Effective Dispute Resolution

- ❑ **Following international standards on tax transparency and effective dispute resolution**



Building a tracking system for recording and managing EOI cases



Establishing a Ministerial-level Committee to review BAPA cases



THANK YOU

