



TAIWAN – June 2020

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Tax revenue down due to deadline

The government last month collected NT\$228.3 billion (US\$7.67 billion) in tax revenue, down NT\$180.2 billion, or 44.1 percent, from a year earlier, the Ministry of Finance said.

The biggest decrease was in corporate income tax revenue, which dropped NT\$151.4 billion year-on-year, or 91.4 percent, to NT\$14.2 billion, as the government had extended the tax filing deadline to the end of this month from the end of last month due to COVID-19, the ministry said in a statement on Wednesday last week.

For the same reason, personal income tax revenue also fell NT\$15.9 billion, or 38.9 percent, to NT\$25 billion; property tax revenue decreased NT\$4.9 billion, or 10.1 percent; and commodity tax revenue declined NT\$3.6 billion, or 22.4 percent, the ministry said.

However, revenue increased NT\$3.3 billion, or 40.2 percent, in securities transaction taxes, as local equity markets' average daily turnover was higher than a year earlier, it said.

In the first five months of the year, cumulative tax revenue fell NT\$136.5 billion, or 15.4 percent, from a year earlier to NT\$747.9 billion, ministry data showed.

The January-to-May figure accounted for 86.6 percent of the government target for the first five months of this year, as increases in revenues from securities transactions and business and individual income taxes were offset by decreases in revenues from corporate income, property and commodity taxes, the ministry said.

Tax revenue from securities transactions in the first five months rose NT\$13.4 billion, or 38.3 percent, year-on-year to NT\$48.5 billion as the daily trading turnover on the local bourse averaged NT\$192.3 billion over the period, up from NT\$136 billion a year earlier, ministry data showed.

Business tax revenue totaled NT\$211.1 billion in the first five months, up NT\$12.3 billion, or 6.2 percent, from a year earlier, while individual income tax revenue increased NT\$6 billion, or 4.5 percent, to NT\$140.7 billion from January to last month, the data showed.

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So far this year, revenues from entertainment tax and business tax have mainly been affected by the COVID-19 pandemic, while growth in revenues from corporate income tax and land value increment tax appears limited due to a high comparison base last year, the ministry said.

The ministry said that it is still optimistic about total tax revenue this year, citing various government measures, including stimulus vouchers, which are ex

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