

<b>Hong Kong</b>	<b>Shenzhen, China</b>	<b>Shanghai, China</b>	<b>Beijing, China</b>	<b>Singapore</b>	<b>New York, USA</b>
Rooms 2101-05, 21/F. Futura Plaza 111 How Ming Street Kwun Tong, Hong Kong T: +852 2341 1444	Rooms 1203-06, 12/F. Di Wang Commercial Centre 5002 Shennan Road East Luohu District, Shenzhen T: +86 755 8268 4480	Room 603, 6/F., Tower B Guangqi Culture Plaza 2899A Xietu Road Xuhui District, Shanghai T: +86 21 6439 4114	Room 303, 3/F. Interchina Commercial Bldg. 33 Dengshikou Street Dongcheng District, Beijing T: +86 10 6210 1890	138 Cecil Street #13-02 Cecil Court Singapore 069538 T: +65 6438 0116	202 Canal Street Suite 303, 3/F. New York NY 10013, USA T: +1 646 850 5888

## **Taiwan Limited Company Deregistration Package TWLLC6 (For Company Registered in Place other than Mainland China)**

This package is suitable for overseas, Hong Kong and Macau investor (Other than Mainland China Company) that intending to apply to deregister its limited company in Taiwan.

The package includes all procedures required for the purpose of deregistration of a limited company in Taiwan. Specifically included apply cancellation of foreign investor registration in Investment Commission of Ministry of Economic Affairs (MOEAIC), cancellation of company registration in Department of Commerce of MOEA, as well as to the National Taxation Bureau of Taipei, Ministry of Finance, Bureau of Foreign Trade, Taiwan courts and banks for the deregistration procedures. After the completion of all the previous procedures, its Taiwan limited company deregistration procedures is completed.

### **1. Taiwan Limited Company Deregistration Procedures**

Under normal circumstances, the application for Taiwan limited company deregistration takes about seven months, please refer to the following procedure.

- (1) Submit the Foreign Investor Registration form to the Investment Commissions of MOEA

If foreign investor decided to deregister a Taiwan Limited Company, you must apply for cancellation of investment to Investment Commission of MOEA. If the application was approved, the commission will issue an approval letter of deregistration of foreigner investment.

- (2) Submit the Company Registration form to Department of Commerce of MOEA

Once received the approval letter of deregistration of foreigner investment, submit the cancellation of limited company to Department of Commerce of MOEA. If the application was approved, the organization will issue the approval of deregistration letter.

- (3) Submit for business registration change to National Taxation Bureau of Taipei, Ministry of Finance and tax declaration
  - (a) Within 10 days from the date of the approval of deregistration from Taiwan Ministry of Economic Affairs, declare and deduct the current salary, interest, rent, royalty and other kinds of income to the National Taxation Bureau, declare and fill in withholding vouchers.
  - (b) Within 15 days from the date of the approval of deregistration from Taiwan Ministry of Economic Affairs, declare and withhold the current business tax to the National Taxation Bureau.

- (c) Within 45 days from the date of the approval of deregistration from Taiwan Ministry of Economic Affairs, report the profit tax on the profit for the current year (January 1 to the date of cancellation) to the National Taxation Bureau.

After submitted the cancellation of company registration to National Taxation Bureau and complete the tax declaration, National Taxation Bureau, it will issue an approval letter of the cancellation of the business registration.

(4) Report Liquidation of liquidator to the court

- (a) The company selected the liquidator and report the liquidation to the court, submit the settlement of application documents. The application documents contain statements, income statement, financial position and meeting record and property catalogs of parent company, etc.
- (b) The shareholders or directors of the limited company may act as liquidators of the company and may also be appointed by the majority of the shareholders of the company to elect the liquidator. There is no restriction of nationality of the elected liquidator (except Mainland Chinese). If the liquidator is foreigner, he/she must remain in Taiwan during the liquidation period and provide immigration records. The term of office of the liquidator shall not exceed six months, and if want to extend the liquidation period, shall be filed and report to the court before the expiry of six months and every extension is no longer than six months.
- (c) Published in the Taiwan Daily newspaper for the notice of deregistration of the company for three days, and send by mail to notify the creditors, creditors declare the creditor's certificate to the company within three months from the date of receipt or the receipt of registration.

(5) Company handle the liquidation of assets and debts and liabilities, report the tax declaration during the liquidation period to the National Taxation Bureau.

- (a) Within 15 days from the date of completion of the liquidation, declare and pay the business tax during the liquidation period.
- (b) Within 30 days from the date of completion of the liquidation, declare and pay the profit tax.
- (c) After completing the tax declaration during the liquidation period, apply the approval letter for the tax declaration during the liquidation period to the National Taxation Bureau. Upon completion of the tax declaration during the liquidation period, National Taxation Bureau will issue the approval letter. If the filing period during the liquidation period of the authorities exceed the period of the liquidation of the court, the company shall apply for extension to the court and extend once every six months.

(6) Report Completion of Liquidation to the court

After the completion of tax declaration during the liquidation period, apply for the settlement of liquidator to the court and also the liquidation of the final report. Remember to attach the income statement, balance sheet, property catalogue, the surplus property distribution table and the liquidation period declaration form issued by the National Taxation Bureau. Once get the court approved the registration, the court will issue the approval letter for the liquidation of the declaration.

(7) Settle the bank account

After the company completes the liquidation, reporting and registration procedures, go to the bank and apply for closing the bank account. The signatory of the company's bank account (director of company) must go to the bank in Taiwan in person to handle the closure of the bank account.

(8) Cancel import and export manufacturer's registration in Bureau of Foreign Trade

If the company is a trading company, it needs to cancel the import and export registration in the Bureau of Foreign Trade.

## 2. Required Documents and Materials

- (1) Client wishes to liquidate the financial information of the current year, including the balance sheet, income statement and vouchers.
- (2) Report of the board of directors of the parent company and the original copy of the power of attorney. (subject to verification by Taiwan foreign consulate or overseas organization with Chinese version)
- (3) Seal of company registered and the seal of the director of the company
- (4) Copy of identity document of the liquidator, only the shareholder or director of company may act as liquidator and it may also be appointed by the majority of the shareholders of the company to elect the liquidator. There is no restriction of nationality of the elected liquidator (except Mainland Chinese). If the liquidator is foreigner, he/she must remain in Taiwan during the liquidation period and provide immigration records.
- (5) The latest copy of registration document of the Ministry of Economic Affairs
- (6) Original of Taiwan Uniform Invoice Purchase Certificate
- (7) Original of bankbook of Company bank account

### 3. Estimated Time Frame

Taiwan Limited Company deregistration takes about 7 months to complete all the liquidation and cancellation procedures, as detailed in the following table:

Table 1: Taiwan Limited Company Deregistration Schedule:

Item	Descriptions	Working Days	Responsible Party
<b>Preparation</b>			
1	Clients provide company documents and information	Client's Plan	Client
2	Minutes of meeting of the board of directors and the authorization of the agent (Note 1)	Client's Plan	Client
3	Kaizen prepare for deregistration documents	2 days	Kaizen
4	Client sign for company deregistration documents	Client's Plan	Client
<b>Apply for deregistration of the company</b>			
5	Submit application of deregistration of foreign investment documents	7 days	Kaizen
6	Submit application for company deregistration	7 days	Kaizen
7	Submit the business deregistration and tax declaration documents	7 days	Kaizen
8	Report Liquidation of liquidator to the court	7 days	Kaizen
9	Handle company's assets and debts liquidation	Depend on the actual situation	Client
10	Report liquidation to National Taxation Bureau and tax declaration and payment	Depend on the actual situation	Kaizen
11	Report the end of liquidation to the court and dismiss the liquidator	Depend on the actual situation	Kaizen
12	Closure of the bank account (Note 4)	1 day	Kaizen
13	Cancel the registration for import and export manufacturers in the Bureau of Foreign Trade (Only for trading companies)	1 day	Kaizen
<b>Total Time Required</b>		<b>About 7 months</b>	

Note:

- (1) If the nationality of foreign investor of the Taiwan Limited Company to be written off is in Hong Kong or Singapore, Kaizen can provide notarized service, notary times takes about 5 working days. If foreign investor intends to go to Taiwan for notary, Kaizen also provide notarized service, notary time takes one working day. Please be noted that no nationality restriction if you notarize in person in Taiwan.
- (2) The estimated time is based on the high cooperation between Kaizen and the client.
- (3) The estimated time is based on the company does not require any special license.
- (4) The signatory (Director of company) of the company's bank account is required to go to Taiwan in person.

#### 4. Service Fees

Kaizen provides Taiwan Limited Company deregistration service, costs and fees is provided in Table 2 in below.

Table 2: Summary of Costs related to Deregistration of a Limited Company

Item	Description	Amount (TWD)
1	Service fee for Deregistration	30,000
2	Legalization of Power of Attorney	Depend on actual situation
3	Agent service fee (client can provide their own)	20,000
4	Service charges of closure of bank account	8,000
5	Cancel of registration of import and export company (only for trading company)	4,000
6	Income tax, business tax and profit tax declaration of company	10,000
7	Income tax, business tax and profit tax declaration of company during the liquidation period.	10,000
8	Report the declaration to the court	50,000
9	Prepayment of government fees, miscellaneous fees and postage fees (Note 1)	2,000
<b>Total</b>		<b>134,000 up</b>

Note:

- (1) The above fees do not include government fees, bank charges and other third-party fees, provision in advance to charge TWD 2,000, reimbursed for one's actual expenses. If the costs more than TWD 2,000, exceeding part of the separate settlement.
- (2) The above costs do not include document translation fees. If the document to be submitted need to be translated into Chinese version, or if the client needs to use the English version of the registration documents for reference purposes, Kaizen will charge an additional translation fees, about TWD 1,500 per page, specific prices are subject to the actual situation.
- (3) The above quotation does not applicable to the deregistration of Mainland Chinese company.

## 5. Certificates and Documents to be Returned to Client

After completing all the cancellation procedures, Kaizen will return the following documents:

- (1) Approval letter of deregistration by Investment Commission, MOEA
- (2) Approval letter of deregistration by Department of Commerce, MOEA
- (3) Approval letter of cancellation of business registration by National Taxation Bureau.
- (4) Approval letter of the liquidator appointed
- (5) Approval letter of the declaration during the liquidation period by National Taxation Bureau.
- (6) Approval letter of the liquidation declaration by the Court.
- (7) Approval letter of cancellation of import and export manufacturers registration.
- (8) Company stamp and directors stamp.
- (9) A copy of documents for deregistration of company

## 6. Important Note

- (1) According to the Taiwan Company Act, the cancellation of the Taiwan Company needs to include the court liquidation procedures to eliminate the legal personal. However, if the company's business and financial situation is simple, may consider ignoring the court's procedures, only apply to the tax declaration can be settled, the liquidation process will be shortened to around three months. If you require this method, you can discuss with our professional consultants.
- (2) If the business of the Taiwan branch requires another cancellation of the special permission or license, the fee will be adjusted accordingly.
- (3) If there are remaining assets such as inventories and fixed assets, they need to be distributed to shareholders, and shareholders will have to bear individual taxes for the assets. Foreign shareholders will be withheld 21% for the tax directly.

*If you wish to obtain more information or assistance, please visit the official website of Kaizen CPA Limited a [www.kaizencpa.tw](http://www.kaizencpa.tw) or contact us through the following and talk to our professionals:*

**Email:** [enquiries@kaizencpa.com](mailto:enquiries@kaizencpa.com)

**Tel:** +886 2 27111324

**Mobile :** +886 937019554

**WhatsApp/ Line/ Wechat:** +886 937019554

**Skype:** kaizencpa

KAIZEN 啓源