



✘ While investing in Taiwan, you have 5 choices at your discretion. The characteristics and difference are analyzed below to facilitate the most suitable selection:

	Company limited by shares	Limited company	Branch company	Rep-Office	Store
Capital structure	Shareholders are foreign juridical (corporate) persons or natural persons	Shareholders are foreign juridical (corporate) persons or natural individuals	Head office is a foreign corporation	Head office is a foreign corporation	Capital comes from foreign individuals
Permission to conduct business	Yes	Yes	Yes	No	Yes
ElPermission to import and export	Yes	Yes	Yes	No	Yes
Status as a juridical (corporate) person	Yes	Yes	No	No	No
Minimum number of shareholders	2 natural persons (individuals) or 1 juridical (corporate) person	1 natural person (individual) or 1 juridical (corporate) person	Nil	Nil	1 natural person
Minimum number of key personnel	1 directors, 1 supervisor	1 director,	1 responsible person, 1 manager	1 representative	1 investor
Registration address	Any legal building.	Any legal building.	Any legal building.	Any legal building.	Any legal building.
Minimum capital required	NT\$50,000 (must be remitted into Taiwan from foreign territory)	NT\$50,000 (must be remitted into Taiwan from foreign territory)	NT\$50,000 (must be remitted into Taiwan from foreign territory)	Nil	NT\$50,000 (must be remitted into Taiwan from foreign territory)
Permitted to issue shares to public	Yes	No, must chage type	No	No	No
Permitted to take out labor insurance/national health insurance for employees	Yes	Yes	Yes	Yes	Yes
Permitted to open a bank account	Yes	Yes	Yes	Yes	Yes
Permitted to open a securities account	Yes	Yes	Yes	No	No
People who can apply a foreign worker permit	Managers, technicians	Managers, technicians	Managers, technicians	Representative	No
Uniform invoice required?	Yes	Yes	Yes	No	Yes
Tax Filling	Yes	Yes	Yes	No	Yes
usiness tax (VAT) rate	5%	5%	5%	Nil	5%
Income tax rate	20%	20%	20%	Nil	20%
Number of years a loss can be carried forward	10 Years	10 Years	10 Years	Nil	Nil
Percentage of distributed profits to be withheld (where the shareholder is a Non-tax resident Taiwan)	21%	21%	No withholding	Nil	21%
Extra tax rate on profits not distributed	5%	5%	Nil	Nil	5%



	Company limited by shares	Limited company	Branch company	Rep-Office	Store
Suitable for which kind of applicants and what they can do	<ul style="list-style-type: none"> Enterprises with a separation of management power and ownership Large- and medium-sized enterprises that aim to invest and make a profit in Taiwan or to become a global enterprise through public the issuance of stocks Small- and medium-sized enterprises which can take taxation of up to 36.8% People from abroad who plan to invest in Taiwan to gain residence through the employment route Allowed to invest in Taiwan's stock and real estate markets 	<ul style="list-style-type: none"> Companies run jointly by shareholders of the same power Small- and medium-sized enterprises which can take taxation of up to 36.8% People from abroad who plan to invest in Taiwan to gain residence through the employment route Allowed to invest in Taiwan's stock and real estate markets 	<ul style="list-style-type: none"> All types of enterprises that aim for high profits and high levels of tax mitigation Small- and medium-size d enterprises which can accept taxation of up to 20% Allowed to invest in Taiwan's stock and real estate markets 	<ul style="list-style-type: none"> Businesses not planning to sell products in Taiwan or service providers that do not need to issue receipts in Taiwan Taiwanese employees of Taiwan investors assigned to mainland China but receive pay and have labor insurance/national health insurance in Taiwan Businesses that engage in offshore trading or provide technological services offshore 	<ul style="list-style-type: none"> Small businesses with low risks
Developmental potential and limitations	<ul style="list-style-type: none"> Possible to go public and getting listed in Taiwan Possible to set up branches in Taiwan Difficult to obtain loans 	<ul style="list-style-type: none"> Not allowed to issue shares publicly until reorganized into a company limited by shares May set up branches in Taiwan Difficult to obtain loans 	<ul style="list-style-type: none"> Allowed to have working capital in Taiwan; not allowed to have shares or issue shares to the public The head office may set up multiple branches in Taiwan Difficult to obtain loans and bid for government procurement contracts 	<ul style="list-style-type: none"> Not allowed to do business Allowed to have working capital in Taiwan; not allowed to have shares, issue shares to the public, or become listed in the Taiwan Stock Exchange Corporation (TSEC) or OTC 	<ul style="list-style-type: none"> Cannot be changed into a company Not allowed to hire foreign workers If the store/shop has multiple owners, it cannot be changed into sole ownership