

117TH CONGRESS  
2D SESSION

# S. RES. 715

Expressing the sense of the Senate on the value of a tax agreement with  
Taiwan.

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IN THE SENATE OF THE UNITED STATES

JULY 21, 2022

Mr. SASSE (for himself and Mr. VAN HOLLEN) submitted the following  
resolution; which was referred to the Committee on Foreign Relations

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## RESOLUTION

Expressing the sense of the Senate on the value of a tax  
agreement with Taiwan.

Whereas Taiwan is a democratic success story, an economic  
success story, a key part of global technology supply  
chains, and a close security partner of the United States;

Whereas the United States has pursued a robust unofficial  
partnership with Taiwan within the context of the cur-  
rent one-China policy of the United States;

Whereas the Taiwan Relations Act (Public Law 96–8) has  
played an important role in promoting democracy and  
prosperity in Taiwan, peace and security in the Taiwan  
Strait, and close relations between the United States and  
Taiwan since 1979;

Whereas Taiwan is the eighth-largest trading partner of the United States, United States exports of goods and services to Taiwan support at least 188,000 American jobs, and Taiwan's cumulative investment in the United States is at least \$13,700,000,000;

Whereas the United States has ongoing economic dialogues with Taiwan that cover a range of trade, technology, and investment issues through the Trade and Investment Framework Agreement Council led by the United States Trade Representative, the U.S.-Taiwan Economic Prosperity Partnership Dialogue led by the Department of State, and the Technology, Trade, and Investment Collaboration framework led by the Department of Commerce;

Whereas the Biden Administration announced the "U.S.-Taiwan Initiative on 21st Century Trade" on June 1, 2022;

Whereas the United States has income tax treaties with 66 countries, including the People's Republic of China, and has agreements with other parties, including Taiwan, related to taxation, such as facilitating implementation of the Foreign Account Tax Compliance Act;

Whereas Taiwan is the United States largest trading partner with whom we do not have an income tax treaty;

Whereas Taiwan has income tax agreements with 34 countries, including countries that have trade agreements with the United States and do not maintain diplomatic relations with Taiwan;

Whereas the United States signed a transportation income tax agreement with Taiwan in 1988, under the auspices of the American Institute in Taiwan (AIT) and the Coordination Council for North American Affairs, which has

since been renamed as the Taipei Economic and Cultural Representative Office (TECRO);

Whereas an income tax agreement between the United States and Taiwan could boost bilateral trade and investment by reducing double taxation and increasing economic efficiency and integration; and

Whereas the American Chamber of Commerce in Taipei in its “2022 White Paper” called for the United States and Taiwan to continue exploring an income tax agreement: Now, therefore, be it

1        *Resolved*, That the Senate—

2            (1) recognizes the importance of Taiwan’s secu-  
3        rity and prosperity to the United States own secu-  
4        rity and prosperity;

5            (2) encourages the President to begin negotia-  
6        tions on an income tax agreement with Taiwan;

7            (3) encourages the President and the House of  
8        Representatives to work with the Senate on a con-  
9        gressional-executive agreement to establish an in-  
10       come tax agreement between the United States and  
11       Taiwan, consistent with United States commitments  
12       under the Taiwan Relations Act; and

13           (4) encourages the President to proactively seek  
14       other ways to increase trade, technology, and invest-  
15       ment ties between the United States and Taiwan.

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