

United States Senate

WASHINGTON, DC 20510

December 6, 2024

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

Dear Majority Leader Schumer and Minority Leader McConnell,

As you are aware, Taiwan is a significant economic partner to the United States and yet Taiwan is the only one of the United States' top 10 trading partners without a formal double taxation agreement. Taiwan has also become an increasing source of foreign direct investment (FDI) in the U.S., with TSMC's investment in Arizona being the largest greenfield FDI project in U.S. history. However, existing tax barriers—including the double taxation of income, interest, and dividends—add financial burdens for businesses from both nations, making it more expensive for them to expand in each other's markets. Without relief from double taxation, these barriers could hamper further Taiwanese investments in key U.S. sectors, such as semiconductors. These investments are essential for reducing U.S. reliance on foreign technology imports and preventing supply chain disruptions that threaten national security and economic growth.

The 118th Congress has made significant strides in tackling this issue, with the Finance and Foreign Relations Committees working together with the House on Taiwan tax relief legislation. If enacted, this legislation would provide specific relief from double taxation on U.S.-Taiwan cross-border investments and authorize the President to negotiate a tax agreement with Taiwan. Earlier this year, the House passed Taiwan-related provisions as part of H.R. 7024, the Tax Relief for American Families and Workers Act of 2024 and the Senate Committee on Finance passed Taiwan tax relief legislation out of Committee unanimously.

By passing the U.S.-Taiwan double taxation relief measures this year, we can make significant headway in eliminating tax disincentives on cross-border investments between the U.S. and Taiwan. We believe there is strong support for these measures with Taiwan in the Senate, just as there was in the House. We are eager to work with you to see Taiwan tax relief legislation enacted before the 118th Congress comes to a close. U.S. and Taiwanese investors should not have to wait until the next Congress for action.

Sincerely,



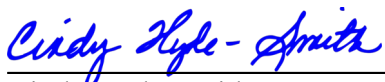
Thom Tillis
United States Senator

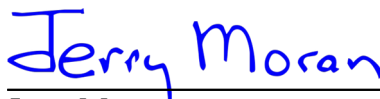


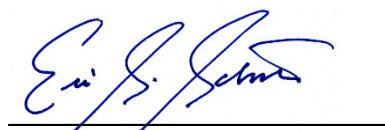
Chris Van Hollen
United States Senator


Marsha Blackburn
United States Senator


Charles E. Grassley
United States Senator

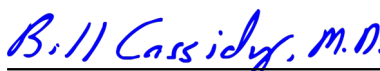

Cindy Hyde-Smith
United States Senator


Jerry Moran
United States Senator


Eric S. Schmitt
United States Senator


Dan Sullivan
United States Senator

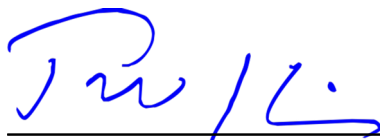

Ted Budd
United States Senator


Bill Cassidy, M.D.
United States Senator

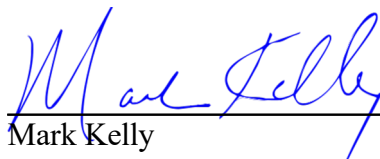

Michael F. Bennet
United States Senator


George S. Helmy
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Alex Padilla
United States Senator

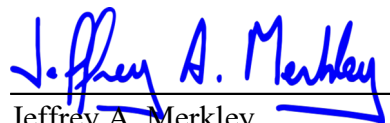

Tim Kaine
United States Senator


Mazie K. Hirono
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Mark Kelly
United States Senator



Gary C. Peters
United States Senator



Jeffrey A. Merkley
United States Senator



Tammy Duckworth
United States Senator



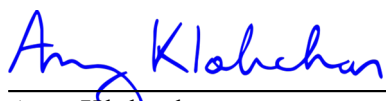
Christopher A. Coons
United States Senator



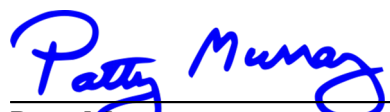
Raphael Warnock
United States Senator



Kyrsten Sinema
United States Senator



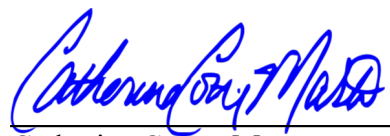
Amy Klobuchar
United States Senator



Patty Murray
United States Senator



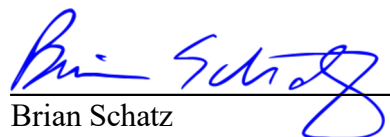
Jacky Rosen
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Catherine Cortez Masto
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Jeanne Shaheen
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Brian Schatz
United States Senator



Pete Ricketts
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