

# US Releases Draft Bill to Address Double Taxation in United States and Taiwan

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Report from IBFD Tax Treaties Unit

On 12 July 2023, the House Ways & Means Committee Chairman, along with the Senate Finance Committee Ranking Member, the House Ways & Means Committee Ranking Member, and the Senate Finance Committee Chairman, jointly released a discussion draft of legislation aimed at alleviating double taxation issues faced by workers and businesses involved in United States-Taiwan cross-border investment. The proposed bill offers several advantages, including a significant reduction in withholding taxes on dividends, interest, and royalties related to these cross-border investments. It also seeks to remove barriers for smaller businesses engaging in such investments, simplify the process for individuals with dual residency, and foster deeper economic cooperation with Taiwan.

The full text of the discussion draft can be accessed [here](#), and a summary is available [here](#). For a more detailed technical explanation, please check [here](#).

The legislators are inviting comments on this discussion draft until 24 July 2023, which can be submitted to [\\_internationalTax@finance.senate.gov](mailto:_internationalTax@finance.senate.gov).

Note: The House Ways & Means Committee is a standing committee in the United States House of Representatives. It is responsible for handling matters related to taxation, revenue generation, and oversight of the Internal Revenue Service (IRS). The committee plays a crucial role in shaping and drafting tax legislation, as well as overseeing trade policy and social security programs.