



DOUBLE AVIATION TAXATION AVOIDANCE PACT WILL BENEFIT TAIWAN, MACAU: MOF

News / Finance



The newly concluded **Taiwan-Macau double taxation avoidance** agreement on aviation businesses will boost the development of air transport between the two sides and increase bilateral business and people-to-people exchanges, according to the Ministry of Finance (**MOF**).

Taiwanese carriers Eva Air and TransAsia Airways, as well as Tigerair Taiwan -- a joint venture between Taiwan's China Airlines (CAL) and Singapore's Tiger Airways -- operate some 93 roundtrip flights per week between Taiwan and Macau, the ministry said.

Air Macau, meanwhile, operates about 35 weekly roundtrip flights on the route, it added.

The new agreement is conducive to further development of the aviation sectors on both sides, the MOF said.

The agreement, which replaced a memorandum of understanding (MOU) between Taiwan and Macau on avoiding double taxation on air carriers, was signed in Macau Thursday, according to Taiwan's Mainland Affairs Council (MAC).

It is permanent and will provide long-term institutionalized protection for aviation businesses on both sides, said the MAC, Taiwan's main agency responsible for China policy. The agreement will help enhance the international competitiveness of Taiwan's aviation industry, it added.

Signed in 1998, the MOU expired in 2005 but its validity was extended several times in the absence of a new agreement, the MAC said.

The new agreement follows an air transport pact that was inked between Taiwan and Macau in 2014.

Meanwhile, the MAC said it is mulling an amendment to the existing Laws and Regulations Regarding Hong Kong and Macao Affairs, in an effort to create a legal basis for mutual tax exemptions on air and maritime transport between Taiwan and Hong Kong, and Taiwan and Macau.

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