

Congress of the United States
Washington, DC 20515

October 18, 2024

The Honorable Antony J. Blinken
Secretary of State
U.S Department of State
2201 C Street, NW
Washington, D.C. 20520

The Honorable Janet Yellen
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Blinken and Secretary Yellen:

As supporters of strong commercial ties between the U.S. and Taiwan, we write to urge you to take action to remedy double taxation burdens as we await the Senate passage of Taiwan-related provisions in the Tax Relief for American Families and Workers Act of 2024.

While we continue to believe legislative action in the Senate, namely the authorization included in the Tax Relief for American Families and Workers Act of 2024, is needed to conclude a double taxation agreement, we welcome the Administration's desire to begin negotiations between the American Institute in Taiwan and the Taiwan Economic and Cultural Representative Office on said agreement. We urge that such negotiations begin in earnest and that the Departments of State and Treasury use existing statutory authority to lower these barriers to trade in order to facilitate investment, protect against tax evasion, and shield businesses and individuals in the U.S. and Taiwan from the strain that double taxation causes.

As one of the world's largest economies and a major regional player, Taiwan is a critical economic partner for the United States. Taiwan is the United States' seventh-largest merchandise trading partner, with \$128 billion in total goods trade. The U.S., meanwhile, is Taiwan's second-largest trading partner. In 2023 alone, U.S. direct investment stock in Taiwan grew to \$19.3 billion, with Taiwan's direct investment stock in the United States reaching \$15.6 billion, a testament to our ever-growing bilateral economic partnership.

We must do all we can to strengthen that partnership – including by implementing a tax agreement that removes unnecessary barriers and benefits businesses in both the U.S. and Taiwan. As we await Senate action on Taiwan-related provisions in the bipartisan Tax Relief for American Families and Workers Act, including an authorization for the American Institute in Taiwan and Taiwan Economic and Cultural Representative Office to negotiate a tax agreement, we urge you to take interim steps to allow businesses on either side to invest without the burden of double taxation.

Taiwan has grown to be an economic juggernaut in the Indo-Pacific and around the world. We must ensure that companies from the U.S. and Taiwan are not disadvantaged in conducting bilateral investment. Curing double taxation will be a clear reassertion of our support for a strong and prosperous Taiwan, for its own sake and as a bulwark against an increasingly aggressive China.

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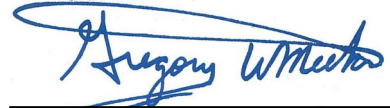
Sincerely,



Gerald E. Connolly
Member of Congress



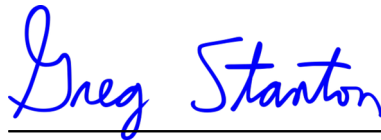
Joe Wilson
Member of Congress



Gregory W. Meeks
Ranking Member
House Committee on Foreign
Affairs



Ami Bera, M.D.
Member of Congress



Greg Stanton
Member of Congress