

S. 1457, Taiwan Tax Agreement Act of 2023

As reported by the Senate Committee on Foreign Relations on July 25, 2023

By Fiscal Year, Millions of Dollars		2023	2023-2028	2023-2033
Direct Spending (Outlays)		0	0	0
Revenues		0	0	0
Increase or Decrease (-) in the Deficit		0	0	0
Spending Subject to Appropriation (Outlays)		0	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?		No
	Mandate Effects			
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?		No
		Contains private-sector mandate?		No
* = between zero and \$500,000.				

S. 1457 would authorize the Administration to negotiate and enter an income tax agreement with Taiwan. The bill would require that agreement to relieve American and Taiwanese tax residents from double taxation and implement measures to limit the risk of tax evasion or avoidance. Implementing such an agreement would require a future concurrent resolution of approval from the Congress. On that basis, CBO estimates that enacting S. 1457 would not affect revenues or direct spending over the 2023-2033 period; any such effects would be attributable to the legislation that approved the agreement between the United States and Taiwan.

S. 1457 would also establish standards for communication between the Administration and the Congress during the negotiation and approval process. Using information about the cost of similar requirements, CBO estimates meeting these standards would cost less than \$500,000 over the 2023-2028 period; any spending would be subject to availability of appropriated funds.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



The CBO staff contact for this estimate is Emma Uebelhor. The estimate was reviewed by John McClelland, Director of Tax Analysis and H. Samuel Papenfuss, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel
Director, Congressional Budget Office