

not exempted from Swedish tax with respect to such a dividend in accordance with the provisions of Article VII, paragraph 2, Swedish tax may be charged on the gross amount of the dividend, but the amount of Swedish tax chargeable shall be reduced by a sum not exceeding 15 per cent of the amount of the dividend so charged.

3. The graduated rate of Swedish tax to be imposed on a resident of Sweden or in certain cases a Swedish corporation may be calculated as though income exempted under the present Convention were included in the amount of the total income.

#### JAPAN AND NORWAY

#### **Convention between Japan and Norway for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income. (Extracts)**

##### ARTICLE V

1. Notwithstanding the provision of Articles III and IV, profits which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered—

- (a) in that contracting State or in the other contracting State, or
- (b) in any third country which exempts from its tax profits derived from the operation of ships or aircraft registered in that other contracting State.

shall be exempt from the tax of that other contracting State.

##### ARTICLE VI

1. The amount of tax imposed by one of the contracting States on royalty derived from sources within that contracting State by a resident or corporation of the other contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such royalty.

##### ARTICLE VII

1. The amount of tax imposed by one of the contracting States on dividends paid by a corporation of that contracting State to a resident or corporation of the other contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such dividends.

##### ARTICLE VIII

1. The amount of tax imposed by one of the contracting States on any interest derived from sources within that contracting State by a resident or corporation of the other contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such interest.

##### ARTICLE IX

1. Salaries, wages, pensions or similar compensation paid by one of the contracting States in respect of services rendered to that contracting State in the discharge of governmental function to any individual who is a national of that contracting State shall be exempt from tax in the other contracting State.

##### ARTICLE XV

1. Japan, in determining Japanese tax on its resident (including an individual, who is resident in Japan for the purposes of Japanese tax but also resident in Norway for the purposes of Norwegian tax) or corporation may include in the basis upon which that tax is imposed all items of income taxable under the laws of Japan. The amount of Norwegian tax payable under the laws of Norway and in accordance with the provisions of the present Convention, whether directly or by deduction, in respect of income from sources within Norway and subject to the taxes of both contracting States shall, however, be allowed as a credit against Japanese tax payable in respect of that income, but in an amount not exceeding that proportion



of Japanese tax which that income bears to the entire income subject to Japanese tax.

2. Norway, in determining Norwegian tax on its resident (including an individual, who is resident in Norway for the purposes of Norwegian tax but also resident in Japan for the purposes of Japanese tax) or corporation may include in the basis upon which that tax is imposed all items of income taxable under the laws of Norway. Where Japanese tax is payable under the laws of Japan and in accordance with the provisions of the present Convention, whether directly or by deduction, in respect of income from sources within Japan and that income is chargeable also to Norwegian tax payable on the total income chargeable to Norwegian tax shall be reduced by an amount which bears the same proportion to that Norwegian tax as the income from sources within Japan bears to the said total income, provided that the Norwegian Minister of Finance may decide that the reduction shall not exceed the amount of the Japanese tax.

#### JAPAN AND DENMARK

**Convention between Japan and the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income. (Extracts)**

#### ARTICLE V

1. Notwithstanding the provisions of Articles III and IV, profits which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered

- (a) in that contracting State or in the other contracting State or
- (b) in any third country which exempts from its tax profits derived from the operation of ships or aircraft registered in that other contracting State,

shall be exempt from the tax of that other contracting State.

#### ARTICLE VI

1. The amount of tax imposed by one of the contracting States on royalty derived from sources within that contracting State by a resident or corporation of the other contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such royalty.

#### ARTICLE VII

1. The amount of tax imposed by one of the contracting States on dividends paid by a corporation of that contracting State to a resident or corporation of the contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such dividends.

#### ARTICLE VIII

1. The amount of tax imposed by one of the contracting States on any interest derived from sources within that contracting State by a resident or corporation of the other contracting State, not having a permanent establishment situated in the former contracting State, shall not exceed 15 per cent of the amount of such interest.

#### ARTICLE IX

1. Salaries, wages, pensions, or similar compensation paid by one of the contracting States in respect of services rendered to that contracting State in the discharge of governmental functions to any individual who is a national of that contracting State shall be exempt from tax in the other contracting State.

#### ARTICLE XV

1. Japan, in determining Japanese tax on its resident (including an individual, who is resident in Japan for the



purposes of Japanese tax but also resident in Denmark for the purposes of Danish tax) or corporation may include in the basis upon which that tax is imposed all items of income taxable under the laws of Japan. The amount of Danish tax payable under the laws of Denmark and in accordance with the provisions of the present Convention, whether directly or by deduction, in respect of income from sources within Denmark and subject to the taxes of both contracting States shall, however, be allowed as a credit against Japanese tax payable in respect of that income, but in an amount not exceeding that proportion of Japanese tax which that income bears to the entire income subject to Japanese tax.

2. Denmark, in determining Danish tax on its resident (including an individual, who is resident in Denmark for the purposes of Danish tax but also resident in Japan for the purposes of Japanese tax) or corporation may include in the basis upon which that tax is imposed all items of income taxable under the laws of Denmark. The amount of Japanese tax payable under the laws of Japan and in accordance with the provisions of the present Convention whether directly or by deduction, in respect of income from sources within Japan and subject to the taxes of both contracting States shall, however, be allowed as a credit against Danish tax payable in respect of that income, but in an amount not exceeding that proportion of Danish tax which that income bears to the entire income subject to Danish tax.

#### JAPAN AND UNITED STATES

**Convention between Japan and the United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income. (Extracts)**

#### ARTICLE III

1. An enterprise of one of the contracting States shall not be subject to the tax of the other contracting State in

respect of its industrial or commercial profits unless it has a permanent establishment situated in such other State. If it has such permanent establishment such other State may impose its tax upon the entire income of such enterprise from sources within such other State.

2. In determining the tax of one of the contracting State no account shall be taken of the mere purchase of merchandise therein by an enterprise of the other contracting State.

3. Where an enterprise of one of the contracting States has a permanent establishment situated in the other contracting State, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing on an independent basis with the enterprise of which it is a permanent establishment.

4. In determining the industrial or commercial profits of a permanent establishment there shall be allowed as deductions all expenses whenever incurred, reasonably allocable to such permanent establishment, including executive and general administrative expenses so allocable.

#### ARTICLE V

1. Notwithstanding the provisions of Article III and Article IV of the present Convention, income which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered

- (a) in such State, or
- (b) in a third country which exempts (A) such enterprise and (B) an enterprise of the other contracting State, from its tax on earnings derived from the operation of ships or aircraft, as the case may be, registered in the respective States shall be exempt from the tax of such other contracting State.



## ARTICLE VI

The rate of tax imposed by one of the contracting States on interest on bonds, securities, notes, debentures or any other form of indebtedness (including mortgages or bonds secured by real property) received from sources within such State by a resident or corporation or other entity of the other contracting State not having a permanent establishment in the former State shall not exceed 15 per cent.

## ARTICLE VII

The rate of tax imposed by one of the contracting States on royalties and other amounts received as consideration for the right to use copyrights, artistic and scientific works, and other like property (including in such royalties and other amounts, rentals and like payments in respect of motion picture films or for the use of industrial, commercial, or scientific equipment) from sources within such State by a resident or corporation or other entity of the other contracting State not having a permanent establishment in the former State shall not exceed 15 per cent.

## ARTICLE IX

An individual resident of one of the contracting States shall be exempt from the tax of the other contracting State upon compensation for labour or personal services (including the practice of liberal professions) performed in such other State in any taxable year if such resident is temporarily present in such other State :

- (a) for a period or periods not exceeding a total of 180 days during such taxable year and his compensation received for such labour or personal services performed as an officer or employee of a resident or corporation or other entity of the former State, or

- (b) for a period or periods not exceeding a total of 90 days during such taxable year and his compensation received for such labour or personal services does not exceed 3,000 United States dollars, or the equivalent sum in yen as computed at the official basic rate of exchange in effect at the time such compensation is paid.

## ARTICLE X

1. (a) Salaries, wages and similar compensation paid by the United States to an individual who is a citizen of the United States (other than an individual who has been admitted to Japan for permanent residence therein) shall be exempt from tax by Japan.
- (b) Salaries, wages and similar compensation paid by Japan to an individual who is a national of Japan (other than an individual who has been admitted to the United States for permanent residence therein) shall be exempt from tax by the United States.

2. The provisions of this Article shall not apply to salaries wages or similar compensation paid in respect of services rendered in connection with any trade or business carried on by either of the contracting States for the purposes of profit.

## ARTICLE XI

A resident of one of the contracting States, who in accordance with agreements between the Governments of the contracting States or between educational establishments in the contracting States for the exchange of professors and teachers, or at the invitation of the Government of the other contracting State or of an educational establishment in such other State, temporarily visits such other State for the purpose of teaching for a period not exceeding two years at a university, college,



school or other educational institution in such other State, shall be exempt from the tax of such other State on his remuneration for such teaching for such period.

## ARTICLE XII

1. A resident of one of the contracting States who is temporarily present in the other contracting State solely as a student at a recognized university, college or school in such other State, shall be exempt from the tax of such other State with respect to remittances from abroad (including payments, if any, by his employer abroad).

2. A resident of one of the contracting States who is a recipient of a grant, allowance or award from a religious, charitable, scientific, literary or educational organization of such State and who is temporarily present in the other contracting State shall be exempt from the tax of such other State on such grant, allowance or award remitted from abroad (other than compensation for personal services).

3. A resident of one of the contracting States who is an employee of, or under contract with, an enterprise of such State or an organization referred to in paragraph 2 of this Article, and who is temporarily present in the other contracting State for a period not exceeding one year solely to acquire technical, professional or business experience from a person other than such enterprise or organization, shall be exempt from the tax of such other State on compensation from abroad paid by such enterprise or organization for his services rendered during such period, if the amount of compensation paid by such enterprise, or organisation for his services during such period, when computed on the annual basis, does not exceed 6,000 United States dollars, or the equivalent sum in yen as computed at the official basic rate of exchange in effect at the time such compensation is paid.

## ARTICLE XIV

It is agreed that double taxation shall be avoided in the following manner :

- (a) The United States, in determining the tax of its citizens, residents or corporations or other entities may, regardless of any other provision of the present Convention, include in the basis upon which such tax is imposed all items of income taxable under the revenue laws of the United States as if the present Convention had not come into effect. The United States shall, however, subject to the provisions of section 131 of the Internal Revenue Code as in effect on the first day of January 1954, deduct from its tax the amount of the tax of Japan. In determining the credit under the said section 131 of the Internal Revenue Code, any interest received from an enterprise of the United States with a permanent establishment in Japan shall be treated as income from sources within Japan to the extent so treated under the laws of Japan if the debt with respect to which such interest is paid is made in connection with the business of such permanent establishment of such enterprise.
- (b) Japan, in determining the tax of its residents or corporations or other entities may, regardless of any other provision of the present Convention, include in the basis upon which such tax is imposed all items of income taxable under the tax laws of Japan as if the present Convention had not come into effect. Japan shall, however, deduct from its tax so calculated the amount of the tax of the United States upon income from sources within the United States and included for the taxes of both contracting States, but in an amount not exceeding that proportion of the tax of



Japan which such income bears to the entire income subject to the tax of Japan.

#### ARTICLE XV

1. Organisations organized under the laws of Japan and operated exclusively for religious, charitable, scientific, literary or educational purposes shall, to the extent and subject to conditions provided in the United States Internal Revenue Code, be exempt from the tax of the United States.

2. Organisations organised under the laws of the United States and operated exclusively for religious, charitable, scientific, literary or educational purposes shall, to the extent and subject to conditions provided in the tax laws of Japan, be exempt from the tax of Japan.

#### ARTICLE XVII

1. The competent authorities of both contracting States shall exchange such information available under the respective tax laws of both contracting States as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or for the administration of statutory provisions against tax avoidance in relation to the tax. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than these including a court, concerned with the assessment and collection of the tax or the determination of appeals in relation thereto. No information shall be exchanged which would disclose any trade, business, industrial or professional secret or any trade process.

2. Each of the contracting States may collect the tax imposed by the other contracting State (as though such tax were the tax of the former state) as will ensure that the exemptions, reduced rates of tax or any other benefit granted under the present Convention by such other State shall not be enjoyed by persons not entitled to such benefits.

#### PAKISTAN AND UNITED STATES

*Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income. (Signed at Washington, on 1st July 1957) (Extracts)*

#### ARTICLE VIII

1. Any royalty (other than royalties or rentals from motion picture films) paid as consideration for the use of, or for the privilege of using, any copyright, patent, design, secret process or formula, trade-mark, or other like property, and derived from sources in one of the contracting States by a resident of the other contracting State not having a permanent establishment in the former State shall be exempt from tax by such former State.

2. Where any royalty exceeds a fair and reasonable consideration in respect of the rights for which it is paid, the exemption provided by the present Article shall apply only to so much of the royalty as represents such fair and reasonable consideration.

#### ARTICLE XV

1. Subject to the provisions of the Internal Revenue Code (as in effect on the date of signature of the present Convention) regarding the allowance of a credit against United States tax for tax payable, whether directly or by deduction, in respect of income from sources within Pakistan shall be allowed as a credit against United States tax payable in respect of that income. For the purposes of this credit there shall be deemed to have been paid by a United States domestic corporation the amount by which such Pakistan taxes (other than the business profits tax) have been reduced under the provisions of section 15B of the Income-Tax Act, 1922 (XI of 1922) as in effect on the date the signature of the present Convention: Provided, that any extension made by law of the period within which an industrial undertaking may be set up or commenced



in order to obtain the reduction provided in section 15B shall be deemed to be in effect on the date of the signature of the present Convention.

2. Subject to the provisions of Pakistan income-tax law (as in effect on the date of signature of the present Convention), United States tax payable, whether directly or by deduction, by a person resident in Pakistan, in respect of income from sources within the United States (including income accruing or arising in the United States but deemed, under the provisions of the law of Pakistan, to accrue or arise in Pakistan) shall be allowed as a credit against any Pakistan tax payable in respect of that income.

#### UNITED KINGDOM AND CEYLON

**Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Ceylon for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (Extracts)**

#### ARTICLE X

1. Remuneration, including pensions, paid by one of the Contracting Governments to any individual for services rendered to that Contracting Government in the discharge of governmental functions shall be exempt from tax in the territory of the other Contracting Government, if the individual is not ordinarily resident in that territory or (where the remuneration is not a pension) is ordinarily resident in that territory solely for the purposes of rendering those services.

2. The provisions of this Article shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the Contracting Governments for purposes of profit.

#### ARTICLE XII

1. Any pension (other than a pension to which Article X applies) or annuity derived from sources within one of the

territories by an individual who is a resident of the other territory and subject to tax in that other territory in respect thereof shall be exempt from tax in the first-mentioned territory.

#### ARTICLE XVI

1. Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom, Ceylon tax payable, whether directly or by deduction, in respect of income from sources within Ceylon shall be allowed as a credit against any United Kingdom tax payable in respect of that income.

Where such income is an ordinary dividend paid by a company which is a resident of Ceylon, the credit shall take into account (in addition to any Ceylon tax appropriate to the dividend) the Ceylon tax payable in respect of its profits by the company paying the dividend, and where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the Ceylon tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

2. Subject to such provisions (which shall not affect the general principle hereof) as may be enacted in Ceylon, United Kingdom tax payable, whether directly or by deduction, in respect of income from sources within the United Kingdom shall be allowed as a credit against any Ceylon tax payable in respect of that income.

Where such income is an ordinary dividend, paid by a company which is a resident of the United Kingdom, the credit shall take into account (in addition to any United Kingdom income-tax appropriate to the dividend) the United Kingdom profits tax payable in respect of its profits by the company paying the dividend, and where it is a dividend paid on participating preference shares and representing both a dividend at the



fixed rate to which the shares are entitled and an additional participation in profits, the United Kingdom profits tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

3. Where tax is imposed by both contracting Governments on income derived from sources outside both Ceylon and the United Kingdom by a person who is resident in Ceylon for the purposes of the Ceylon tax and is also resident in the United Kingdom for the purposes of United Kingdom tax, there shall be allowed against the tax imposed by each Contracting Government a credit which bears the same proportion to the amount of that tax (as reduced by any credit allowed in respect of tax payable in the territory from which the income is derived) or to the amount of tax imposed by the other contracting Government (reduced as aforesaid), whichever is the less, as the former amount (before any such reduction) bears to the sum of both amounts (before any such reduction).

#### BURMA AND UNITED KINGDOM

**Agreement between the Government of the Union of Burma and the Government of the United Kingdom for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (Extracts)**

#### ARTICLE VII

1. Remuneration, including pensions, paid by one of the contracting Governments to any individual in respect of services rendered to that contracting Government in the discharge of governmental functions shall be exempt from tax in the territory of the other contracting Government, unless the individual is a national of that other contracting Government without being also a national of the first mentioned contracting Government.

2. The provisions of this Article shall not apply to payments in respect of services rendered in connection with any

trade or business carried on by either of the contracting Governments for purposes of profit.

#### ARTICLE X

1. Any pension (other than a pension referred to in paragraph 1 of Article VIII) and any life annuity, derived from sources within Burma by an individual who is a resident of the United Kingdom and subject to United Kingdom tax in respect thereof, shall be exempt from Burma tax.

2. Any pension (other than a pension referred to in paragraph 1 of Article VIII) and any life annuity, derived from sources within the United Kingdom by an individual who is a resident of Burma and subject to Burma tax in respect thereof, shall be exempt from United Kingdom tax.

#### ARTICLE XIV

1. Subject to the provisions of the law of the United Kingdom regarding the allowances as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom, Burma tax payable, whether directly or by deduction, in respect of income from sources within Burma shall be allowed as a credit against any United Kingdom tax payable in respect of that income. Where such income is an ordinary dividend paid by a company resident in Burma, the credit shall take into account the Burma tax payable in respect of its profits by the company paying the dividend, and where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the Burma tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

2. Subject to such provisions (which shall not affect the general principle hereof) as may be enacted in Burma, United Kingdom tax payable, whether directly or by deduction, in respect of income from sources within the United Kingdom



shall be allowed as a credit against any Burma tax payable in respect of that income. Where such income is an ordinary dividend paid by a company resident in the United Kingdom, the credit shall take into account (in addition to any United Kingdom income-tax appropriate to the dividend) the United Kingdom profits tax payable by the company in respect of its profits, and where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the profits tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds the fixed rate.

#### PAKISTAN AND THE UNITED KINGDOM

**Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Pakistan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (Extracts)**

#### ARTICLE VIII

1. Remuneration, including pensions and annuities, paid by or on behalf of the Government of the United Kingdom to any individual for services rendered to that Government in the discharge of Governmental functions shall be exempt from tax in Pakistan, if the individual is not ordinarily resident in Pakistan or, where the remuneration is not a pension or annuity, is ordinarily resident in Pakistan solely for the purpose of rendering these services.

2. Remuneration, including pensions and annuities, paid by or on behalf of the Government of Pakistan to any individual for services rendered to that Government in the discharge of Governmental functions shall be exempt from tax in the United Kingdom, if the individual is not ordinarily resident in the United Kingdom or, where the remuneration is not a pension or annuity, is ordinarily resident in the United Kingdom solely for the purpose of rendering those services.

3. The provisions of this Article shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the contracting Governments for purposes of profit.

4. For the purposes of this Article, the term "Government of Pakistan" shall include the Government of a Province or a State in Pakistan.

#### ARTICLE X

1. Any pension or annuity (other than a pension or annuity of the kind referred to in paragraphs 1 and 2 of Article VIII) derived from sources within one of the territories by an individual who is a resident of the other territory and subject to tax in that other territory in respect thereof shall be exempt from tax in the first mentioned territory.

2. In this Article the term "annuity", where it first appears, means a stated sum payable periodically at stated times during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

#### ARTICLE XIII

1. Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom, Pakistan tax payable, whether directly or by deduction, in respect of income from sources within Pakistan shall be allowed as a credit against any United Kingdom tax payable in respect of that income.

Where such income is an ordinary dividend paid by a company which is a resident of Pakistan, the credit shall take into account (in addition to any Pakistan tax appropriate to the dividend) the Pakistan tax payable in respect of its profits by the company paying the dividend, and where it is a dividend paid on participating preference shares and representing both



a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the Pakistan tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

For the purposes of this paragraph, the term 'Pakistan tax' shall include the agricultural income-tax imposed by the Government of any Province or State in Pakistan and any tax of a substantially similar character imposed after the date of signature of this Agreement by the Government of any Province or State in Pakistan or by the Government of any territory to which the present Agreement is extended under sub-paragraph (b) of paragraph (3) of Article XVI.

2. Subject to such provisions (which shall not affect the general principles hereof) as may be made in Pakistan, United Kingdom tax payable, whether directly or by deduction by a person resident in Pakistan, in respect of income from sources within the United Kingdom (including income accruing or arising in the United Kingdom but deemed, under the provisions of the law of Pakistan to accrue or arise in Pakistan) shall be allowed as a credit against any Pakistan tax payable in respect of that income.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, where tax is imposed by both Contracting Governments on income derived from sources outside both Pakistan and the United Kingdom by a company which is resident in Pakistan for the purposes of Pakistan tax and is also resident in the United Kingdom for the purposes of United Kingdom tax there shall be allowed against the tax imposed by each contracting Government, a credit which bears the same proportion to the amount of that tax (as reduced by any credit allowed in respect of tax payable in the country from which the income is derived) or to the amount of the tax imposed by the other contracting Government (reduced as aforesaid) whichever is the less, as the former amount (before any such reduction) bears to the sum of both amounts (before any such reduction).

## (II). RELEVANT CLAUSES OF SELECTED AGREEMENTS FOR THE AVOIDANCE OF DOUBLE TAXATION AND FISCAL EVASION CONCLUDED BY NON-MEMBER COUNTRIES

### SWEDEN AND SWITZERLAND

Agreement for the Avoidance of Double Taxation with respect to taxes on Income and certain other Direct Taxes (Stockholm, 16 October, 1948)

#### ARTICLE 2

1. Save as otherwise provided in this Convention, income and property shall be taxable only in the State in which the recipient of the income, or the owner of the property, is domiciled.

#### ARTICLE 3

1. Real property (including property accessory thereto, and livestock and equipment used in agriculture or forestry) and income derived therefrom shall not be taxable except in the State in which such property is situated.

#### ARTICLE 4

1. Commercial, industrial or handicraft undertakings of every kind, and the income derived therefrom, including profits realized by the total or partial alienation of such undertaking, shall be taxable only in the State in which the undertaking has a permanent establishment. This shall also apply in cases where the undertaking extends its operations to the territory of the other State without possessing a permanent establishment in that State.



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5. Ocean, inland or air navigation undertakings, and income derived therefrom, shall be taxable only in the State in which the management of the undertaking is situated.

#### ARTICLE 5

1. Subject to the provisions of Article 7, income from liberal professions exercised by persons having their domicile in one of the two States shall be taxable in the other State only if the person himself practises his profession for gain in that State using permanent premises regularly available to him.

2. Movable property invested in permanent premises used for the practice of a liberal profession shall be taxable in the State of domicile.

#### ARTICLE 6

1. Subject to the provisions of Articles 7 and 8, income derived from a gainful occupation in the employ of another shall be taxable only in the State within the territory of which the personal occupation from which the income is derived is exercised.

2. Subject to the provisions of Article 8, pensions, widows' or orphans' pensions and other grants or benefits capable of cash valuation granted because of previous services rendered by a person formerly engaged in a gainful occupation in the employ of another shall be taxable only in the State in which the beneficiary is domiciled.

#### ARTICLE 7

1. Directors' percentages, attendance fees and similar emoluments payable to members of the board of directors of a limited liability company shall be taxable only in the State in which the undertaking paying them is domiciled.

2. Emoluments for services rendered which members of boards of directors actually receive in another capacity shall be taxable as provided in Articles 5 or 6.

#### ARTICLE 8

1. Salaries, wages, pensions, widows' or orphans' pensions and other grants or benefits capable of cash valuation granted by one of the two States or by a public body corporate of that State in virtue of past or present services or employment shall be taxable only in the State from which the income is derived.

#### ARTICLE 9

1. Subject to the provisions of the second paragraph hereof, the right of each of the two States to tax by deduction at source income from movable capital shall not be restricted by the fact that such income is subject to direct taxation only in the State designated in paragraph 1 of Article 2.

2. In the case of tax on income from movable capital levied by one of the two States by deduction at source, the recipient of such income domiciled in the other State may within a period of two years and subject to production of an official certificate of domicile and liability to direct taxation in the State of domicile, request reimbursement of the amount exceeding 5 per cent of the yield of the capital, if the State of domicile also taxes income of the same kind at source.

#### FRANCE AND NETHERLANDS

#### Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Property. (Paris, 30 December, 1949)

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#### ARTICLE 3

Taxes on income from immovable property, including income from agricultural undertakings shall be levied only in the State in which the said property is situated.

#### ARTICLE 4

1. Taxes on income of industrial, mining, commercial or financial undertakings shall be levied only in the State in which a permanent establishment is situated.



2. If an undertaking has permanent establishment in both contracting States, each State may tax only the income derived from the business carried on by the permanent establishments situated within its territory.

#### ARTICLE 6

Notwithstanding the provisions of Article IV of the present Convention, taxes on income from maritime or air transport undertakings shall be levied only in the State in which the effective headquarters of the undertaking is situated, provided always that the ships or the aircraft concerned fly the flag or have the nationality of the said State.

Taxes on income from undertakings engaged in inland navigation shall be levied in the State in which the effective headquarters is situated or if the headquarters are itinerant, and the operator is a national of one of the contracting States, in the State of which he is a national, provided always that the undertaking carries on business operations within the territory of that State.

#### ARTICLE 8

1. Income derived from movable property shall be taxable in the State in whose territory the beneficiary has his fiscal domicile.

Nevertheless, each contracting State reserves the right, in accordance with its own general law, to collect its tax on income from movable property issued by companies and other bodies having their fiscal domicile in its territory.

#### ARTICLE 9

1. The tax on income from loans, deposits, deposit accounts and any other credits shall be levied only in the State where the creditor has his fiscal domicile.

2. If the creditor possesses permanent establishments in both States and if one of these establishments gives a loan or makes a deposit, the tax shall be levied in that State in whose territory the said establishment is situated.

3. Nevertheless, each contracting State reserves the right to collect, in accordance with its own general law, taxes retained in the source by companies and bodies corporate.

#### ARTICLE 10

1. Royalties from real property or in respect of the operation of mines, quarries, or other natural resources shall be taxable only in that of the two contracting States in which such property, mines, quarries, or other natural resources are situated.

2. Receipts from copyright as well as proceeds or royalties from the sale or grant of licences for the operation of patents, trademarks, secret processes and formulae which are paid in one of the contracting States to a person having his fiscal domicile in the other State, shall be exempt from taxation in the former State, provided that the said person does not exercise his activities through the intermediary of a permanent establishment.

#### ARTICLE 11

Directors' percentages, attendance fees and other emoluments received by members of the boards of joint stock companies shall be taxable in that one of the two States in which the company has its fiscal domicile, provided always that Article 14 below shall be applicable in respect of the amounts received by these concerned in their other effective capacities.

#### ARTICLE 12

Emoluments granted by the State, the departments, communes or other public corporations regularly constituted in accordance with the internal legislation of the contracting States for present or past performance of services or labour, in the form of salaries, pensions, wages and other emoluments, shall be taxable only in the State of the debtor.



## ARTICLE 13

Private pensions and life annuities derived from one of the Contracting States and paid to persons having their fiscal domicile in the other State, shall be exempt from taxation in the former State.

## ARTICLE 14

1. Except as provided under Article 12 above, salaries, wages and other similar emoluments shall be taxable only in the State in whose territory the personal activities from which the income is derived are exercised.

2. Nevertheless, the remuneration of persons employed by the transport undertaking utilized for transportation between the two Contracting States, shall be taxable only in the State in which the recipients of the remuneration have their fiscal domicile.

3. For the purposes of paragraph (1) of the present Article, if an employee of an establishment situated in the other State undertakes a temporary mission to the territory of the former State involving only a sojourn of short duration during which his remuneration continues to be borne and paid by the said establishment, this shall not be deemed to be a personal activity in one of the two States.

## ARTICLE 15

1. Income derived from the exercise of a liberal profession and, in general, all income from labour, other than the income referred to in Articles 11, 12, 13, and 14 of the present Convention, shall be taxable only in the State in which the personal activity is exercised.

## ARTICLE 18

Income not referred to in the preceding articles shall not be taxed except in the State in which the beneficiary has his fiscal domicile.

## ARTICLE 20

2. Property which by its nature generally does not yield income shall be taxable only in the State in which the owner is domiciled. Nevertheless, the value of movable property shall be taxable in the State of residence in which such movable property is situated.

## ARTICLE 22

The Contracting States shall exchange such information as they may have at their disposal and as may be of use to either State to ensure the normal assessment and collection of the taxes to which the present Convention relates, and the enforcement with respect to such taxes of the statutory provisions concerning the prevention and punishment of tax evasion.

## DENMARK—NORWAY

**Agreement for the Avoidance of Double Taxation with respect to Taxes on Income and Fortune**

(Signed at Oslo, on 22 February, 1957)

## ARTICLE 3

1. Unless otherwise provided in this Agreement, income and fortune shall be taxable only in the State in which the taxpayer is deemed to be domiciled.

## ARTICLE 4

1. Income derived from immovable property situated in one of the two States shall be taxable only in that State.

## ARTICLE 5

1. Unless otherwise provided in this Agreement, income derived from a business or profession and attributable to a permanent establishment in one of the States shall be taxable only in that State. If there are permanent establishments in both States, each State shall tax that portion of the income which is derived from a permanent establishment in its territory.



## ARTICLE 8

1. Income derived from the operation of a sea or air navigation undertaking having its centre of actual management in one of the States shall be taxable only in that State.

## ARTICLE 9

1. Royalties paid in respect of the use of immovable property or in respect of the operation of mines or deposits shall be taxable only in the State in which the immovable property, mine or deposit is situated.

2. Royalties, except as referred to in paragraph 1, shall be taxable in the State in which the recipient of the income is deemed to be domiciled, provided that the right to tax any such royalty shall be reserved to the State in which the royalty originates if the recipient of the royalty exerts such influence on the management of the undertaking that he may reasonably be assumed to participate directly in the business.

## ARTICLE 10

1. Dividends shall be taxable only in the State in which the recipient of the dividends is deemed to be domiciled.

## ARTICLE 11

1. Except as otherwise provided in this article, income from personal services rendered on behalf of the government or a private employer (but excluding pensions and annuities) shall be taxable only in the State in which the tax payer performs the services from which the income is derived.

## ARTICLE 13

Immovable fortune or appurtenances thereto--which in the case of agriculture and forestry, shall include livestock, equipment and other fortune--shall be taxable only in the State in which the fortune is situated.

Fortune connected with a business or profession shall be taxable only in the State which is entitled under the provisions of this Agreement to tax the income from such fortune.

## ARTICLE 17

The State in which a tax payer is deemed to be domiciled may, in calculating the tax apply the rate of tax, that would have been applicable if the income or fortune which under this Agreement is taxable only in the other State had also been taxable in the State of domicile.

## CANADA-NETHERLANDS

**Convention for the Avoidance of Double Taxation in  
respect of Taxes on Income and Property**

## ARTICLE 3

1. Income from immovable property, interest (other than debenture interest) from any mortgage of such property and royalties in respect of the operation of a mine or quarry or of any other extraction of a natural resource, shall be subject to tax in the State in which such immovable property, mine, quarry or natural resource is situated.

## ARTICLE 4

1. The profits of an enterprise of one of the States shall not be subject to tax in the other State unless the enterprise is engaged in trade or business in that other State through a permanent establishment situated therein. If it is so engaged, tax may be imposed on those profits by the last-mentioned State, but only on so much of them as is attributable to that permanent establishment.

## ARTICLE 7

1. Dividends paid by a company which is a resident of one of the States to a resident of the other State shall be subject to tax only in the latter State.