ÉTATS-UNIS D'AMÉRIQUE ET GRÈCE

Echange de notes comportant un accord en vue d'éviter la double imposition en ce qui concerne les bénéfices réalisés dans les affaires d'armement maritime. Washington, les 26 avril 1928, 2 et 6 avril 1929, et 10 juin 1929.

UNITED STATES OF AMERICA AND GREECE

Exchange of Notes constituting an Agreement for the Exemption from Income Tax of Profits accruing from the Business of Shipping. Washington, April 26, 1928, April 2 and 6, 1929, and June 10, 1929.

Texte officiel anglais communiqué par le Chargé d’Affaires de Grèce à Berne. L’enregistrement de cet échange de notes a eu lieu le 7 janvier 1930.

I.

The Secretary of State presents his compliments to the Greek Minister and has the honor to refer to the Minister’s note of February 29, 1928, setting forth the provisions of the Greek income tax law exempting from taxation earnings made in Greece by ships flying a foreign flag.

The Secretary of State has the honor to inform the Greek Minister that before it can be determined whether these exemptions are equivalent to the exemptions that may be accorded by the United States under Section 213 (b) (8) of the Revenue Acts of 1921 and 1924 it will be necessary for the appropriate authorities of the Government to be informed as to whether:

(a) During the years 1921-1924, inclusive, taxes have been collected by the Greek Government from the revenues of American citizens not residing in Greece or of corporations organised under the laws of the United States, derived from the operation of ships documented under the laws of the United States;

(b) The exemption provided in Article 3, Paragraph 7, of the Law, No 3338 applies to the profits derived by a citizen of the United States not residing in Greece, and to corporations organised under the laws of the United States, or whether in the case of such citizen the exemption only applies if he resides in the United States;

(c) The exemption applies in cases where citizens of the United States or corporations organised under the laws of the United States maintain agencies, branch offices, or representatives in Greece, in connection with the operation of ships documented under the laws of the United States.

In this connection the Secretary of State has the honor to State that he has been informed by the appropriate authorities of the Government that if it is eventually determined that the pertinent exemptions in the Greek Income tax law are equivalent to the exemption provision of Section 213 (b) (8) of the Revenue Acts of 1921 and 1924, it will be unnecessary for the United States to conclude any agreement with Greece relative to the exemption of earnings derived from the operation of ships documented under the laws of the two countries.
1 Traduction. —Translation.

No 2241. — ÉCHANGE DE NOTES ENTRE LE GOUVERNEMENT DES ÉTATS-UNIS D’AMÉRIQUE ET LE GOUVERNEMENT DE LA RÉPUBLIQUE HELLENIQUE, COMPORANT UN ACCORD EN VUE D’ÉVITER LA DOUBLE IMPOSITION EN CE QUI CONCERNE LES BÉNÉFICES RÉALISÉS DANS LES AFFAIRES D’ARMEMENT MARITIME. WASHINGTON, LES 26 AVRIL 1928, 2 ET 6 AVRIL 1929, ET 10 JUIN 1929.

English official text communicated by the Hellenic Chargé d’Affaires at Berne. The registration of this Exchange of Notes took place January 7, 1930.

I.

Le Secrétaire d’État a l’honneur de se référer à la note du 29 février 1928, dans laquelle le Ministre de Grèce exposait les dispositions de la loi hellénique relative à l’impôt sur le revenu, qui exonèrent de l’imposition les bénéfices réalisés en Grèce par des navires battant pavillon étranger.

Le Secrétaire d’État a l’honneur de faire savoir au Ministre de Grèce qu’avant de pouvoir déterminer si ces exonérations sont équivalentes aux exonérations qui peuvent être accordées par les États-Unis en vertu de la Section 213 b) 8 des lois de 1921 et 1924 sur les recettes, il sera nécessaire que les autorités compétentes du Gouvernement sachent:

a) Si, de 1921 à 1924 inclusivement, des impôts ont été perçus par le Gouvernement hellénique sur les recettes tirées par des citoyens américains ne résidant pas en Grèce ou par des sociétés constituées conformément aux lois des États-Unis, de l’exploitation de navires possédant les papiers de bord requis par la législation des États-Unis;

b) Si l’exonération prévue au § 7 de l’article 3 de la Loi No 3338 s’applique aux bénéfices réalisés par un cotoyen des États-Unis ne résidant pas en Grèce, et aux sociétés constituées conformément aux lois des États-Unis, ou si l’exonération ne s’applique audit citoyen que s’il réside aux États-Unis;

c) Si l’exonération est accordée lorsque les citoyens des États-Unis ou les sociétés constituées conformément aux lois des États-Unis entretiennent des agences, des succursales ou des représentants en Grèce pour assurer l’exploitation de navires possédant les papiers de bord requis par la législation des États-Unis.

A cet égard, le Secrétaire d’État a l’honneur de déclarer que les autorités compétentes du Gouvernement lui ont fait savoir que, s’il est finalement établi que les exonérations pertinentes prévues par la loi hellénique relative à l’impôt sur le revenu sont équivalentes à l’exonération stipulée dans la Section 213 b) 8, des lois de 1921 et 1924 sur les recettes, il ne sera pas nécessaire que les États-Unis concluent avec la Grèce un accord relatif à l’exonération des bénéfices provenant de l’exploitation de navires possédant les papiers de bord requis par la législation des deux pays.

1 Traduit par le Secretariat de la Sociétés des Nations, à titre provisoire.

1 Translated by the Secretariat of the League of Nations, for information.
With reference to the Minister’s request that the collection of income tax on the earnings in the United States of the National Steam Navigation Company, Limited, of Greece, be delayed until the appropriate authorities of the Government have determined whether the exemptions provided for by Greek law are equivalent to those provided for by the income tax legislation of the United States, the Secretary of State has the honor to inform the Greek Minister that there is no provision in the income tax law of the United States or in the regulations issued thereunder which authorises a collector of internal revenue to refrain from collecting income tax properly due from a taxpayer. The Treasury Department however has informed the Secretary of State that it will suggest to the Collector in New York that he withhold for a reasonable time the collection of income tax in the case of the National Steam Navigation Company Limited, of Greece, provided such action will not jeopardize the ultimate collection of the tax due. In the meantime if the Greek Minister will supply the additional information needed the appropriate authorities of the Government will be able to arrive at a definite decision with reference to the general question of the exemption of earnings made in the United States by ships flying the Greek flag.

Department of State,

WASHINGTON, April 26, 1928.
No. 811. 512368 Shipping/4.

Pour copie conforme à l’original :
Washington, D.C. le 16 décembre 1929.

Le Chargé d’Affaires ad interim :
(Signé) A. Anninos.

II.

April 2, 1929.

The Minister of Greece presents his compliments to His Excellency The Secretary of State and, referring to the Department’s Note of April 26th, 1928, No. 811. 512368 Shipping/4, has the honour to inform him that the exemptions of the Greek law are equivalent to the exemptions that may be accorded by the United States under Section 213 (B) (8) of the Revenue Acts of 1921 and 1924.

Concerning the Department’s enquiry as to whether “A” during the years 1921-1924 inclusive, taxes have been collected by the Greek Government from the revenues of American citizens residing in Greece or of corporations organised under the laws of the United States, derived from the operation of ships documented under the laws of the United States, the Minister of Greece is authorised to State that for the years 1921-1924 inclusive, no taxes have been collected by the Greek Government from the revenues of American citizens whether residing in Greece or not, or of shipping corporations organised under the laws of the United States for revenues deriving from operation of American ships in Greece.

With regard to question “B” whether the exemption provided in Article 3, Paragraph 7 of the Law No. 3338 applies to the profits derived by citizens of the United States not residing in Greece, and to corporations under the laws of the United States or whether in the case of such citizens the exemption only applies if he resides in the United States, the Minister of Greece is authorised to state that the exemption provided in Article 3, Paragraph 7 of the Greek Law No. 3338 is applied on the profits derived by a citizen of the United States whether residing in Greece or not as well as to the shipping companies organised under the American laws.

N° 2241
As to question "C" whether the exemption applies in cases where citizens of the United States or corporations organised under the laws of the United States maintain agencies, branch offices, or representatives in Greece, in connection with the operation of ships documented under the laws of the United States, the Minister of Greece is authorised to state that the exemption is applied generally not only for the American citizens and the American shipping enterprises but on the American ships in Greece.

Accordingly it is determined that the pertinent exemptions in the Greek Income Tax Law are equivalent to the exemption provisions of Section 213 (B) (8) of the Revenue Acts of 1921 and 1924.

The Minister of Greece would be exceedingly obliged if His Excellency the Secretary of State were kind enough to arrive at a definite decision with reference to the general question of exemption of earnings made in the United States by ships flying the Greek flag on the basis of reciprocity and in case that an agreement on this matter would be necessary the Minister of Greece is duly authorised to sign it.

Mrs. Henry L. Stimson,
Secretary of State, etc., etc.,
Washington D.C.

Pour copie conforme à l'original :
Washington, D.C., le 16 décembre 1929.

Le Chargé d'Affaires ad interim :
(Signed) A. Anninos.

III.

The Secretary of State presents his compliments to the Minister of Greece and has the honour to acknowledge the receipt of the Minister's Note No. 422 of April 2nd, 1929, relative to the provisions of the Greek net income tax law whereby ships flying a foreign flag may be exempted from taxation on the profits made in Greece.

This matter has been referred to the appropriate authorities of the Government for attention and upon the receipt of a reply in regard thereto a further communication will be addressed to the Minister.

Department of State,
WASHINGTON, April 6, 1929.

Pour copie conforme à l'original :
Washington D.C., le 16 décembre 1929.

Le Chargé d'Affaires ad interim :
(Signed) A. Anninos.
IV.

The Secretary of State presents his compliments to the Minister of Greece and has the honour to inform the Minister, with reference to his note No. 422 of April 2nd, 1929, relative to the provisions of the Greek net income tax law whereby ships flying a foreign flag may be exempted from taxation on the profits made in Greece, that the Secretary of the Treasury has notified the Department of State as follows:

"Inasmuch as Greece has not taxed income of a citizen of the United States not residing in Greece and of a corporation organised in the United States derived from the operation of ships flying the American flag from 1921 and does not tax such income under the present law, Greece satisfies the equivalent exemption provisions of section 213 (b) (8) of the Revenue Acts of 1921, 1924, and 1926 and sections 212 (b) and 231 (b) of the Revenue Act of 1928. It is held, therefore that the income of a non-resident alien individual and a foreign corporation from sources within the United States which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of Greece is not required to be included in gross income and is exempt from income, excess-profits and war-profits taxes for 1921 and subsequent years. If any tax on such income has been paid it will be refunded upon proper claims therefor being made by taxpayers who are entitled to the exemption, provided the period of limitation for making refunds has not expired."

Department of State,
WASHINGTON, June 10, 1929.
811.512368 Shipping/9.

Pour copie conforme à l'original:
Washington D.C., le 16 décembre 1929.

Le Chargé d’Affaires ad interim:
(Signed) A. Anninos.