

N° 2649.

**ÉTATS-UNIS D'AMÉRIQUE
ET DANEMARK ET ISLANDE**

Echange de notes comportant un arrangement relatif à l'exemption réciproque, pour les armateurs, du paiement de l'impôt sur le revenu. Washington, les 24 et 28 octobre et 5 décembre 1922.

**UNITED STATES OF AMERICA
AND DENMARK AND ICELAND**

Exchange of Notes constituting an Arrangement for the reciprocal Exemption of Shipowners from Income Taxation. Washington, October 24 and 28 and December 5, 1922.

No. 2649. — EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE DANISH GOVERNMENT, FOR DENMARK AND ICELAND, CONSTITUTING AN ARRANGEMENT FOR THE RECIPROCAL EXEMPTION OF SHIPOWNERS FROM INCOME TAXATION. WASHINGTON, OCTOBER 24 AND 28 AND DECEMBER 5, 1922.

*Texte officiel anglais communiqué par le délégué permanent du Danemark auprès de la Société des Nations. L'enregistrement de cet échange de notes a eu lieu le 23 mars 1931.
Cet échange de notes a été transmis au Secrétariat par le « Department of State » du Gouvernement des Etats-Unis d'Amérique, le 23 janvier 1931.*

I.

ROYAL DANISH LEGATION
WASHINGTON, D. C.

Ref. : 55I. 2/6.

No. 284.

J. No. 30. J. a/4. (4).

October 24, 1922.

SIR,

With further reference to your reply-note of August 9, 1922, relative to the reciprocal exemption of shipowners from income tax as from January 1, 1921, in accordance with Section 213 (b) 8 of the Revenue Act of 1921, and pursuant to instructions now received from the Danish Minister of Foreign Affairs, I have the honor to declare on behalf of the Danish Government that the income from sources in Denmark and Iceland of a citizen of the United States or of an American corporation which consists exclusively of earnings derived from the operation of ships documented under the laws of the United States is not subject to income taxation in Denmark or in Iceland.

In these circumstances I venture to hope that you will state in a note to me, for the information of the Danish Government, that Denmark and Iceland satisfy the equivalent exemption provision of Section 213 (b) 8 of the Revenue Act of 1921 and that Danish and Icelandic shipowners will be

¹ TRADUCTION. — TRANSLATION.

N^o 2649. — ÉCHANGE DE NOTES ENTRE LE GOUVERNEMENT DES ÉTATS-UNIS D'AMÉRIQUE ET LE GOUVERNEMENT DANOIS, POUR LE DANEMARK ET L'ISLANDE, COMPORTANT UN ARRANGEMENT RELATIF A L'EXEMPTION RÉCIPROQUE, POUR LES ARMATEURS, DU PAIEMENT DE L'IMPOT SUR LE REVENU. WASHINGTON, LES 24 ET 28 OCTOBRE ET 5 DÉCEMBRE 1922.

English official text communicated by the Permanent Delegate of Denmark accredited to the League of Nations. The registration of this Exchange of Notes took place March 23, 1931. This Exchange of Notes was transmitted to the Secretariat by the Department of State of the Government of the United States of America, January 23, 1931.

I.

LÉGATION ROYALE
DU DANEMARK.
WASHINGTON, D.C.

Réf. 551. 2/6
N^o 284.

J. N^o 30. J. a/4. (4).

Le 24 octobre 1922.

MONSIEUR LE SECRÉTAIRE D'ÉTAT,

Comme suite à votre réponse du 9 août 1922, relative à l'exemption réciproque, pour les armateurs, du paiement de l'impôt sur le revenu à dater du 1^{er} janvier 1921, conformément à l'article 213 b) 8^o, du « Revenue Act » de 1921, et en exécution des instructions qui me sont maintenant parvenues du ministre des Affaires étrangères de Danemark, j'ai l'honneur de déclarer, au nom du Gouvernement danois, que le revenu tiré de sources danoises et islandaises par un citoyen ou une société des Etats-Unis et consistant exclusivement en gains résultant de l'exploitation de navires dûment pourvus des papiers de bord prescrits par la législation des Etats-Unis n'est pas assujéti à l'impôt sur le revenu au Danemark ou en Islande.

Dans ces conditions, je me permets d'espérer que vous voudrez bien déclarer, dans une note qui me sera adressée à titre d'information pour le Gouvernement danois, que le Danemark et l'Islande satisfont à la règle d'exonération équivalente stipulée à l'article 213 b) 8^o du « Revenue

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

exempted from income tax in the United States as provided in the said Section as from January 1, 1921, in accordance with the letter (No. 236) which I had the honor to address to you on August 18, 1922.

I have the honor to be, Sir, with the highest consideration, Your most obedient and humble servant,

(Signed) C. BRUN.

The Honorable
Charles Evans Hughes,
Secretary of State,
Department of State, Washington, D.C.

II.

Ref. : 811. 5123/1883.
No. 290.

J. No. 30. J. a/4. (4)

October 28, 1922.

SIR,

I have the honor to acknowledge the receipt of your reply-letter of October 25 with reference to the proposed exchange of notes between Denmark and the United States for the reciprocal exemption of shipowners from income taxation, which has evidently crossed my note to you of October 24 on the same subject.

In answer thereto I beg to state that the income from sources in Denmark and Iceland of a citizen of the United States or of an American corporation, which consists exclusively of earnings derived from the operation of ships documented under the laws of the United States, is not and has not since January 1, 1921 or previously been subject to income taxation in Denmark, or in Iceland, and that my letter to you of October 24 should be so understood.

I have the honor to be, Sir, with the highest consideration, Your most obedient and humble servant,

(Signed) C. BRUN.

The Honorable
Charles Evans Hughes,
Secretary of State,
Department of State, Washington, D.C.

III.

DEPARTMENT OF STATE
WASHINGTON.

December 5, 1922.

SIR,

I have the honor to refer to your note of October 28, 1922, in further reference to the proposed exchange of notes between the United States and Denmark for the reciprocal exemption of ship owners from income taxation, for which provision is made in Section 213 (b) (8) of the Revenue

Act of 1921, and to inform you of the receipt of a communication from the Treasury Department regarding the matter, from which the following paragraph is quoted for your information :

I have the honor to advise that inasmuch as the income from sources in Denmark and Iceland of a citizen of the United States or of a corporation organized therein which consists exclusively of earnings derived from the operation of ships documented under the laws of the United States is not and has not been subject to income tax since January 1, 1921 or previously, it is held that Denmark and Iceland satisfy the equivalent exemption provision of Section 213 (b) (8) of the Revenue Act of 1921. In case any Federal income taxes have been collected from nonresident aliens or foreign corporations on income which consists exclusively of earnings derived on or since January 1, 1921, from the operation of ships documented under the laws of Denmark or Iceland, such taxes will be the proper subject of a claim for refund.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State,
(Signed) William PHILLIPS.

Mr. Constantin Brun,
Minister of Denmark.

Pour copie conforme :

E. Reventlow.
Secrétaire général
du Ministère des Affaires étrangères.