

No. 954

---

**NETHERLANDS**  
**and**  
**UNITED KINGDOM OF GREAT BRITAIN**  
**AND NORTHERN IRELAND**

**Convention for the avoidance of double taxation with respect to duties on property passing on the deaths of deceased persons (with exchange of letters). Signed at London, on 15 October 1948**

*Official texts: English and Dutch.*

*Registered by the Netherlands on 23 October 1950.*

---

**PAYS-BAS**  
**et**  
**ROYAUME-UNI DE GRANDE-BRETAGNE**  
**ET D'IRLANDE DU NORD**

**Convention tendant à éviter les doubles impositions sur les biens faisant l'objet de mutations par décès (avec échange de lettres). Signée à Londres, le 15 octobre 1948**

*Textes officiels anglais et néerlandais.*

*Enregistrée par les Pays-Bas le 23 octobre 1950.*

No. 954. CONVENTION<sup>1</sup> BETWEEN THE NETHERLANDS AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO DUTIES ON PROPERTY PASSING ON THE DEATHS OF DECEASED PERSONS. SIGNED AT LONDON, ON 15 OCTOBER 1948

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, and Her Majesty the Queen of the Netherlands,

Desiring to conclude a Convention for the avoidance of double taxation with respect to duties on property passing on the deaths of deceased persons,

Have appointed for that purpose as their Plenipotentiaries:

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas:

For the United Kingdom of Great Britain and Northern Ireland:

The Right Honourable Ernest Bevin, M.P., His Principal Secretary of State for Foreign Affairs;

Her Majesty the Queen of the Netherlands:

For the Kingdom of the Netherlands:

His Excellence Jonkheer E. Michiels van Verduynen, Her Ambassador Extraordinary and Plenipotentiary in London;

Who, having exhibited their respective full powers, found in good and due form' have agreed as follows: —

*Article I*

(1) The duties which are the subject of the present Convention are:

(a) In the United Kingdom, the estate duty imposed in Great Britain, and

(b) In the Netherlands, the succession duty imposed in the Netherlands.

(2) The present Convention shall also apply to any other duties substantially similar in character to either duty which may be imposed in Great Britain or the Netherlands subsequently to the date of signature of the present Convention or in any territory to which the present Convention applies under Article VII.

<sup>1</sup> Came into force on 18 July 1950, by the exchange of the instruments of ratification at London, in accordance with article VIII.

*Article II*

- (1) In the present Convention, unless the context otherwise requires:
- (a) The term "United Kingdom" means Great Britain and Northern Ireland.
  - (b) The term "Great Britain" means England, Wales and Scotland, and does not include the Channel Islands or the Isle of Man.
  - (c) The term "Netherlands" means the Kingdom of the Netherlands in Europe.
  - (d) The term "territory", when used in relation to one or the other High Contracting Party, means Great Britain or the Netherlands, as the context requires.
  - (e) The term "duty" means the estate duty imposed in Great Britain or the succession duty imposed in the Netherlands, as the context requires.

(2) In the application of the provisions of the present Convention by one of the High Contracting Parties, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws in force in the territory of that Party relating to the duties which are the subject of the present Convention.

*Article III*

(1) For the purposes of the present Convention, the question whether a deceased person was domiciled in any part of the territory of one of the High Contracting Parties at the time of his death shall be determined in accordance with the law in force in that territory.

(2) Where a person dies domiciled in any part of the territory of one High Contracting Party, the situs of any of the following rights or interests, legal or equitable, which for the purpose of duty form or are deemed to form part of the estate of such person or pass or are deemed to pass on his death, shall, for the purposes of the imposition of duty, be determined exclusively in accordance with the following rules, but in cases not within such rules the situs of such rights or interests shall be determined for these purposes in accordance with the laws in force in the territory of the other High Contracting Party:

- (a) Rights or interests (otherwise than by way of security) in or over immovable property shall be deemed to be situated at the place where such property is located;
- (b) Rights or interests (otherwise than by way of security) in or over tangible movable property, other than such property for which specific provision is hereinafter made, and in or over bank or currency notes, other forms of currency recognised as legal tender in the place of issue, negotiable bills of exchange and negotiable promissory notes, shall be deemed to be situated at

the place where such property, notes, currency or documents are located at the time of death, or, if *in transitu*, at the place of destination;

- (c) Debts, secured or unsecured, including securities issued by any government, municipality or public authority, and debentures and debenture stock issued by any company, but excluding the forms of indebtedness for which specific provision is made herein, shall be deemed to be situated at the place where the deceased person was domiciled at the time of his death;
- (d) Shares or stock in a company (including shares or stock held by a nominee, whether the beneficial ownership is evidenced by scrip certificates or otherwise) shall be deemed to be situated at the place in or under the laws of which the company was incorporated;
- (e) Monies payable under a policy of assurance or insurance shall be deemed to be situated at the place where the deceased person was domiciled at the time of his death;
- (f) Ships and aircraft and shares thereof shall be deemed to be situated at the place of registration of the ship or aircraft;
- (g) Goodwill as a trade, business or professional asset shall be deemed to be situated at the place where the trade, business or profession to which it pertains is carried on;
- (h) Patents, trade marks and designs shall be deemed to be situated at the place where they are registered;
- (i) Copyright, franchises, and rights or licenses to use any copyrighted material, patent, trade mark or design shall be deemed to be situated at the place where the rights arising therefrom are exercisable;
- (j) Rights or causes of action *ex delicto* surviving for the benefit of an estate of a deceased person shall be deemed to be situated at the place where such rights or causes of action arose;
- (k) Judgment debts shall be deemed to be situated at the place where the judgment is recorded:

provided that if, apart from this paragraph, duty would be imposed in the territory of one High Contracting Party on any property which is situated therein, and passes under a disposition not governed by the law in force therein, this paragraph shall not apply to such property, unless, by reason of its application or otherwise, duty is imposed or would but for some specific exemption be imposed thereon in the territory of the other High Contracting Party.

*Article IV*

(1) In determining the amount on which duty is to be computed, permitted deductions shall be allowed in accordance with the law in force in the territory in which the duty is imposed.

(2) Where duty is imposed in the territory of one High Contracting Party on the death of a person who at the time of his death was not domiciled in any part of that territory but was domiciled in any part of the territory of the other High Contracting Party, no account shall be taken, in determining the amount or rate of such duty, of property situated outside the former territory:

provided that this paragraph shall not apply as respects duty imposed:

- (a) in the Netherlands in the case of a person of Netherlands nationality who, having relinquished his domicile in the Netherlands within ten years of his death, died domiciled in any part of Great Britain; or
- (b) in Great Britain in the case of property passing under a disposition governed by the law of Great Britain.

*Article V*

(1) Any claim for a refund of duty founded on the provisions of the present Convention shall be made within six years from the date of the death of the deceased person in respect of whose estate the claim is made, or, in the case of an interest in expectancy where payment of duty is deferred until the date on which the interest falls into possession, within six years from that date.

(2) Any such refund shall be made without payment of interest on the amount so refunded.

*Article VI*

(1) The present Convention may be extended, either in its entirety or with modifications, to any territory of one of the High Contracting Parties to which this Article applies and which imposes duties substantially similar in character to those which are the subject of the present Convention, and any such extension shall take effect from such date and subject to such modifications and conditions (including conditions as to termination) as may be specified and agreed between the High Contracting Parties in notes to be exchanged for this purpose.

(2) The termination in respect of the Netherlands or the United Kingdom of the present Convention under Article IX shall, unless otherwise expressly agreed by both High Contracting Parties, terminate the application of the present Convention to any territory to which the Convention has been extended under this Article.

- (3) The territories to which this Article applies are:
- (a) in relation to His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas:  
Any territory other than the United Kingdom for whose foreign relations the United Kingdom is responsible.
- (b) in relation to Her Majesty the Queen of the Netherlands:  
Any territory other than the Netherlands for whose foreign relations the Netherlands is responsible.

*Article VII*

The present Convention shall apply in relation to the estate duty imposed in Northern Ireland as it applies in relation to the estate duty imposed in Great Britain, but shall be separately terminable in respect of Northern Ireland subject to such conditions as may be specified and agreed between the High Contracting Parties in notes to be exchanged for this purpose.

*Article VIII*

(1) The present Convention shall be ratified and the instruments of ratification shall be exchanged at London as soon as possible.

(2) The present Convention shall be effective only as to the property passing on the deaths of persons dying on or after the first day of July, 1948.

*Article IX*

The present Convention shall continue in effect indefinitely, but either of the High Contracting Parties may, on or before the 30th June in any calendar year not earlier than the year 1952, give to the other High Contracting Party, through diplomatic channels, written notice of termination and, in such event, the present Convention shall cease to be effective as to the property passing on the death of persons dying on or after the date (not being less than sixty days after the date of such notice) specified in such notice, or, if no date is specified, on or after the sixtieth day after the date of such notice.

IN WITNESS WHEREOF the above-mentioned Plenipotentiaries have signed the present Convention and have affixed thereto their seals.

DONE at London in duplicate, in the English and Netherlands languages, both texts being equally authentic, on the 15th day of October, 1948.

Ernest BEVIN  
E. MICHIELS VAN VERDUYNEN

## EXCHANGE OF LETTERS

## I

London, 15th October 1948

Your Excellency,

With reference to the Convention signed today for the avoidance of double taxation with respect to death duties, I have the honour to give Your Excellency the following assurance regarding property brought to Great Britain by reason of the war: —

All movable property of persons who died on or after 10th May, 1940 and before 1st July, 1948 and who were at the time of their death considered to be domiciled in the Netherlands according to the Netherlands succession duty law shall be treated for death duty purposes as not situated in Great Britain, provided that the property was, by reason of the war, transferred to Great Britain on or after 3rd September 1939 or represents the re-investment of property so transferred.

I have the honour to be, with the highest consideration, Your Excellency's obedient Servant,

Ernest BEVIN

His Excellency

Jonkheer E. Michiels van Verduynen  
London

## II

London, 15th October, 1948

Your Excellency,

I have the honour to acknowledge receipt of your letter of to-day's date regarding property brought to Great Britain by reason of the war and I note your assurance that all movable property of persons who died on or after May 10th, 1940 and before July 1st, 1948 and who were at the time of their death considered to be domiciled in the Netherlands according to the Netherlands succession duty law shall be treated for death duty purposes as not situated in Great Britain, provided that the property was, by reason of the war, transferred to Great Britain on or after September 3rd, 1939 or represents the reinvestment of property so transferred.

I have the honour to remain, with the highest consideration, Your Excellency's obedient Servant,

E. MICHIELS VAN VERDUYNEN

The Right Honourable  
Ernest Bevin, M.P.  
London