

No. 703

BELGIUM
and
ARGENTINA

Exchange of Letters constituting an agreement on reciprocal exemption from taxation on the profits of shipping companies or branches of such companies. Buenos Aires, 25 July 1949

*Official texts : French and Spanish.
Registered by Belgium on 24 January 1950.*

BELGIQUE
et
ARGENTINE

Echange de lettres constituant un accord sur l'exonération réciproque de l'impôt sur les revenus dans le chef des compagnies ou succursales de compagnies de navigation. Buenos-Aires, 25 juillet 1949

*Textes officiels français et espagnol.
Enregistré par la Belgique le 24 janvier 1950.*

TRANSLATION — TRADUCTION

No. 703. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN BELGIUM AND ARGENTINA ON RECIPROCAL EXEMPTION FROM TAXATION ON THE PROFITS OF SHIPPING COMPANIES OR BRANCHES OF SUCH COMPANIES. BUENOS AIRES, 25 JULY 1949

No. 1

MINISTRY OF FOREIGN AFFAIRS

Letter D. E. S. No. 1734.

Buenos Aires, 25 July 1949

Sir,

On behalf of the Argentine Government, which is desirous of avoiding double taxation on profits accruing from the business of shipping and of promoting commercial exchanges with Belgium, I have the honour to communicate the following to you :

1. The Argentine Government, in virtue of the powers conferred upon it by Article 10 of Act No. 11682, promulgated in 1947, undertakes, subject to reciprocity, to exempt from income tax and from any other tax on profits, the income accruing from the business of shipping between the Argentine Republic and any other country received by undertakings established in Belgium.

2. The expression "business of shipping" shall be deemed to mean the transport of persons and goods effected by shipowners or charterers of ships.

3. The expression "undertakings established in Belgium" shall be deemed to mean natural persons residing in that country who are not domiciled in the Argentine Republic and carry on the business of transportation by sea, and joint stock companies or associations of persons established in accordance with the laws in force in Belgium and possessing the head office of their management and central administration in that country. This expression shall also be deemed to include the carrying on of transportation by sea by the Belgian State and by companies to which the Belgian State is a party.

The exemption provided for in paragraph 1 shall also apply if the undertaking established in Belgium has in the Argentine Republic an agency or

¹ Came into force on 25 July 1949, by the exchange of the said letters.

branch which deals with the business of the undertakings referred to in the present Agreement, including the sale of passage tickets.

4. The exemption provided for in paragraph 1 shall apply to all profits that have accrued since 1 January 1946 and the Argentine Government may cease to apply it at any time, subject to six months notice.

Your favourable reply shall be deemed to constitute the Agreement between the High Contracting Parties.

I have the honour to be, etc.

[SEAL]

(Signed) Juan A. BRAMUGLIA

To the Chargé d'Affaires of Belgium
Mr. André Fosset

No. 2

BELGIAN LEGATION

No. 90003/3304.

Buenos Aires, 25 July 1949

Sir,

I have the honour to acknowledge receipt of your letter, D.E.S. No. 1734 of today's date, which reads as follows :

[See letter No. 1]

In communicating to Your Excellency the agreement of the Belgian Government to the terms of the note transcribed above, I have to inform Your Excellency that :

1. The Belgian Government, in virtue of the powers conferred upon it by the Act of 14 July 1940, undertakes to exempt from income tax and from any other tax on profits, the sums accruing from the business of shipping between Belgium and any other country, received by undertakings established in the Argentine Republic.

2. The expression "undertakings established in the Argentine Republic" shall be deemed to mean individual natural persons residing in the said country who are not domiciled in Belgium and carry on the business of transportation by sea, and joint stock companies or associations of persons established in accordance with the laws of the Argentine Republic and

possessing in the territory of the Argentine Republic the head office of their management and their central administration. This definition shall also include the carrying on of transportation by sea by the Argentine State or by companies to which it is a party.

The exemption provided for in paragraph 1 shall apply even if the undertaking established in the Argentine Republic possesses in Belgium an agency or a branch to deal with the business of the main undertaking exempted by the present Agreement, including the sale of passage tickets.

3. The exemption provided for in paragraph 1 shall apply to all profits that have accrued since 1 January 1946 and the Belgian Government may denounce it at any time, subject to six months notice.

I have the honour to be, etc.

(Signed) A.-E. FOSSET
Acting Chargé d'Affaires of Belgium

His Excellency Dr. Juan A. Bramuglia
Minister of Foreign Affairs and Public Worship