

No. 2371

BELGIUM
and
UNITED STATES OF AMERICA

Exchange of notes constituting an agreement for the avoidance of double taxation of profits derived from the operation of aircraft. Washington, 18 July 1953

Official texts: English and French.

Registered by Belgium on 19 November 1953.

BELGIQUE
et
ÉTATS-UNIS D'AMÉRIQUE

Échange de notes constituant un accord pour éviter la double imposition des bénéfices provenant de l'exploitation d'aéronefs. Washington, 18 juillet 1953

Textes officiels anglais et français.

Enregistré par la Belgique le 19 novembre 1953.

No. 2371. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN BELGIUM AND THE UNITED STATES OF AMERICA FOR THE AVOIDANCE OF DOUBLE TAXATION OF PROFITS DERIVED FROM THE OPERATION OF AIRCRAFT. WASHINGTON, 18 JULY 1953

N° 2371. ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE LA BELGIQUE ET LES ÉTATS-UNIS D'AMÉRIQUE POUR ÉVITER LA DOUBLE IMPOSITION DES BÉNÉFICES PROVENANT DE L'EXPLOITATION D'AÉRONEFS. WASHINGTON, 18 JUILLET 1953

I

DEPARTMENT OF STATE
WASHINGTON

July 18, 1953

Excellency :

I have the honor to refer to the recent conversations which took place between representatives of the Belgian Government and representatives of the Government of the United States with a view to concluding an agreement between the two Governments in order to avoid, on a basis of reciprocity, the double taxation of profits derived from the operation of aircraft, and on behalf of the United States Government to inform you of the following :

1. The United States Government undertakes, on a basis of reciprocity, to exclude from taxable income and to exempt from income taxes all profits obtained

- (a) By a company organized in Belgium or
- (b) By a Belgian national not residing in the United States from the operation of aircraft registered in conformity with the laws of Belgium.

2. For purposes of the present agreement :

(a) The term " operation of aircraft " shall designate a business or enterprise operated by owners or charterers of aircraft and concerned with :

- (i) The transportation of persons, including the taking on and putting down of passengers or

¹ Came into force on 18 July 1953 by the exchange of the said notes. This Agreement is not applicable to the territories of the Belgian Congo and Ruanda-Urundi.

¹ Entré en vigueur le 18 juillet 1953 par l'échange desdites notes. Cet Accord n'est pas applicable aux territoires du Congo belge et du Ruanda-Urundi.

- (ii) The transportation of goods, mail, or other articles, including their loading and unloading,
 - (iii) Both categories of operations mentioned under (i) and (ii);
- (b) The term "profits" shall include income of all kinds, particularly income from the sale in the United States of passage tickets.

3. The exemption referred to in paragraph 1 :

(a) Shall be granted even if, at any time during the taxable period, the Belgian company has in the United States an establishment in which it carries on industrial or commercial activities of any sort or if at any time during the taxable period, the Belgian national engages in such activities in the United States;

(b) Shall apply to the profits of any taxable period which ended on or after December 31, 1950; it shall be extended to profits realized before such period and after January 1, 1946, but refunds of taxes that have not been contested in the manner and within the time limits specified under United States law or which have already been the subject of a decision having the force of res adjudicata, may not result therefrom.

4. Either Government may terminate this agreement by giving six months' notice in writing to the other Government; in that event the agreement shall cease to be valid for the taxable periods beginning on the 1st of January immediately following the expiration of such six-month period.

Your reply concurring herewith will be considered as constituting the agreement between the High Contracting Parties.

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

For the Secretary of State :

James BONBRIGHT

His Excellency Baron Silvercruys
Ambassador of Belgium

[TRADUCTION¹ — TRANSLATION²]

DÉPARTEMENT D'ÉTAT
WASHINGTON

Le 18 juillet 1953

Excellence,

Comme suite aux récents entretiens qui ont eu lieu entre des représentants du Gouvernement belge et des représentants du Gouvernement des États-Unis en vue de la conclusion d'un accord entre les deux Gouvernements pour éviter,

¹ Traduction du Gouvernement belge.

² Translation by the Government of Belgium.

[TRANSLATION — TRADUCTION]

Washington, 18 July 1953

No. 3010
D. 6698

Excellency,

I have the honour to refer to the recent conversations which took place between representatives of the Belgian Government and representatives of the Government of the United States with a view to concluding an agreement between the two Governments in order to avoid, on a basis of reciprocity, the double taxation of profits derived from the operation of aircraft, and on behalf of the Belgian Government, to inform you of the following :

[*See note I*]

Your reply concurring herewith will be considered as constituting the agreement between the High Contracting Parties.

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

Hon. John Foster Dulles
Secretary of State of the United States of America
Washington, D.C.
