

No. 2857

**UNION OF SOUTH AFRICA
and
ITALY**

Exchange of notes constituting an agreement for the avoidance of double taxation on profits derived from the business of sea or air transport. Pretoria, 26 June 1953

Official text: English.

Registered by the Union of South Africa on 28 June 1955.

**UNION SUD-AFRICAINNE
et
ITALIE**

Échange de notes constituant un accord tendant à éviter les doubles impositions sur les revenus provenant des transports maritimes ou aériens. Prétoria, 26 juin 1953

Texte officiel anglais.

Enregistré par l'Union Sud-Africaine le 28 juin 1955.

No. 2857. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNION OF SOUTH AFRICA AND THE GOVERNMENT OF ITALY FOR THE AVOIDANCE OF DOUBLE TAXATION ON PROFITS DERIVED FROM THE BUSINESS OF SEA OR AIR TRANSPORT. PRETORIA, 26 JUNE 1953

I

LEGATION OF ITALY

Pretoria, 26th June, 1953

Mr. Minister,

As the Government of Italy and the Government of the Union of South Africa desire to conclude an agreement for the avoidance of double taxation on income derived from shipping and aircraft, I have the honour to inform you that the Government of Italy are prepared to conclude an agreement with the Government of the Union of South Africa in the following terms.—

Article I

For the purpose of this agreement, the expression—

“the business of sea or air transport” means the business of transporting, by sea or by air, persons, livestock, goods or mail carried on by the owner or charterer of ships or aircraft;

“Union enterprises” means the Government of the Union of South Africa, natural persons ordinarily resident in the Union of South Africa and not ordinarily resident in Italy, and corporations or partnerships constituted under the laws of and managed and controlled in the Union of South Africa;

“Italian enterprises” means the Government of Italy, natural persons ordinarily resident in Italy and not ordinarily resident in the Union of South Africa, and corporations or partnerships constituted under the laws of and managed and controlled in Italy.

Article II

(1) The Government of the Union of South Africa shall exempt all income derived from the business of sea or air transport between the Union of South Africa and other

¹ Came into force on 30 September 1954, in accordance with the terms of the said notes, the Agreement having been proclaimed in the Union of South Africa on 16 October 1953 and in Italy on 30 September 1954.

countries by Italian enterprises engaged in such business from income tax and all other taxes on income which are chargeable in the Union of South Africa.

(2) The Government of Italy shall exempt all income derived from the business of sea or air transport between Italy and other countries by Union enterprises engaged in such business from income tax and all other taxes on income which are chargeable in Italy.

Article III

This Agreement shall come into force on the date on which the last of all such things shall have been done in Italy and in the Union of South Africa as are necessary to give the agreement the force of law in Italy and in the Union of South Africa respectively and shall thereupon have effect in respect of all income derived on or after the 1st July, 1948.

Article IV

This Agreement shall continue in effect for an indefinite period but may be terminated by either Government by an instrument in writing addressed to the other Government, provided that such notice of termination shall only have effect in respect of income derived after a period of at least six months from the date of such notice.

If the foregoing proposals are acceptable to the Government of the Union of South Africa, I suggest that this note and your confirmatory reply thereto be regarded as constituting an agreement between our two Governments in this matter.

Please accept, Mr. Minister, the assurance of my highest consideration.

G. P. DE FERRARI
Chargé d'Affaires ad interim of Italy

Dr. the Honourable D. F. Malan
Minister of External Affairs of the Union of South Africa
Pretoria

II

UNION OF SOUTH AFRICA
DEPARTMENT OF EXTERNAL AFFAIRS

P.M. 41/1/35

Pretoria, 26th June, 1953

Mr. Chargé d'Affaires,

I have the honour to acknowledge the receipt of your note of today's date, reading as follows. —

[See note I]

In reply thereto, I have the honour to state that the foregoing provisions are agreed to by the Government of the Union of South Africa and that your note and this confirmatory reply are regarded as constituting an agreement between our two Governments.

Please accept, Mr. Chargé d'Affaires, the assurance of my high consideration.

For the Minister of External Affairs :

D. D. FORSYTH
Secretary for External Affairs

Marchese G. P. de Ferrari, Chargé d'Affaires a.i.
Legation of Italy
Pretoria