

No. 2963

**UNION OF SOUTH AFRICA
and
FRANCE**

**Exchange of notes constituting an agreement in regard to
the avoidance of double taxation on the profits derived
from the operation of ships and aircraft. Pretoria,
5 October and 22 November 1954**

Official texts: English and French.

Registered by the Union of South Africa on 15 October 1955.

**UNION SUD-AFRICAINE
et
FRANCE**

**Échange de notes constituant un accord tendant à éviter
la double imposition sur les bénéfices dérivant de
l'exploitation des entreprises de navigation maritime
ou aérienne. Prétoria, 5 octobre et 22 novembre 1954**

Textes officiels anglais et français.

Enregistré par l'Union Sud-Africaine le 15 octobre 1955.

No. 2963. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNION OF SOUTH AFRICA AND FRANCE IN REGARD TO THE AVOIDANCE OF DOUBLE TAXATION ON THE PROFITS DERIVED FROM THE OPERATION OF SHIPS AND AIRCRAFT. PRETORIA, 5 OCTOBER AND 22 NOVEMBER 1954

Nº 2963. ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE L'UNION SUD-AFRICAINE ET LA FRANCE TENDANT À ÉVITER LA DOUBLE IMPOSITION SUR LES BÉNÉFICES DÉRIVANT DE L'EXPLOITATION DES ENTREPRISES DE NAVIGATION MARITIME OU AÉRIENNE. PRÉTORIA, 5 OCTOBRE ET 22 NOVEMBRE 1954

I

5 octobre 1954

Monsieur le Ministre,

Le Gouvernement de la République française et le Gouvernement de l'Union Sud-Africaine désireux d'éviter, à titre réciproque, aux entreprises sud-africaines et françaises de navigation maritime ou aérienne une double taxation sur les revenus ou bénéfices dérivant de leurs opérations commerciales, sont disposés à conclure, à cet effet, un accord dans les termes ci-après.

Article I

Aux fins du présent accord, l'expression « Opérations commerciales de transport par mer ou par air » désigne l'opération commerciale, effectuée par le propriétaire, l'armateur, ou l'affréteur de navires ou d'avions, qui consiste à transporter par mer, ou par air, des personnes, du bétail sur pied, des marchandises ou du courrier; l'expression « entreprise de l'Union » désigne le Gouvernement de l'Union Sud-Africaine, les personnes physiques résidant d'une façon habituelle dans l'Union Sud-Africaine et n'ayant pas de résidence habituelle en France, ainsi que les sociétés de capitaux ou de personnes constituées conformément aux lois de l'Union Sud-Africaine et ayant le siège de leur direction et administration centrales dans cette même Union.

L'expression « entreprises françaises » désigne le Gouvernement de la République française, les personnes physiques résidant d'une façon habituelle en France et n'ayant pas de résidence habituelle sur le territoire de l'Union Sud-

¹ Came into force on 1 April 1955, in accordance with the provisions of article III.

¹ Entré en vigueur le 1^{er} avril 1955, conformément aux dispositions de l'article III.

[TRANSLATION — TRADUCTION]

5 October 1954

Excellency,

[See note II]

I avail, etc.

(Signed) A. GAZEL
Ambassador of France

His Excellency the Secretary for External Affairs
Pretoria

II

P.M. 41/1/32

Pretoria, 22nd November, 1954

Mr. Chargé d'Affaires,

I have the honour to acknowledge receipt of M. Gazel's letter dated 5th October, 1954, addressed to the Honourable the Minister of External Affairs, the text of which, in the agreed English translation, reads as follows :

“The Government of the French Republic and the Government of the Union of South Africa, being mutually desirous of preventing double taxation of income or profits derived by Union and French enterprises from the operation of ships and aircraft, are prepared to conclude an agreement 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 France, and corporations or partnerships constituted under the laws of and managed and controlled in the Union of South Africa;

‘French enterprises’ means the Government of the French Republic, natural persons ordinarily resident in France and not ordinarily resident in the Union of South Africa, and corporations or partnerships constituted under the laws of and managed and controlled in France.

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

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

Article III

This Agreement shall come into force on the date on which the last of all such things shall have been done in each of the two countries as are necessary to give the agreement the force of law in the Union of South Africa and in France respectively. This Agreement shall thereupon have effect in respect of income and profits derived from operations performed on or after the 1st January, 1953.

Article IV

This Agreement shall continue in effect for an indefinite period. It may, however, be terminated by either Government by a written notification to the other Government, whereupon the Agreement shall cease to have effect from the 31st December immediately following the expiration of six months from the date of such written notification.

Should the foregoing text meet with the approval of the Government of the Union of South Africa, I suggest that this letter and the reply of Your Excellency constitute the agreement sought by our two Governments”.

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 Mr. Gazel's letter and this confirmatory reply are regarded as constituting an agreement between the two Governments.

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

For the Minister of External Affairs :

(Signed) D. D. FORSYTH
Secretary for External Affairs

The Chargé d'Affaires
Embassy of France
Pretoria