

No. 2813

**UNION OF SOUTH AFRICA
and
ISRAEL**

**Exchange of notes constituting an agreement for the avoidance
of double taxation on profits derived from the business
of sea or air transport. Pretoria, 24 December 1952**

Official text: English.

Registered by the Union of South Africa on 25 March 1955.

**UNION SUD-AFRICAINE
et
ISRAËL**

**Échange de notes constituant un accord tendant à éviter
la double imposition des revenus des entreprises de
transports maritimes ou aériens. Prétoria, 24 décembre
1952**

Texte officiel anglais.

Enregistré par l'Union Sud-Africaine le 25 mars 1955.

No. 2813. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNION OF SOUTH AFRICA AND ISRAEL FOR THE AVOIDANCE OF DOUBLE TAXATION ON PROFITS DERIVED FROM THE BUSINESS OF SEA OR AIR TRANSPORT. PRETORIA, 24 DECEMBER 1952

I

P.M. 41/1/27

UNION OF SOUTH AFRICA
DEPARTMENT OF EXTERNAL AFFAIRS

Pretoria, 24th December, 1952

Mr. Minister,

As the Government of the Union of South Africa and the Government of Israel desire to conclude an agreement for the avoidance of double taxation on the income derived from shipping and aircraft, I have the honour to inform you that the Government of the Union of South Africa are prepared to conclude an agreement with the Government of Israel 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 Israel, and corporations or partnerships constituted under the laws of and managed and controlled in the Union of South Africa ;

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

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 13 August 1953 in accordance with article III.

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

Article III

This Agreement shall come into force on the date on which the last of all such things shall have been done in the Union of South Africa and in Israel as are necessary to give the Agreement the force of law in the Union of South Africa and in Israel respectively and shall thereupon have effect in respect of all income derived on or after the 1st April, 1949.

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 Israel, 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 renewed assurance of my highest consideration.

For the Minister of External Affairs :

D. D. FORSYTH
Secretary for External Affairs

S. C. Hyman, Esq.
Envoy Extraordinary and Minister Plenipotentiary
of Israel
Pretoria

II

LÉGATION D'ISRAËL

Pretoria, 24th December 1952

Mr. Minister,

I have the honour to acknowledge receipt of note No. P.M. 41/1/27 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 Israel and that your note and this confirmatory reply are regarded as constituting an agreement between our two Governments.

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

S. C. HYMAN
Envoy Extraordinary and Minister
Plenipotentiary of Israel

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