

**No. 3522**

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**FINLAND  
and  
DENMARK**

**Agreement on reciprocal administrative assistance in  
matters of taxation. Signed at Copenhagen, on  
18 July 1955**

*Official texts : Finnish and Danish.*

*Registered by Finland on 19 September 1956.*

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**FINLANDE  
et  
DANEMARK**

**Convention relative à l'assistance en matière d'impôts.  
Signée à Copenhague, le 18 juillet 1955**

*Textes officiels finnois et danois.*

*Enregistrée par la Finlande le 19 septembre 1956.*

[TRANSLATION — TRADUCTION]

No. 3522. AGREEMENT<sup>1</sup> BETWEEN THE REPUBLIC OF FINLAND AND THE KINGDOM OF DENMARK ON RECIPROCAL ADMINISTRATIVE ASSISTANCE IN MATTERS OF TAXATION. SIGNED AT COPENHAGEN, ON 18 JULY 1955

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The Republic of Finland and the Kingdom of Denmark have agreed to conclude an agreement on reciprocal administrative assistance in matters of taxation.

For this purpose they have appointed as their plenipotentiaries :

The President of the Republic of Finland :

Mr. Åke Ossian Gunnar Backström, Secretary of Embassy, Acting Chargé d'Affaires of the Republic at Copenhagen ; and

His Majesty the King of Denmark :

Mr. Hans Christian Svane Hansen, His Prime Minister and Minister of Foreign Affairs ;

who, each having examined the other's full powers, found in good and due form, have agreed on the following provisions :

GENERAL PROVISIONS

*Article 1*

Each State undertakes to render the other assistance in taxation matters in the manner specified hereinafter.

For the purposes of this Agreement assistance means :

- (a) Service of documents ;
- (b) Procurement and exchange of information, either spontaneously or upon application in a particular case ; and
- (c) Recovery of tax.

*Article 2*

For the purposes of this Agreement, the term "taxes" means the taxes governed by the agreements in force between the Republic of Finland and the Kingdom of Denmark for the avoidance of double taxation in respect of direct taxes and in respect of death duties.

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<sup>1</sup> Came into force on 1 July 1956, in accordance with article 23. The instruments of ratification were exchanged at Helsinki on 20 June 1956.

*Article 3*

Subject to the provisions of article 14, third paragraph, and of article 23, each State shall furnish the assistance referred to in article 1 in all tax matters and in respect of all tax claims which arise in the other State under its laws concerning the taxes to which this Agreement refers.

*Article 4*

Action in matters of assistance shall be taken by direct arrangement between the Ministries of Finance of the two States or such authorities as may be designated for the purpose.

*Article 5*

Applications and other documents in matters of assistance shall be drawn up in the official language of the State requesting assistance. Unless otherwise agreed, applications and other documents in Finnish and Danish shall be accompanied by a Swedish translation.

Unless otherwise agreed, the correctness of the translations referred to in the Agreement shall be attested either by the authority submitting the application or by a sworn translator or a translator designated by a public authority in either State.

*Article 6*

The supreme financial authorities may conclude an agreement under article 20 respecting the particulars which shall be included in an application for assistance.

*Article 7*

An application for assistance may be refused if the State from which assistance is requested considers such assistance likely to endanger its sovereignty or security.

*Article 8*

If assistance is rendered, either wholly or partly, the State from which assistance is requested shall promptly notify the other State of the outcome of the matter.

If an application for assistance is not granted, the State from which assistance is requested shall promptly so notify the other State, giving the reasons for its decision.

When notice as provided in this article is given, information shall also be furnished concerning circumstances which may be of relevance in the further treatment of the matter.

*Article 9*

Documents issued or certified by a court or by an administrative authority of one State may be used in taxation matters in the other State without further legalization.

The provisions of the first paragraph shall apply also to documents signed by an official of the court or authority, if such signature is sufficient under the law of the State to which the court or authority belongs.

## SERVICE OF DOCUMENTS

*Article 10*

Except in the cases mentioned in the following paragraph, the competent authority of the State from which service is requested need effect service only by the delivery of the document to the recipient if he is willing to receive it.

If the State requesting service so desires, the document shall be served according to the procedure prescribed for similar service by the law of the State from which service is requested.

*Article 11*

Proof of service of a document shall be furnished either by a dated and attested receipt from the recipient party or by a certificate from the competent authority of the State from which service is requested, indicating the manner and date of service.

## PROCUREMENT OF INFORMATION, ETC.

*Article 12*

The procurement of information shall be effected in conformity with the law of the State to which the application is made.

An application shall not be complied with if to grant it would result in the disclosure of a business, manufacturing or professional secret. The application may be refused if the State making the application is not able under its own law to procure information of the same kind at the request of the other State.

The authority making the application shall state whether the action in question can, under the law of its own State, be taken at the request of the other State.

*Article 13*

As soon as possible after the end of each calendar year, and without being specifically requested to do so, the authorities referred to in article 4 shall exchange

such information conveniently procurable from available data and relating to individuals or bodies corporate domiciled in the other State as is likely to be of relevance for the assessment of tax. The scope of the information to be so exchanged shall be determined by agreement in the manner prescribed in article 20.

If the information received by a State is discovered to be incorrect, the competent authority of that State shall, if such action is considered expedient and likely to be of interest to the other State, return the documents received to the competent authority of the other State as soon as possible, together with a statement of the reasons for their return, or notify that authority of the circumstances.

#### RECOVERY OF TAX

##### *Article 14*

At the request of either State, an enforceable tax claim shall be acknowledged as enforceable in the other State and shall be enforced in accordance with its law.

An application for recovery of tax shall be accompanied by a statement from the competent authority of the State making the application that the claim is enforceable, and the competence of that authority shall be certified by one of the authorities referred to in article 4.

Assistance for recovery of tax shall not be given if enforcement of the tax claim would entail double taxation between the two States.

##### *Article 15*

An application for assistance in recovery of tax shall be made only if there is no satisfactory means of recovering the tax in the State imposing it.

In the case of an heir or any other person who has acquired property *mortis causa*, no assistance shall be given to recover tax in excess of the amount or value of the property when it was acquired *mortis causa*.

##### *Article 16*

Tax to be recovered under this Agreement shall not be entitled to any special preference prescribed for taxes in the State from which assistance is requested.

No judicial or bankruptcy proceedings shall be instituted in connexion with recovery of tax under this Agreement unless the supreme financial authority of the

State where the tax is to be recovered has, at the request of the corresponding authority of the State making the application, given its express consent thereto.

#### *Article 17*

The State in which tax is recovered under this Agreement shall be liable to the other State for the amount recovered.

### SPECIAL PROVISIONS

#### *Article 18*

All inquiries, information, statements and opinions and all other communications received by a State under this Agreement shall be subject to the statutory regulations of that State regarding professional secrecy and the confidential custody of documents.

#### *Article 19*

A State rendering assistance under this Agreement may not charge any fee or costs to the other State. It shall, however, be entitled to the reimbursement of remuneration paid to experts, of costs incurred through the assistance of process-servers in the cases referred to in article 10, second paragraph, and of costs of judicial proceedings arising out of the rendering of assistance.

#### *Article 20*

The supreme financial authorities of the two States may conclude further agreements in conformity with the purposes of this Agreement. They may in particular make agreements with regard to the exchange of information as referred to in article 13 and with regard to the minimum amounts for which an application for recovery may be made ; to charges in connexion with recovery and to interest, judicial costs, fines and other similar non-penal costs incurred in connexion with the imposition or recovery of tax ; to the fixing of the rate of exchange for the conversion of sums to be recovered ; and to the accounting of the sums recovered.

The aforesaid authorities may likewise conclude a special agreement to deal with difficulties or doubts which may arise with regard to the interpretation or application of the present Agreement.

#### *Article 21*

For the purposes of this Agreement the expression "supreme financial authority" means the Minister of Finance or the Ministry of Finance of the State concerned.

*Article 22*

So far as Denmark is concerned, this Agreement shall not apply to the Faroe Islands or Greenland.

*Article 23*

The present Agreement shall be ratified, and the instruments of ratification shall be exchanged at Helsinki as soon as possible. This Agreement shall come into force at the beginning of the calendar month next following the exchange of the instruments of ratification.

Assistance shall be rendered :

As regards the procurement of information from Finland, if the income or property concerned has or ought to have been assessed in Denmark in connexion with the assessment for the 1956-57 or a later tax year ;

As regards the procurement of information from Denmark, if the income or property concerned has or ought to have been assessed in Finland in connexion with the tax assessment carried out in the 1956 or a later tax year ;

As regards the procurement of information in cases relating to death duties, if the information concerns circumstances relating to the period subsequent to the entry into force of the Agreement ;

As regards the recovery of the taxes referred to in article 2, if the tax claim existed previous to or arose subsequent to the entry into force of the Agreement.

*Article 24*

The Agreement shall remain in force until denounced by one of the Contracting States. Notice of denunciation shall be given not less than six months before the end of the calendar year. If the period of notice has been observed, the Agreement shall cease to apply on the expiry of the calendar year.

An application for assistance received before this Agreement has ceased to apply by the competent authority of the State to which the application was addressed shall be complied with in accordance with the terms of the Agreement. This shall likewise apply to applications for recovery of tax, but only if acknowledgement of the enforceable claim was notified before the Agreement ceased to apply.

IN WITNESS WHEREOF the plenipotentiaries of the two States have signed this Agreement and have thereto affixed their seals.

DONE at Copenhagen on 18 July 1955 in two original copies in the Finnish and Danish languages, both texts being equally authentic.

ÅKE BACKSTRÖM  
H. C. HANSEN