

No. 3659

BELGIUM
and
EGYPT

Exchange of letters constituting an agreement for the reciprocal exemption of air transport companies from payment of certain taxes. Cairo, 18 and 31 October 1956

Official text: French.

Registered by Belgium on 12 January 1957.

BELGIQUE
et
ÉGYPTE

Échange de lettres constituant un accord sur l'exonération réciproque de certains impôts frappant les sociétés de transport aérien. Le Caire, 18 et 31 octobre 1956

Texte officiel français.

Enregistré par la Belgique le 12 janvier 1957.

[TRANSLATION — TRADUCTION]

No. 3659. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN BELGIUM AND EGYPT FOR THE RECIPROCAL EXEMPTION OF AIR TRANSPORT COMPANIES FROM PAYMENT OF CERTAIN TAXES. CAIRO, 18 AND 31 OCTOBER 1956

I

BELGIAN EMBASSY

No. 3228/10.394

Cairo, 18 October 1956

Your Excellency,

I have the honour to inform you that the Belgian Government is desirous of concluding with the Government of the Republic of Egypt an agreement for the reciprocal exemption of air transport companies from payment of certain taxes, in the following terms :

(1) The Belgian Government, acting in virtue of the powers conferred upon it, undertakes subject to reciprocity to exempt Egyptian air transport companies from the payment of income tax on the profits deriving from the operation by those companies of international air services on which their aircraft are employed. The income from the movable capital of the said companies shall also be exempt from all taxation unless the beneficiary of the distributed income has his fiscal domicile in Belgium.

(2) The Government of the Republic of Egypt, acting in virtue of the powers conferred upon it by Act No. 588 of 1953 amending Legislative Decree No. 169 of 1952, undertakes subject to reciprocity to exempt Belgian air transport companies from taxation on commercial and industrial profits and on income from movable capital deriving from the operation by those companies of international air services on which their aircraft are employed, unless the beneficiary of the distributed income has his fiscal domicile in Egypt.

(3) The expression "Egyptian air transport companies" in paragraph (1) means air transport companies having their centre of actual management in Egypt.

The expression "Belgian air transport companies" in paragraph (2) means air transport companies having their centre of actual management in Belgium.

¹ Came into force on 1 January 1956, in accordance with the terms of the said letters. Is not applicable to the territories of the Belgian Congo and Ruanda-Urundi.

The expression "operation of international air services" in paragraph (1) and (2) means the transport by air of passengers, cargo or mail between the territory of one Contracting Party and that of the other Party, or of any other country.

(4) This agreement shall remain in force so long as neither of the Contracting Parties gives notice to the other Party of its desire to terminate the agreement. If notice is given, the agreement shall cease to have effect six months after the receipt by one Contracting Party of the notice of termination by the other Contracting Party.

In so far as the Kingdom of Belgium is concerned, this agreement shall apply only to the territory of metropolitan Belgium.

If the Government of the Republic of Egypt agrees to the foregoing provisions, I have the honour to propose that this letter and your reply in similar terms shall be deemed to constitute an agreement between the Belgian Government and the Government of the Republic of Egypt, which shall apply to all profits earned as from 1 January 1956.

I have the honour to be, etc.

(Signed) J. VAN DEN BOSCH
Ambassador of Belgium

His Excellency Mr. Abdel Fattah Hassan
Deputy Minister of Foreign Affairs
Cairo

II

Cairo, 31 October 1956

No. 62

Your Excellency,

I have the honour to acknowledge receipt of your letter of 18 October 1956 concerning the desire of the Belgian Government to conclude with the Government of the Republic of Egypt an agreement for the reciprocal exemption of air transport companies from payment of certain taxes, as follows :

[See letter I]

In communicating to you the agreement of the Government of the Republic of Egypt to the contents of your aforementioned letter, I have the honour to

confirm that your letter and this letter constitute an agreement between the Government of the Republic of Egypt and the Royal Government of Belgium having effect from 1 January 1956.

I have the honour to be, etc.

The Deputy Minister of Foreign Affairs :

A. F. HASSAN

His Excellency Mr. Jean van den Bosch
Ambassador Extraordinary and Plenipotentiary of Belgium
Cairo