

No. 4061

**ISRAEL
and
ITALY**

Exchange of notes constituting an agreement for the avoidance of double taxation of income derived from sea and air navigation in the two countries. Jerusalem and Tel Aviv, 10 June 1955

Official text: French.

Registered by Israel on 8 November 1957.

**ISRAËL
et
ITALIE**

Échange de notes constituant un accord en vue d'éviter la double imposition des revenus de la navigation maritime et aérienne dans les deux pays. Jérusalem et Tel-Aviv, 10 juin 1955

Texte officiel français.

Enregistré par Israël le 8 novembre 1957.

[TRANSLATION — TRADUCTION]

No. 4061. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN ISRAEL AND ITALY FOR THE AVOIDANCE OF DOUBLE TAXATION OF INCOME DERIVED FROM SEA AND AIR NAVIGATION IN THE TWO COUNTRIES. JERUSALEM AND TEL AVIV, 10 JUNE 1955

I

MINISTRY OF FOREIGN AFFAIRS
JERUSALEM, ISRAEL

L/6285/19

Jerusalem, 10 June 1955

Sir,

With a view to facilitating the activities of sea and air navigation enterprises of our two countries, I have the honour to inform you that the Government of Israel proposes to the Government of the Italian Republic the conclusion of a tax agreement in the following terms :

The Governments of the Italian Republic and of the State of Israel, desiring to conclude an Agreement for the avoidance of double taxation of income from sea and air navigation in the two countries, have agreed as follows :

Article 1

The expression " the exercise of sea and air navigation " means the business of transporting persons, livestock, goods and mail carried on by the owners or charterers of ships or aircraft.

The expression " Italian enterprises " means the Italian Government, individuals ordinarily resident in Italy and not ordinarily resident in Israel, and joint stock companies or partnerships constituted in conformity with the laws of Italy and having their head offices and actual management in Italian territory.

The expression " Israel enterprises " means the Israel Government, individuals ordinarily resident in Israel and not ordinarily resident in Italy, and joint stock companies and partnerships constituted in conformity with the laws of Israel and having their head offices and actual management in Israel territory.

¹ Came into force on 25 June 1957, with retroactive effect from 1 January 1949, in accordance with the terms of article 3.

Article 2

The Italian Government shall exempt all income derived from the exercise of sea and air navigation between Italy, Israel and other countries carried on under the national flag by Israel enterprises engaged in such business from income tax and from any other tax chargeable on income liable to tax in Italy.

The Israel Government shall exempt all income derived from the exercise of sea and air navigation between Israel, Italy and other countries carried on under the national flag by Italian enterprises engaged in such business from income tax and from any other tax chargeable on income liable to tax in Israel.

Article 3

This Agreement shall come into force on the date on which the two Governments notify one another that the respective constitutional formalities required to give the Agreement the force of law in the two countries have been completed.

It shall have retrospective effect in respect of all income from sea and air navigation covered by this Agreement on and after 1 January 1949.

Article 4

This Agreement shall continue in effect for an indefinite period, but either Government may terminate it by giving six months' notice in writing.

If the proposals contained in this letter are acceptable to the Government of Italy, I suggest that this letter and your confirmation should be regarded as constituting an Agreement between our two Governments.

I have the honour to be, etc.

(Signed) W. EYTAN
Director-General

His Excellency Mr. Benedetto Capomazza
Marquis di Campolattaro
Minister of Italy to Israel

II

Tel Aviv, 10 June 1955

Sir,

In your letter dated this day, you have been good enough to inform me that the Government of Israel proposes, with a view to facilitating the activities of sea and air navigation enterprises of our two countries, the conclusion between the Government of the Italian Republic and the Government of Israel of a tax Agreement in the following terms :

[See note I]

I have the honour to inform you that the Italian Government is in agreement with the foregoing.

Accordingly, your letter together with this reply constitute an agreement between our Governments.

I have the honour to be, etc.

(Signed) CAPOMAZZA DI CAMPOLATTARO

Mr. Walter Eytan
Director-General of the Ministry of Foreign Affairs
Hakiryá
