

No. 3648

**ISRAEL
and
SWEDEN**

Exchange of notes constituting an agreement regarding the exemption from income tax and all other taxes on income derived from the exercise of shipping activities and the operation of aircraft services. Tel Aviv and Jerusalem, 17 June 1956

Official text: English.

Registered by Israel on 8 January 1957.

**ISRAËL
et
SUÈDE**

Échange de notes constituant un accord tendant à exonérer de l'impôt sur le revenu et de tous autres impôts sur le revenu les bénéfices provenant des entreprises de navigation maritime et de l'exploitation de services aériens. Tel-Aviv et Jérusalem, 17 juin 1956

Texte officiel anglais.

Enregistré par Israël le 8 janvier 1957.

No. 3648. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN ISRAEL AND SWEDEN REGARDING THE EXEMPTION FROM INCOME TAX AND ALL OTHER TAXES ON INCOME DERIVED FROM THE EXERCISE OF SHIPPING ACTIVITIES AND THE OPERATION OF AIRCRAFT SERVICES. TEL AVIV AND JERUSALEM, 17 JUNE 1956

I

LÉGATION ROYALE DE SUÈDE²

Tel-Aviv, June 17th, 1956

Mr. Minister,

As the Government of Sweden and the Government of Israel desire to conclude an agreement for reciprocal exemption from income tax and all other taxes on income derived from the exercise of shipping activities and the operation of aircraft services, I have the honour to inform Your Excellency that the Government of Sweden are prepared to conclude an agreement with the Government of Israel in the following terms :

Article 1

The Government of Sweden shall exempt all income derived from business of sea or air transport by Israel enterprises engaged in such business from income tax and all other taxes on income imposed in Sweden.

Article 2

The Government of Israel shall exempt all income derived from business of sea or air transport by Swedish enterprises engaged in such business from income tax and all other taxes on income imposed in Israel.

¹ Came into force on 17 June 1956, with retroactive effect from 1 January 1953, in accordance with the terms of the said notes.

² Royal Swedish Legation.

Article 3

For the purpose of this agreement, the expression :

“Israel enterprises” means the Government of Israel, an individual ordinarily resident in Israel and a corporation or a partnership constituted under the Laws of and managed and controlled in Israel;

“Swedish enterprises” means the Government of Sweden, an individual ordinarily resident in Sweden and a corporation or a partnership constituted under the Laws of and managed and controlled in Sweden;

“Business of sea and 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.

Article 4

This agreement shall have effect in both countries with regard to income derived after December 1952.

Both parties have agreed to waive all taxes referred to in articles 1 and 2 unpaid and in arrears prior to the date of the signature of this agreement.

Article 5

This agreement may be terminated by either Government by giving on or before 30 June in any calendar year written notice of termination to the other Government and in such case, the termination shall become effective on 1st January of the following year.

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 assurance of my highest consideration.

(Signed) Jens MALLING
Swedish Minister to Israel

His Excellency Mr. M. Sharett
Minister for Foreign Affairs
Jerusalem

II

Jerusalem, 17 June 1956

Mr. Minister,

I have the honour to acknowledge receipt of your letter of today's date which reads as follows :

[*See note I*]

I have the honour to inform you that the foregoing proposals are acceptable to the Government of Israel and that your letter and this confirmatory reply constitute an agreement between our two Governments.

Please accept, Excellency, the renewed assurance of my highest consideration.

(*Signed*) Moshe SHARETT
Minister for Foreign Affairs

His Excellency Mr. Jens Malling
Royal Swedish Legation