

No. 4763

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**UNITED KINGDOM OF GREAT BRITAIN  
AND NORTHERN IRELAND, FRANCE, UNITED STATES  
OF AMERICA and FEDERAL REPUBLIC OF GERMANY**

**Agreement on the Tax Treatment of the Forces and Their  
Members, signed at Bonn on 26 May 1952 (as amended  
by the Protocol signed at Bonn on 26 July 1952 and by  
Schedule V to the Protocol on the Termination of the  
Occupation Régime in the Federal Republic of Ger-  
many, signed at Paris on 23 October 1954)**

*Official texts: English, French and German.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on  
15 June 1959.*

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**ROYAUME-UNI DE GRANDE-BRETAGNE  
ET D'IRLANDE DU NORD, FRANCE, ÉTATS-UNIS  
D'AMÉRIQUE et RÉPUBLIQUE FÉDÉRALE  
D'ALLEMAGNE**

**Accord relatif au régime fiscal applicable aux forces et aux  
membres des forces, signé à Bonn le 26 mai 1952 (texte  
amendé conformément au Protocole signé à Bonn le  
26 juillet 1952 et à l'annexe V du Protocole sur la cessa-  
tion du régime d'occupation dans la République fédérale  
d'Allemagne, signé à Paris le 23 octobre 1954)**

*Textes officiels anglais, français et allemand.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le  
15 juin 1959.*

No. 4763. AGREEMENT<sup>1</sup> BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, FRANCE, THE UNITED STATES OF AMERICA AND THE FEDERAL REPUBLIC OF GERMANY ON THE TAX TREATMENT OF THE FORCES AND THEIR MEMBERS, SIGNED AT BONN ON 26 MAY 1952 (AS AMENDED BY THE PROTOCOL SIGNED AT BONN ON 26 JULY 1952 AND BY SCHEDULE V TO THE PROTOCOL ON THE TERMINATION OF THE OCCUPATION RÉGIME IN THE FEDERAL REPUBLIC OF GERMANY, SIGNED AT PARIS ON 23 OCTOBER 1954)<sup>2</sup>

The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows :

### *Article 1*

#### TAX TREATMENT OF THE FORCES

1. The Forces (which expression in this Agreement shall have the meaning given in paragraph 5 of Article 1 of the Convention on the Rights and Obligations of Foreign Forces and Their Members in the Federal Republic of Germany,<sup>3</sup> hereinafter referred to as the " Forces Convention ") shall be exempt from taxes which are levied in accordance with German taxation legislation in effect on the entry into force of the present Agreement, except as otherwise provided in the present Agreement.

2. Customs duties and other taxes on imports and exports of the Forces are dealt with in Article 34 of the Forces Convention; excise taxes on the purchase by the Forces of goods in the Federal Republic are dealt with in paragraph 1 and turnover tax on deliveries to, and services for, the Forces in paragraph 2 of Article 33 of that Convention.

<sup>1</sup> Came into force on 5 May 1955, the instruments of ratification having been deposited with the Government of the Federal Republic of Germany on the dates indicated below :

Federal Republic of Germany . . . . .	20 April 1955
United States of America . . . . .	20 April 1955
France . . . . .	5 May 1955
United Kingdom of Great Britain and Northern Ireland . . . . .	5 May 1955

<sup>2</sup> United Nations, *Treaty Series*, Vol. 331, No. 4758.

<sup>3</sup> See p. 3 of this volume.

3. Tax exemption in accordance with paragraph 1 of this Article shall not apply, to the extent that taxes are due as a result of commercial trading by the Forces in the Germany economy nor to property used for this purpose, nor shall it apply to the excise tax on goods manufactured by the Forces in Germany, to the tax on Bills of Exchange, or to the Transportation Tax.

4. The liability of the Forces to German taxes on the acquisition and ownership of real property shall be dealt with in a special agreement, in the event that the Forces in the future acquire real property.

5. The treatment of the Forces in respect of taxes which may be introduced after the entry into force of the present Agreement shall be the subject of special agreements.

### *Article 2*

#### TAX TREATMENT OF MEMBERS OF THE FORCES

1. Subject to the provisions of this or any other applicable agreement between the Signatory States, "members of the Forces" (which expression in this Agreement shall have the meaning given in paragraph 7 of Article 1 of the Forces Convention) shall be liable to taxes levied in accordance with existing German taxation legislation provided, however, that this provision shall not deprive a member of the Forces of any benefits which exist by reason of an intergovernmental agreement with the Federal Republic and which he could otherwise claim.

2. If, after the entry into force of the present Agreement, any law is enacted in the Federal Republic concerning new direct taxes, or levies which have the effect of direct taxes, its application to members of the Forces shall be the subject of a special agreement between the Signatory States, which shall be concluded without delay.

3. For the basis of tax liability under German law—

(a) a person shall not be deemed to have acquired residence or domicile in the Federal territory by reason of his presence as a member of the Forces therein. This shall not apply in respect of the insurance tax, insofar as concerns the payment of an insurance premium to an insurer who has his normal place of business in the Federal territory. Further, the fact that no residence is established in the Federal territory shall not mean that members of the Forces are to be regarded as foreign purchasers for the purpose of the turn-over tax legislation;

(b) movable property, whatever its origin, situated in the Federal territory by reason of the presence of its owner as a member of the Forces, and intended for his personal or domestic use, shall be deemed not to be situated in the Federal territory. In the case of motor vehicles, this provision shall apply only when they bear registration plates issued by the Forces.

4. Additionally to the exemption from taxation conferred by paragraph 3 of this Article, members of the Forces shall be exempt from all German taxes and levies on payments which they receive as remuneration for their official activities with the Forces in the Federal territory. Further, they shall enjoy the taxation benefits which are granted by German taxation legislation to military personnel.

### *Article 3*

#### BEER TAX

1. Beer which is procured by the Forces directly from a German manufacturer shall be exempt from excise tax. The exemption from taxation shall apply only to purchases by the official procurement agencies of the Forces for consumption by the Forces or their members.

2. Beer which the Forces or their members bring into the Federal territory under the provisions of Articles 34 and 35 of the Forces Convention shall be exempt from excise tax.

3. Whenever the Forces procure beer, they shall certify that the beer, which is to be described exactly as to type and quantity, is intended exclusively for consumption by the Forces or their members.

### *Article 4*

#### TAX TREATMENT OF ORGANISATIONS AND ENTERPRISES SERVING THE FORCES

1. Except as may otherwise be provided in special agreements between the Signatory States, the tax exemptions contained in Articles 1 and 2 of the present Agreement shall apply to the organisations and enterprises, and their employees, referred to in Article 36 of the Forces Convention; provided, however, that they shall apply to the enterprises referred to in sub-paragraph (b) of paragraph 2 of that Article with the following exceptions :

- (a) taxation of their employees;
- (b) taxation on their income and profits;
- (c) taxation on their business property in the Federal territory.

2. The tax exemption contained in Article 3 of the present Agreement shall apply only to those organisations referred to in paragraph 1 of Article 36

of the Forces Convention whose service to the Forces includes the sale of beer to the members of the Forces.

*Article 5\**

JURISDICTION OF ARBITRATION TRIBUNAL

All disputes arising between the Three Powers and the Federal Republic under the provisions of the present Agreement, which the parties are not able to settle by negotiation or by other means agreed between all the Signatory States, shall be subject to the jurisdiction of the Arbitration Tribunal established by Article 9 of the Convention on Relations between the Three Powers and the Federal Republic of Germany<sup>1</sup> signed at Bonn on 26 May 1952, in the same manner and with the same effect as though the present Agreement were listed in paragraph 1 of Article 8 of that Convention as a related Convention.

*Article 6*

FINAL PROVISIONS

1. Deleted.
2. Deleted.
3. Deleted.

4. The present Agreement shall be deposited in the archives of the Government of the Federal Republic of Germany, which will furnish each Signatory State with certified copies thereof and notify each State of the date of the entry into force of the present Agreement.

IN FAITH WHEREOF the undersigned representatives duly authorised thereto by their respective Governments have signed the present Agreement.

DONE at Bonn this twenty-sixth day of May, 1952, in three texts, in the English, French and German languages, all being equally authentic.

For the United States of America :

[L.S.] Dean ACHESON

For the French Republic :

[L.S.] Robert SCHUMAN

For the United Kingdom of Great Britain  
and Northern Ireland :

[L.S.] Anthony EDEN

For the Federal Republic of Germany :

[L.S.] ADENAUER

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\* Article 5 was inserted by a Protocol signed on 26 July, 1952.

<sup>1</sup> United Nations, *Treaty Series*, Vol. 331, No. 4759.