

**No. 4817**

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**DENMARK  
and  
UNITED ARAB REPUBLIC**

**Exchange of letters constituting an agreement concerning  
the reciprocal exemption of airlines from payment of  
certain taxes. Cairo, 1 December 1958**

*Official text: French.*

*Registered by Denmark on 10 July 1959.*

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**DANEMARK  
et  
RÉPUBLIQUE ARABE UNIE**

**Échange de lettres constituant un accord relatif à l'exoné-  
ration réciproque de certains impôts frappant les  
sociétés de transport aérien. Le Caire, 1<sup>er</sup> décembre  
1958**

*Texte officiel français.*

*Enregistré par le Danemark le 10 juillet 1959.*

[TRANSLATION — TRADUCTION]

No. 4817. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN DENMARK AND THE UNITED ARAB REPUBLIC CONCERNING THE RECIPROCAL EXEMPTION OF AIRLINES FROM PAYMENT OF CERTAIN TAXES. CAIRO, 1 DECEMBER 1958

I

ROYAL EMBASSY OF DENMARK

Cairo, 1 December 1958

Your Excellency,

I have the honour to inform you that the Danish Government is prepared to conclude with the Government of the United Arab Republic an agreement concerning the reciprocal exemption of airlines from payment of certain taxes in the following terms :

(1) The Danish Government, acting in virtue of the powers conferred upon it by article I of Act No. 74 of 31 March 1953, undertakes subject to reciprocity to exempt airlines of the Egyptian Province of the United Arab Republic from State income tax and communal income tax on the profits deriving from the operation by those airlines of international air services on which their aircraft are employed. Distributed income of the said airlines shall also be exempt from all taxation unless the beneficiary has his fiscal domicile in Denmark.

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

(3) The expression "airlines of the Egyptian Province of the United Arab Republic" in paragraph (1) means airlines having their centre of actual management in the Egyptian Province of the United Arab Republic and operated by companies, by the Government of the United Arab Republic or by companies in which the Government participates.

<sup>1</sup> Came into force on 1 December 1958 with retroactive effect from 1 January 1957, in accordance with the provisions of the said letters.

The expression "Danish airlines" in paragraph (2) means Danish airlines having their centre of actual management in Denmark and operated by companies, by the Danish Government or by companies in which the Government participates.

The expression "operation of international air services" in paragraphs (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.

If the Government of the United Arab Republic 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 Danish Government and the Government of the United Arab Republic, which shall apply to profits earned on or after 1 January 1957.

I have the honour to be, etc.

(Signed) Christian D. HOLTEN EGGERT  
Ambassador of Denmark

His Excellency Mr. Saleh Khalil  
Under-Secretary of State ad interim  
of the Ministry of Foreign Affairs  
Cairo

## II

MINISTRY OF FOREIGN AFFAIRS

Cairo, 1 December 1958

Your Excellency,

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

[See letter I]

In reply I have the honour to inform you that the Government of the United Arab Republic approves the contents of your letter aforementioned and to confirm

that your letter and this reply constitute an agreement on the subject between our two Governments.

I have the honour to be, etc.

(Signed) Saleh KHALIL  
Under-Secretary of State ad interim  
of the Ministry of Foreign Affairs

His Excellency Mr. Christian D. Holten Eggert  
Ambassador Extraordinary and Plenipotentiary of Denmark  
Cairo