

**No. 5264**

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**SWEDEN  
and  
UNITED ARAB REPUBLIC**

**Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital. Signed at Cairo, on 29 July 1958**

*Official text: English.*

*Registered by Sweden on 22 July 1960.*

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**SUÈDE  
et  
RÉPUBLIQUE ARABE UNIE**

**Convention tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu et sur la fortune. Signée au Caire, le 29 juillet 1958**

*Texte officiel anglais.*

*Enregistrée par la Suède le 22 juillet 1960.*

No. 5264. AGREEMENT<sup>1</sup> BETWEEN THE ROYAL GOVERNMENT OF SWEDEN AND THE GOVERNMENT OF THE UNITED ARAB REPUBLIC FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND CAPITAL. SIGNED AT CAIRO, ON 29 JULY 1958

The Royal Government of Sweden and the Government of the United Arab Republic,

Desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital,  
Have agreed as follows :

*Article 1*

1. — The taxes which are the subject of the present Convention are :

(a) In Egypt :

- (i) Tax on income derived from immovable property (including the land tax, the buildings tax and the *ghaffir* tax);
  - (ii) Tax on income from movable capital;
  - (iii) Tax on commercial and industrial profits;
  - (iv) Tax on wages, salaries, indemnities and pensions;
  - (v) Tax on profits from liberal professions and all other non-commercial professions;
  - (vi) General income tax;
  - (vii) Defence tax;
  - (viii) Supplementary tax on directors' remuneration and
  - (ix) Supplementary taxes imposed as a percentage of taxes mentioned above or otherwise
- (hereinafter referred to as "Egyptian tax").

(b) In Sweden :

- (i) State income tax, including coupon tax;
  - (ii) Sailors tax;
  - (iii) State capital tax;
  - (iv) Local income tax, and
  - (v) Supplementary taxes imposed as a percentage of taxes mentioned above or otherwise
- (hereinafter referred to as "Swedish tax").

<sup>1</sup> Came into force on 9 January 1959, upon the exchange of the instruments of ratification at Stockholm, in accordance with article 23.

2. — The present Convention shall also apply to any other taxes of a substantially similar character imposed in Egypt or in Sweden subsequently to the date of signature of the present Convention.

*Article 2*

1. — In the present Convention, unless the context otherwise requires :

- (a) The term “ Sweden ” means the Kingdom of Sweden;
- (b) The term “ Egypt ” means the Egyptian Province of the United Arab Republic;
- (c) The terms “ one of the territories ” and “ the other territory ” mean Sweden or Egypt, as the context requires;
- (d) The term “ tax ” means Swedish tax or Egyptian tax, as the context requires;
- (e) The term “ person ” includes any body of persons, corporate or not corporate;
- (f) The term “ company ” means any body corporate;
- (g) The term “ resident of Sweden ” means :
  - (i) Any company which is incorporated under the laws of Sweden and whose business is not managed and controlled in Egypt, or if it is not so incorporated but has its principal seat of control and management in Sweden;
  - (ii) Any other person who is resident in Sweden (by reason of abode or sojourn) for the purposes of Swedish tax and not resident in Egypt (by reason of abode or sojourn) for the purposes of Egyptian tax;
- (h) The term “ resident of Egypt ” means :
  - (i) Any company having its principal seat of control and management in Egypt;
  - (ii) Any other person who is resident in Egypt (by reason of abode or sojourn) for the purposes of Egyptian tax and not resident in Sweden (by reason of abode or sojourn) for the purposes of Swedish tax;
- (i) The terms “ resident of one of the territories ” and “ resident of the other territory ” mean a person who is a resident of Sweden or a person who is a resident of Egypt, as the context requires;
- (j) The terms “ Swedish enterprise ” and “ Egyptian enterprise ” mean respectively an industrial or commercial enterprise or undertaking carried on by a resident of Sweden and an industrial or commercial enterprise or undertaking

carried on by a resident of Egypt, and the terms "enterprise of one of the territories" and "enterprise of the other territory" mean a Swedish enterprise or an Egyptian enterprise, as the context requires;

(k) The term "industrial or commercial profits" includes rents or royalties in respect of cinematograph films;

(l) The term "permanent establishment" means a branch, management, factory, office, oilfield, mine, quarry, or other place of natural resources subject to exploitation, farm, plantation, workshop, warehouse, installation, or other fixed place of business in which the business of the enterprise is wholly or partly carried on. It also includes a place where building construction is carried on for a period of at least six months. The term shall also include an agent or an employee who has, and habitually exercises, an authority to negotiate and conclude contracts on behalf of an enterprise of one of the territories or has a stock of merchandise from which he regularly fills orders on its behalf.

In this connexion :

- (i) An enterprise of one of the territories shall not be deemed to have a permanent establishment in the other territory merely because it carries on business dealings in that other territory through a *bona fide* broker or general commission agent acting in the ordinary course of his business as such;
- (ii) The fact that an enterprise of one of the territories maintains in the other territory a fixed place of business exclusively for the purchase of goods or merchandise for that enterprise shall not of itself constitute that fixed place of business a permanent establishment of the enterprise;
- (iii) The fact that a company which is a resident of one of the territories has a subsidiary company which is a resident of the other territory or which carries on a trade or business in that other territory (whether through a permanent establishment or otherwise) shall not of itself constitute that subsidiary company a permanent establishment of its parent company;

(m) The term "Law 14 of 1939" means the Egyptian law about taxes on income from movable capital, on commercial and industrial profits, on wages, salaries, indemnities and pensions and on profits from liberal professions and all other non-commercial professions.

2. — In the application of the provisions of the present Convention by one of the Contracting Parties any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws in force in the territory of that Party relating to the taxes which are the subject of the present Convention.

*Article 3*

1. — The industrial or commercial profits of a Swedish enterprise shall not be subject to Egyptian tax unless the enterprise carries on a trade or business in Egypt through a permanent establishment situated therein. If it carries on a trade or business as aforesaid, tax may be imposed on those profits by Egypt but only on so much of them as is attributable to that permanent establishment.

2. — The industrial or commercial profits of an Egyptian enterprise shall not be subject to Swedish tax unless the enterprise carries on a trade or business in Sweden through a permanent establishment situated therein. If it carries on a trade or business as aforesaid, tax may be imposed on those profits by Sweden but only on so much of them as is attributable to that permanent establishment.

3. — Where an enterprise of one of the territories carries on a trade or business in the other territory through a permanent establishment situated therein, there shall be attributed to that permanent establishment the industrial or commercial profits which it might be expected to derive in that other territory if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment. Such industrial and commercial profits will in principle be determined on the basis of the separate accounts pertaining to such establishment. In the determination of the net industrial and commercial profits of the permanent establishment there shall be allowed as deductions all expenses which are reasonably attributable to the permanent establishment, including executive and general administrative expenses so attributable :

Provided that if the information available to the taxation authority concerned is inadequate to determine the profits to be attributed to the permanent establishment, nothing in this paragraph shall affect the application of the law of either territory in relation to the liability of the permanent establishment to pay tax on an amount determined by the exercise of a discretion or the making of an estimate by the taxation authority of that territory ; such discretion shall be exercised or such estimate shall be made, so far as the information available to the taxation authority permits, in accordance with the principle stated in this paragraph.

4. — No portion of any profits arising to an enterprise of one of the territories shall be attributed to a permanent establishment situated in the other territory by reason of the mere purchase of goods or merchandise within that other territory, provided that no expenses or costs relating directly or indirectly to such purchases shall be allowed as deductions in determining the profits of the permanent establishment.

5. — Paragraphs 1, 2 and 3 shall not be construed as preventing one of the Contracting Parties from imposing, pursuant to this Convention, a tax on income (e. g. dividends, interest, royalties) derived from sources within its territory by a resident of the other territory even though such income is not attributable to a permanent establishment in the first-mentioned territory.

Such income, if attributable to a permanent establishment, shall be taxed separately or together with the industrial or commercial profits of the permanent establishment in accordance with the laws of the Contracting Parties.

#### *Article 4*

##### 1. — Where

- (a) an enterprise of one of the territories participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or
- (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of one of the territories and an enterprise of the other territory,

and in either case, conditions are made or imposed between the two enterprises, in their commercial or financial relations, which differ from those which would be made between independent enterprises, then any profits which would, except for those conditions have accrued to one of the enterprises but by reason of those conditions have not so accrued, may be included in the profits of that enterprise and taxed accordingly. In consequence the necessary rectifications should be made concerning the income of the other enterprise.

2. — If the information available to the taxation authority concerned is inadequate to determine, for the purposes of paragraph 1 of this Article, the profits which might be expected to accrue to an enterprise, nothing in that paragraph shall affect the application of the law of either territory in relation to the liability of that enterprise to pay tax on an amount determined by the exercise of a discretion or the making of an estimate by the taxation authority of that territory : Provided that such discretion shall be exercised or such estimate shall be made, so far as the information available to the taxation authority permits, in accordance with the principle stated in that paragraph.

#### *Article 5*

1. — Dividends paid by a company resident in Sweden to a resident of Egypt shall be exempt from Swedish tax.

2. — Dividends paid by a company resident in Egypt to a resident of Sweden shall in Egypt be subject only to the tax on income derived from movable

capital, the supplementary taxes and the defence tax (which taxes shall be deducted at source) provided that such dividends shall be deducted from the amount of the company's taxable income or profits subject to the tax chargeable in respect of its industrial and commercial profits if such dividends are distributed out of the taxable profits of the same taxable year and not distributed out of accumulated reserves or other assets.

3. — Dividends paid by a company resident in Sweden whose activities lie solely or mainly in Egypt, shall in Egypt be treated as mentioned in paragraph 2 of this Article; consequently such dividends shall not be subject to the general income tax in Egypt.

4. — Dividends, deemed to be paid out of the yearly profits by a permanent establishment maintained in Egypt by a Swedish company whose activities extend to countries other than Egypt, shall in Egypt be treated as mentioned in paragraph 2 of this Article; consequently such dividends shall not be subject to the general income tax in Egypt.

The permanent establishment shall be considered to have distributed in Egypt within 60 days from the closing of its financial year, a sum equivalent to 90% of its total net profits liable to the tax on industrial and commercial profits without applying the provisions of Article 36 of Law 14 of 1939, provided that the remaining 10% of the net profits shall be set aside to form a special reserve which shall be entered in the local balance sheet submitted annually to the Egyptian tax authorities. Such amount shall only be subject to the tax on commercial and industrial profits.

All sums deducted from the aforesaid 10% set aside to form the special reserve for purposes other than the redemption of losses incurred in the trade or business carried on by that permanent establishment situated in Egypt shall be deemed to have been distributed in Egypt and shall be taxed accordingly.

5. — Where (in other cases than those referred to in paragraphs 3 and 4 of this Article) a company which is a resident of one of the territories derives profits or income from sources within the other territory, there shall not be imposed in that other territory any form of taxation on dividends paid by the company to persons not resident in that other territory, or any tax in the nature of undistributed profits tax on undistributed profits of the company, whether or not those dividends or undistributed profits represent, in whole or in part, profits or income so derived.

6. — In this Article the term "dividends" means in the case of Egypt profits distributed by a company to its shareholders or its founder-shareholders and the profits distributed to sleeping partners in limited partnerships.

7. — Paragraphs 1, 2 and 3 shall not apply where a resident of one of the territories has a permanent establishment in the other territory and such dividends are attributable to that permanent establishment; in such event Article 3 of this Convention is applicable.

#### *Article 6*

1. — Notwithstanding the provisions of Articles 3, 4 and 5, profits which a resident of one of the territories derives from operating ships or aircraft shall be exempt from tax in the other territory; and where such profits are derived by a company which is a resident of one of the territories, dividends paid by the company to persons not resident in the other territory shall be exempt from tax in that other territory.

2. — Paragraph 1 shall likewise apply in respect of participations in pools of any kind by Egyptian or Swedish enterprises engaged in air-transport or navigation.

#### *Article 7*

1. — Interest paid by a resident of Sweden to a resident of Egypt shall be exempt from Swedish tax.

2. — Interest paid by a resident of Egypt to a resident of Sweden shall in Egypt be subject only to the tax on income derived from movable capital, the supplementary taxes and the defence tax.

3. — In this Article, the term "interest" includes interest on bonds, securities, notes, debentures or any other form of indebtedness.

4. — Paragraphs 1 and 2 shall not apply where a resident of one of the territories has a permanent establishment in the other territory and such interest is attributable to that permanent establishment; in such event Article 3 of this Convention is applicable.

#### *Article 8*

1. — Any royalty derived from sources within one of the territories by a resident of the other territory shall be exempt from tax in that first-mentioned territory.

2. — In this Article the term "royalty" means any royalty or other amount paid as consideration for the use of, or for the privilege of using, any copyright, patent, design, secret process or formula, trade mark, or other like property, but does not include any royalty or other amount paid in respect of the operation of a mine or quarry or of any other extraction of natural resources or rents or royalties in respect of cinematograph films.

3. — Where any royalty exceeds a fair and reasonable consideration in respect of the rights for which it is paid, the exemption provided by this Article shall apply only to so much of the royalty as represents such fair and reasonable consideration.

4. — Any capital sum derived from sources within one of the territories from the sale of patent rights by a resident of the other territory shall be exempt from tax in that first-mentioned territory.

5. — The provisions of this Article shall not apply where founder shares are issued in Egypt as consideration for the rights mentioned in paragraph 2 of this Article and taxed in accordance with the provisions of Article 1 of Law 14 of 1939.

6. — The provisions of this Article shall not apply where a resident of one of the territories has a permanent establishment in the other territory and such royalty is attributable to that permanent establishment; in such event Article 3 of this Convention is applicable.

#### *Article 9*

1. — Income of whatever nature derived from real property within one of the territories by a resident of the other territory shall be exempt from tax in the last-mentioned territory.

2. — Any royalty or other amount paid in respect of the operation of a mine or quarry or of any other extraction of natural resources within one of the territories to a resident of the other territory shall be exempt from tax in the last-mentioned territory.

#### *Article 10*

1. — A resident of one of the territories shall be exempt in the other territory from any tax on gains from the sale, transfer, or exchange of capital assets.

2. — Paragraph 1 shall not apply where a resident of one of the territories has a permanent establishment in the other territory and such gains are attributable to that permanent establishment; in such event Article 3 of this Convention is applicable.

#### *Article 11*

1. — Remuneration, including pensions, paid by or out of funds created by one of the Contracting Parties to any individual in respect of services rendered to that party in the discharge of governmental functions shall be exempt from tax in the territory of the other Contracting Party, unless the individual is a

national of that other Party without being also a national of the first-mentioned Party.

2. — The provisions of this Article shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the Contracting Parties for purposes of profit.

#### *Article 12*

1. — An individual who is a resident of Sweden shall be exempt from Egyptian tax on profits or remuneration in respect of personal (including professional) services performed within Egypt in any calendar year if—

- (a) he is present within Egypt for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) (i) in the case of a directorship or employment, the services are performed for or on behalf of a resident of Sweden;  
(ii) in other cases, he has no office or other fixed place of business in Egypt, and
- (c) the profits or remuneration are not allowable as a deduction in computing any profits taxable in Egypt.

2. — An individual who is a resident of Egypt shall be exempt from Swedish tax on profits or remuneration in respect of personal (including professional) services performed within Sweden in any calendar year if—

- (a) he is present within Sweden for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) (i) in the case of a directorship or employment, the services are performed for or on behalf of a resident of Egypt;  
(ii) in other cases, he has no office or other fixed place of business in Sweden, and
- (c) the profits or remuneration are not allowable as a deduction in computing any profits taxable in Sweden.

3. — The provisions of this Article shall not apply to the profits or remuneration of public entertainers such as theatre, motion picture, radio or television artists, musicians and athletes.

#### *Article 13*

1. — Any pension (other than a pension of the kind referred to in paragraph 1 of Article 11) and any annuity, derived from sources within Egypt by an individual who is a resident of Sweden shall be exempt from Egyptian tax.

2. — Any pension (other than a pension of the kind referred to in paragraph 1 of Article 11) and any annuity, derived from sources within Sweden by an individual who is a resident of Egypt shall be exempt from Swedish tax.

3. — The term “annuity” means a stated sum payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money’s worth.

#### *Article 14*

A professor or teacher from one of the territories, who receives remuneration for teaching, during a period not exceeding two years, at a university or other similar establishment for higher education in the other territory, shall be exempt from tax in that other territory in respect of that remuneration.

#### *Article 15*

A student or business apprentice from one of the territories, who is receiving full-time education or training in the other territory, shall be exempt from tax in that other territory on payments made to him by persons in the first-mentioned territory for the purposes of his maintenance, education or training.

#### *Article 16*

In the case of taxes on capital the following provisions shall be applicable :

1. — If the capital consists of

- (a) immovable property and accessories appertaining thereto;
- (b) commercial or industrial enterprises, including maritime shipping and air transport undertakings;

the tax may be levied only in the territory which is entitled under the preceding Articles to tax the income from such capital.

2. — In the case of all other kinds of capital, the tax may be levied only in the territory where the tax-payer is resident.

#### *Article 17*

Where under the provisions of this Convention a resident of Egypt is exempt or entitled to relief from Swedish tax, similar exemption or relief shall be applied to the undivided estates of deceased persons in so far as one or more of the beneficiaries are resident in Egypt.

### Article 18

1. — Individuals who are resident in Egypt shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Swedish tax as Swedish subjects not resident in Sweden.

2. — Individuals who are resident in Sweden shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Egyptian tax as Egyptian nationals not resident in Egypt.

### Article 19

1. — (a) In determining its taxes on income specified in Article 1 of this Convention Sweden shall exclude, in the case of a resident of Sweden, from the basis upon which its taxes are imposed such items of income from sources within Egypt which according to this Convention are not exempt from Egyptian tax. This rule, however, shall not apply to income from dividends and interest within the meaning of Articles 5 and 7; the Egyptian tax collected on this income shall, however, on application, be allowed as a credit against the Swedish tax payable in respect of such dividends or interest computed on the basis of an average rate of tax. Furthermore, Sweden retains the right to take into account in the determination of its rate of tax the items of income excluded in accordance with the provisions of this sub-paragraph.

(b) In determining its tax on capital specified in Article 1 of this Convention Sweden shall exclude, in the case of a resident of Sweden, from the basis upon which its tax is imposed such items of capital which Egypt according to this Convention is entitled to tax. Sweden, however, retains the right to take into account in the determination of its rate of tax the items of capital excluded in accordance with the provisions of this sub-paragraph.

2. — (a) In determining its taxes on income specified in Article 1 of this Convention Egypt shall exclude, in the case of a resident of Egypt, from the basis upon which its taxes are imposed such items of income from sources within Sweden which according to this Convention are not exempt from Swedish tax. This rule, however, shall not apply to income from dividends and interest within the meaning of Articles 5 and 7; the Swedish tax collected on this income shall, however, on application, be allowed as a credit against the Egyptian tax payable in respect of such dividends or interest computed on the basis of an average rate of tax. Furthermore, Egypt retains the right to take into account in the determination of its rate of tax the items of income excluded in accordance with the provisions of this sub-paragraph.

(b) In the event that Egypt should impose a tax on capital the provisions of sub-paragraph (b) of paragraph 1 of this Article shall apply, *mutatis mutandis*, at the determination of the capital tax to which a resident of Egypt would be liable.

3. — The special tax payable in Sweden by public entertainers such as theatre, television and radio artists, musicians and athletes (*bevillningsavgift för vissa offentliga föreställningar*) shall be regarded, for the purposes of this Article, as Swedish tax.

4. — For the purposes of this Article, profits or remuneration for personal (including professional) services performed in one of the territories shall be deemed to be income from sources within that territory, and the services of an individual whose services are wholly or mainly performed in ships or aircraft operated by a resident of one of the territories shall be deemed to be performed in that territory.

#### Article 20

1. — The taxation authorities of the Contracting Parties shall exchange such information (being information which is at their disposal under their respective taxation laws in the normal course of administration) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or for the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those concerned with the assessment and collection of the taxes which are the subject of the present Convention. No information as aforesaid shall be exchanged which would disclose any trade, business, industrial or professional secret or trade process.

2. — The taxation authorities of the Contracting Parties will consult together, as may be necessary, for the purpose of carrying out the provisions of the present Convention.

3. — In the event of substantial changes in the fiscal law of either of the Contracting Parties the taxation authorities of the Contracting Parties will consult together in order to determine whether it is necessary for that reason to amend any of the provisions of this Convention.

4. — As used in this Article, the term "taxation authorities" means, in the case of Sweden, the Minister of Finance or his authorized representative; in the case of Egypt, the Minister of Treasury or his authorized representative.

#### Article 21

1. — The nationals of one of the Contracting Parties shall not be subjected in the territory of the other Contracting Party to any taxation or any requirement connected therewith which is other, higher, or more burdensome than the taxation and connected requirements to which the nationals of the latter Party are or may be subjected.

2. — The enterprises of one of the territories shall not be subjected in the other territory, in respect of income, profits or capital attributable to their permanent establishments in that other territory, to any taxation which is other, higher, or more burdensome than the taxation to which the enterprises of that other territory similarly carried on are or may be subjected in respect of the like income, profits or capital.

3. — An individual or company being a resident of one of the territories, shall not be subject to any tax on capital in the other territory which is other, higher, or more burdensome than the tax on capital to which an individual or, as the case may be, a company, being a resident of that other territory is or may be subjected.

4. — The income, profits or capital of an enterprise of one of the territories, the capital of which is wholly or partly owned or controlled, directly or indirectly, by a resident or residents of the other territory shall not be subjected in the first-mentioned territory to any taxation which is other, higher, or more burdensome than the taxation to which other enterprises of that first-mentioned territory are or may be subjected in respect of the like income, profits or capital.

5. — Nothing in this Article shall be construed as—

- (a) obliging one of the Contracting Parties to grant to nationals of the other Contracting Party who are not resident in the territory of the former Party the same personal allowances, reliefs and reductions for tax purposes as are granted to its own residents;
- (b) obliging Egypt to grant to Swedish companies the exemptions conferred in Egypt by Articles 5 and 6 of Law 14 of 1939; or
- (c) affecting the application in Egypt of Article 11 paragraphs 1 and 2 and Article 11 *bis* of Law 14 of 1939.

6. — In this Article, the term “nationals” means :

- (a) in relation to Egypt
  - (i) all Egyptian subjects whether residing in Egypt or not, and
  - (ii) all legal persons, partnerships, associations and other entities deriving their status as such from the law in force in Egypt;
- (b) in relation to Sweden
  - (i) all Swedish subjects, and
  - (ii) all legal persons, partnerships and associations deriving their status as such from the law in force in Sweden.

7. — In this Article the term “taxation” means taxes of every kind and description levied on behalf of any authority whatsoever.

*Article 22*

Any Agreement between Egypt and Sweden for reciprocal exemption from income tax of profits derived from operating aircraft shall not have effect for any period for which the present Convention has effect.

*Article 23*

1. — The present Convention shall be ratified by the Contracting Parties. Ratification by His Majesty the King of Sweden shall be subject to the consent of the Riksdag.

2. — The instruments of ratification shall be exchanged at Stockholm as soon as possible.

3. — The present Convention shall enter into force upon the exchange of the instruments of ratification.

*Article 24*

Upon the entry into force of the present Convention, the provisions of the Convention shall have effect—

(a) In Sweden :

- (i) As respects State and local taxes on income which are assessed in or after the calendar year beginning on 1st January, 1959, being income for which preliminary tax is payable during the period 1st March, 1958, to 28th February, 1959 or any succeeding period;
- (ii) as respects coupon tax on dividends payable on or after 1st January, 1958;
- (iii) as respects sailors tax on income payable on or after 1st January, 1958;
- (iv) as respects capital tax which is assessed in or after the calendar year beginning on 1st January, 1959.

(b) In Egypt :

- (i) As respects tax on income derived from immovable property, tax on income from movable capital, tax on wages, salaries, indemnities and pensions, and supplementary tax on directors' remuneration, which taxes are payable or due on or after 1st July, 1958;
- (ii) as respects tax on commercial and industrial profits for any accounting period beginning on or after 1st July, 1958 and for the unexpired portion of any fiscal period current at that date;
- (iii) as respects tax on profits from liberal professions and all other non-commercial professions and the general income tax for the taxation year 1958 or any subsequent taxation years.

The rules in sub-paragraph (b) shall be correspondingly applicable respectively to the defence tax and to the supplementary taxes.

### Article 25

The present Convention shall continue in effect indefinitely but either of the Contracting Parties may, on or before the 30th of June in any calendar year not earlier than the year 1961, give to the other Contracting Party, through diplomatic channels, written notice of termination and, in such event, the present Convention shall cease to be effective—

(a) In Sweden :

- (i) As respects State and local taxes on income for which preliminary tax is payable after the last day of February in the calendar year next following that in which the notice is given;
- (ii) as respects coupon tax on dividends payable on or after 1st January in the calendar year next following that in which the notice is given;
- (iii) as respects sailors tax on income payable on or after 1st January in the calendar year next following that in which the notice is given;
- (iv) as respects capital tax assessed in or after the second calendar year following that in which the notice is given.

(b) In Egypt :

- (i) As respects tax on income derived from immovable property, tax on income from movable capital, tax on wages, salaries, indemnities and pensions, and supplementary tax on directors' remuneration, which taxes are payable or due on or after 1st July in the calendar year next following that in which the notice is given;
- (ii) as respects tax on commercial and industrial profits for any accounting period beginning on or after 1st July in the calendar year next following that in which the notice is given and for the unexpired portion of any fiscal period current at that date;
- (iii) as respects tax on profits from liberal professions and all other non-commercial professions and the general income tax for any taxation year beginning on or after 1st January in the calendar year next following that in which the notice is given.

The rules in sub-paragraph (b) shall be correspondingly applicable respectively to the defence tax and to the supplementary taxes,

IN WITNESS WHEREOF the undersigned, duly authorized thereto, have signed the present Convention.

DONE in duplicate at Cairo in the English language on the Twenty-ninth day of July, 1958.

For the Government of Sweden :

Brynolf ENG

[L.S.]

For the Government of the United Arab Republic :

Hussein AZIZ

[L.S.]

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