

No. 7062

**BELGIUM
and
LUXEMBOURG**

**Agreement for the avoidance of double taxation with
respect to taxes on football pools. Signed at Brussels,
on 30 August 1962**

Official text: French.

Registered by Belgium on 10 January 1964.

**BELGIQUE
et
LUXEMBOURG**

**Accord ayant pour but d'éviter la double imposition en
matière de taxes perçues à l'occasion des concours de
pronostics sur matches de football. Signé à Bruxelles,
le 30 août 1962**

Texte officiel français.

Enregistré par la Belgique le 10 janvier 1964.

[TRANSLATION — TRADUCTION]

No. 7062. AGREEMENT¹ BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON FOOTBALL POOLS. SIGNED AT BRUSSELS, ON 30 AUGUST 1962

His Majesty the King of the Belgians and
Her Royal Highness the Grand Duchess of Luxembourg,
Desiring to avoid double taxation in respect of taxes on football pools,

Have decided to conclude an agreement for that purpose and have appointed as their plenipotentiaries :

His Majesty the King of the Belgians :

His Excellency Mr. P.-H. Spaak, Minister for Foreign Affairs ;

Her Royal Highness the Grand Duchess of Luxembourg :

His Excellency Mr. N. Hommel, Ambassador Extraordinary and Plenipotentiary
in Brussels,

Who, having exchanged their full powers, found in good and due form, have agreed on the following provisions :

Article 1

1. Organizers of football pools authorized to operate in the two Contracting States and having their fiscal domicile in one of those States shall be subject to the special provisions set forth below.
2. For the purposes of this Agreement, the fiscal domicile of an individual is his normal place of residence, this being understood to mean his permanent home, and that of a company constituting a body corporate is its actual head office.

¹ Came into force on 1 September 1962, the first day of the month following the date of signature, in accordance with article 6. The exchange of the instruments of ratification took place at Luxembourg on 12 December 1963.

Article 2

This Agreement shall apply to the following taxes levied in respect of football pools :

(a) *For Belgium*

The gross stakes tax,
The prizes and rewards tax and
The supplementary prizes and rewards tax.

(b) *For the Grand Duchy of Luxembourg*

The gross stakes tax and the distributed winnings tax.

Article 3

1. Organizers established in Belgium and authorized to operate also in the Grand Duchy of Luxembourg shall be liable, in the latter State, to the tax on the gross aggregate of sums staked there and the tax on winnings there distributed. The latter tax shall not exceed 7 per cent of the gross aggregate of sums staked in the Grand Duchy of Luxembourg.

They shall be liable in Belgium to the Belgian taxes, in respect also of operations conducted in the Grand Duchy of Luxembourg, but the Belgian gross stakes tax shall be reduced by the amount of the Luxembourg tax the gross aggregate of sums staked in the Grand Duchy of Luxembourg and the Belgian prizes and rewards tax shall be reduced by the amount of the Luxembourg winnings tax.

2. Organizers established in the Grand Duchy of Luxembourg and authorized to operate also in Belgium shall be liable, in the latter State, to the tax on the gross aggregate of sums staked there and to the tax on prizes or rewards there distributed and the supplementary prizes and rewards tax.

They shall be liable in the Grand Duchy of Luxembourg to the Luxembourg taxes, in respect also of operations conducted in Belgium, but the Luxembourg gross stakes tax shall be reduced by the amount of the Belgian tax on the gross aggregate of sums staked in Belgium and the Luxembourg winnings tax shall be reduced by the amount of the Belgian prizes and rewards tax.

3. When one of the taxes payable in the State in which the organizer has his fiscal domicile is lower than the corresponding tax payable in the other State on the portion of the same items which is liable to tax there in virtue of this Agreement, the deduction provided for in the two preceding paragraphs shall be limited to the amount of the tax payable in the first State on that portion of the said items.

Article 4

1. Sums accepted by an organizer established in one of the two Contracting States shall be deemed to be staked in the other Contracting State when they are accepted by an agent established in the latter State.

2. Winnings, prizes or rewards distributed by an organizer established in one of the two Contracting States shall be deemed to be distributed in the other Contracting State to the extent that they correspond proportionately to the aggregate of the sums staked in the latter State. This provision shall be without prejudice to the application of the Belgian prizes and rewards tax and the Luxembourg distributed winnings tax to a minimum corresponding to 70 per cent of the sums staked in Belgium and the Grand Duchy of Luxembourg respectively.

Article 5

The competent authorities of the two Contracting States shall consult together with a view to the possible modification of this Agreement in the event that changes should be made, in respect of the taxation of football pools, in the legislation of either State as it stands at the date of signature of this Agreement.

Article 6

This Agreement shall be ratified and the instruments of ratification shall be exchanged at Luxembourg as soon as possible.

It shall enter into force on the first day of the month following that in which it is signed.

It may cease to have effect on 1 January of any year, provided that notice of termination is given not less than six months in advance.

IN WITNESS WHEREOF the above-mentioned plenipotentiaries have signed this Agreement and have thereto affixed their seals.

DONE at Brussels, 30 August 1962.

For Belgium :

P.-H. SPAAK

For the Grand Duchy of Luxembourg :

N. HOMMEL