

No. 8749

IRELAND
and
FEDERAL REPUBLIC OF GERMANY

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital and to the *Gewerbesteuer* (trade tax). Signed at Dublin, on 17 October 1962

Official texts: Irish, German and English.

Registered by Ireland on 29 August 1967.

IRLANDE
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE

Convention tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu, d'impôts sur la fortune et de contribution des patentes (*Gewerbesteuer*). Signée à Dublin, le 17 octobre 1962

Textes officiels irlandais, allemand et anglais.

Enregistrée par l'Irlande le 29 août 1967.

No. 8749. CONVENTION¹ BETWEEN IRELAND AND THE FEDERAL REPUBLIC OF GERMANY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND CAPITAL AND TO THE *GEWERBESTEUER* (TRADE TAX). SIGNED AT DUBLIN, ON 17 OCTOBER 1962

Ireland and the Federal Republic of Germany, 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 and to the *Gewerbesteuer* (trade tax),

Have agreed as follows :

Article I

(1) The taxes which are the subject of this Convention are :

(a) in Ireland :

the income tax (including sur-tax) and the corporation profits tax (hereinafter referred to as "Irish tax") ;

(b) in the Federal Republic of Germany :

the *Einkommensteuer* (income tax), the *Körperschaftsteuer* (corporation tax), the *Vermögensteuer* (capital tax) and the *Gewerbesteuer* (trade tax) (hereinafter referred to as "Federal Republic tax").

(2) This Convention shall also apply to any identical or substantially similar taxes which are subsequently imposed in addition to, or in place of the existing taxes.

(3) The competent authorities of the Contracting States shall by mutual agreement resolve any doubts which arise as to the taxes to which this Convention ought to apply.

Article II

(1) In this Convention, unless the context otherwise requires :

¹ Came into force on 2 April 1964, by the exchange of the instruments of ratification at Bonn, in accordance with article XXVII.

(a) The term "tax" means Federal Republic tax or Irish tax, as the context requires.

(b) The term "person" includes individuals, companies and all other entities which are treated as taxable units under the tax laws of the respective Contracting States.

(c) The term "company" means any body corporate and any entity which is treated as a body corporate for tax purposes.

(d) (i) The terms "a Contracting State" and "the other Contracting State" mean the Federal Republic of Germany or Ireland as the context requires.

(ii) The terms "resident of Ireland" and "resident of the Federal Republic" mean respectively any person who is resident in Ireland for the purposes of Irish tax and not resident in the Federal Republic of Germany for the purposes of Federal Republic tax, and any person who is resident in the Federal Republic of Germany for the purposes of Federal Republic tax and not resident in Ireland for the purposes of Irish tax.

(iii) A company shall be regarded as resident in Ireland if it is managed and controlled in Ireland. Provided that nothing in this paragraph shall affect any provisions of the law of Ireland regarding the imposition of corporation profits tax in the case of a company incorporated in Ireland and not managed and controlled in the Federal Republic of Germany.

(iv) A company shall be regarded as resident in the Federal Republic of Germany if it is managed and controlled in the Federal Republic of Germany, or if it is incorporated in the Federal Republic of Germany and not managed and controlled in Ireland.

(v) The terms "resident of a Contracting State" and "resident of the other Contracting State" mean a person who is a resident of Ireland or a person who is a resident of the Federal Republic, as the context requires.

(e) The terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean a Federal Republic enterprise or an Irish enterprise, as the context requires; the terms "Federal Republic enterprise" and "Irish enterprise" mean respectively an industrial or commercial enterprise or undertaking carried on by a resident of the Federal Republic and an industrial or commercial enterprise or undertaking carried on by a resident of Ireland.

(f) The term "industrial and commercial profits" includes rents and royalties in respect of cinematograph, including television, films.

(g) (i) The term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

(ii) A permanent establishment shall include especially:
a place of management;

a branch ;
an office ;
a factory ;
a workshop ;
a mine, quarry or other place of extraction of natural resources ;
a building site or construction or assembly project which exists for more than twelve months.

(iii) The term “permanent establishment” shall not be deemed to include :
the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise ;
the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery ;
the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise ;
the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or for collecting information, for the enterprise ;
the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise.

(iv) A person acting in a Contracting State on behalf of an enterprise of the other Contracting State—other than an agent of an independent status to whom sub-paragraph (v) applies—shall be deemed to be a permanent establishment in the first-mentioned State if he has and habitually exercises in that State an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.

(v) An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the ordinary course of their business.

(vi) The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

(h) The term “dividends” includes in the case of the Federal Republic of Germany profits distributed by a “*Gesellschaft mit beschränkter Haftung*” (limited liability company), distributions on investment trust certificates and income derived by a sleeping partner from his participation as such.

(i) The term “competent authorities” means in the case of Ireland, the Revenue Commissioners, and in the case of the Federal Republic of Germany, the Federal Minister of Finance.

(2) Where any Article of this Convention provides (with or without conditions) that income derived by a resident of a Contracting State from sources within the other Contracting State shall be taxable only in the first-mentioned State, and under the law in force in that first-mentioned State, the said income is subject to tax by reference to the amount thereof which is remitted to or received in that State and not by reference to the full amount thereof, then the exemption in the other State resulting from such Article shall apply only to so much of the income as is remitted to or received in the first-mentioned State.

(3) In the application of the provisions of this Convention in a Contracting State any term not otherwise defined in this Convention shall, unless the context otherwise requires, have the meaning which it has under the laws in force in that State relating to the taxes which are the subject of this Convention.

Article III

(1) The industrial and commercial profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on a trade or business in the other Contracting State through a permanent establishment situated therein. If it carries on a trade or business in that other State through a permanent establishment situated therein, tax may be imposed on those profits in that other State but only on so much of them as is attributable to that permanent establishment.

(2) The share of the industrial and commercial profits of an undertaking accruing to a partner therein who is a resident of a Contracting State, shall likewise be taxable only in that State unless the undertaking carries on a trade or business in the other Contracting State through a permanent establishment situated therein. If it carries on a trade or business in that other State through a permanent establishment situated therein, tax may be imposed in that other State on the share of profits accruing to that partner, but only on so much as represents his share of the profits attributable to the permanent establishment.

(3) Where an enterprise of a Contracting State carries on a trade or business in the other Contracting State through a permanent establishment situated therein, there shall be attributed to the permanent establishment the industrial and commercial profits which it might be expected to derive in that other State 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.

(4) In the determination of the profits of a permanent establishment there shall be allowed as deductions all expenses which are incurred for the purposes of the permanent establishment, including executive and general administrative expenses

so incurred, whether in the State in which the permanent establishment is situated or elsewhere.

(5) No portion of any industrial and commercial profits arising to an enterprise of a Contracting State shall be attributed to a permanent establishment situated in the other Contracting State by reason of the mere purchase of goods or merchandise within that other State by the enterprise.

(6) Paragraph (1) shall likewise apply in respect of the *Gewerbesteuer* (trade tax) computed on a basis other than industrial and commercial profits.

Article IV

Where

(a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or

(b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

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 or imposed between independent enterprises, then any profits which would, but 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.

Article V

(1) Income from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

(2) Paragraph (1) shall likewise apply in respect of the *Gewerbesteuer* (trade tax) computed on a basis other than industrial and commercial profits.

Article VI

(1) Dividends paid by a company resident in a Contracting State to a resident of the other Contracting State may also be taxed in the former Contracting State. Tax shall not, however, be charged in the Federal Republic of Germany at a rate in excess of 15 per cent. on dividends paid by a company resident in the Federal Republic to a resident of Ireland. Dividends paid by a company resident in Ireland to a resident of the Federal Republic shall be exempted from Irish sur-tax.

(2) The rate of tax, which may be charged under the second sentence of paragraph (1), shall be reduced to 10 per cent., if and when, in the Federal Republic, the rate of corporation tax on distributed profits ceases to be lower than that on undistributed profits or the difference between those two rates diminishes to 5 per cent. or less.

(3) Notwithstanding the provisions of paragraphs (1) and (2), Federal Republic tax on dividends paid to a company resident in Ireland by a company resident in the Federal Republic at least 25 per cent. of the voting shares of which are owned directly or indirectly by the former company may be charged at a rate exceeding 15 per cent. but not exceeding 25 per cent., if the rate of Federal Republic corporation tax on distributed profits is lower than that on undistributed profits, and the difference between those two rates is 28 per cent. or more ; where the difference between the two rates is 20 per cent or more but less than 28 per cent. Federal Republic tax on such dividends may be charged at a rate exceeding 15 per cent. but not exceeding 20 per cent.

(4) Where a company which is a resident of a Contracting State derives profits or income from sources within the other Contracting State, there shall not be imposed in that other Contracting State any form of taxation on dividends paid by the company to persons not resident in that other Contracting State, or any tax in the nature of an undistributed profits tax on undistributed profits of the company, whether or not those profits represent, in whole or in part, profits or income so derived.

(5) Paragraphs (1) to (3) shall not apply where a resident of a Contracting State carries on a trade or business in the other Contracting State through a permanent establishment situated therein, and such dividends are attributable to that permanent establishment.

Article VII

(1) Interest derived by a resident of a Contracting State from sources within the other Contracting State shall be taxable only in the first-mentioned State.

(2) The term "interest" means interest on bonds, securities, notes, debentures or any other form of indebtedness whether or not secured by mortgages.

(3) Where any interest exceeds a fair and reasonable consideration in respect of the indebtedness for which it is paid the provision of paragraphs (1) shall apply only to so much of the interest as represents such fair and reasonable consideration.

(4) Paragraphs (1) and (2) shall not apply where a resident of a Contracting State carries on a trade or business in the other Contracting State through a per-

manent establishment situated therein and such interest is attributable to that permanent establishment.

Article VIII

(1) Royalties and other payments derived by a resident of a Contracting State from sources within the other Contracting State as consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work, any patent, trade mark, design or model, plan, secret process or formula, or any similar property or right shall be taxable only in the first-mentioned State.

(2) There shall be treated as royalties all rents and similar payments received as consideration for the use of, or the right to use, industrial, commercial or scientific equipment and for the supply of information concerning industrial, commercial or scientific experience.

(3) Paragraph (1) shall also apply to payments received as consideration for the alienation of any property or rights mentioned in paragraphs (1) and (2).

(4) Where any royalty exceeds a fair and reasonable consideration in respect of the rights for which it is paid the provision of paragraph (1) shall apply only to so much of the royalty as represents such fair and reasonable consideration.

(5) Paragraphs (1), (2) and (3) shall not apply where a resident of a Contracting State carries on a trade or business in the other Contracting State through a permanent establishment situated therein and such royalties or other payments are attributable to such permanent establishment.

Article IX

(1) Income derived by a resident of a Contracting State from immovable property may be taxed in the Contracting State in which such property is situated.

(2) The term "immovable property" shall be defined in accordance with the laws of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment of agricultural and forestry enterprises, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

(3) The provisions of paragraphs (1) and (2) above shall apply to income derived from the direct use or from the letting of immovable property or the use in any other form of such property, including income from agricultural or forestry enterprises. They shall likewise apply to profits from the alienation of immovable property.

(4) The provisions of paragraphs (1) to (3) above shall also apply to the income from immovable property of any enterprises other than agricultural or forestry enterprises and to income from immovable property used for the performance of professional services.

Article X

(1) Notwithstanding anything contained in paragraph (3) of Article IX, gains from the sale, transfer or exchange of capital assets derived by a resident of a Contracting State from sources within the other Contracting State shall be taxable only in the first-mentioned State.

(2) Paragraph (1) shall not apply where a resident of a Contracting State carries on a trade or business in the other Contracting State through a permanent establishment situated therein and such gains are attributable to that permanent establishment.

Article XI

Income derived by a resident of a Contracting State in respect of professional services or other independent activities of a similar character shall be taxable only in that State unless he has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities. If he has such a fixed base, such part of that income as is attributable to that base may be taxed in that other State.

Article XII

(1) Subject to the provisions of Articles XIII, XIV, XV and XVII salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.

(2) Notwithstanding the provisions of paragraph (1) above, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if :

- (a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in the year of assessment concerned, and
- (b) the remuneration is paid by or on behalf of an employer who is not a resident of the other State, and
- (c) the remuneration is not deducted from the profits of a permanent establishment or a fixed base which the employer has in the other State.

(3) Notwithstanding the preceding provisions of this Article remuneration for personal services performed aboard a ship or aircraft in international traffic may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

Article XIII

(1) Remuneration or pensions paid by Ireland to any individual in respect of services rendered to Ireland in the discharge of governmental functions shall be exempt from tax in the Federal Republic of Germany unless the individual is a German national without being also a national of Ireland.

(2) Remuneration or pensions paid by the Federal Republic of Germany or its Länder to any individual in respect of services rendered to the Federal Republic of Germany in the discharge of governmental functions shall be exempt from tax in Ireland unless the individual is a national of Ireland without being also a German national.

(3) The provisions of Articles XII, XIV and XV shall apply to remuneration and pensions in respect of services rendered in connection with any trade or business carried on by a Contracting State.

(4) Pensions, annuities and other recurring or non-recurring remuneration paid to any individual by a Contracting State or by any legal person organized under the public laws of that State as compensation for an injury or damage sustained as a result of hostilities or political persecution shall be exempt from tax in the other Contracting State.

Article XIV

Directors' fees and similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other State.

Article XV

Subject to the provisions of paragraphs (1) and (2) of Article XIII pensions and other similar remuneration received in consideration of past employment shall be taxable only in the Contracting State of which the recipient is a resident.

Article XVI

Notwithstanding anything contained in this Convention, income derived by public entertainers, such as theatre, motion picture, radio or television artistes, and musicians, and by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.

Article XVII

An individual from a Contracting State who receives remuneration for carrying out advanced study or research or for teaching, during a period of temporary residence not exceeding two years, at a university, research institute, college, or other similar establishment in the other Contracting State, shall be exempt from tax in that other State in respect of such remuneration.

Article XVIII

Payments which a student or business apprentice from a Contracting State who is present in the other Contracting State solely for the purpose of his education, or training receives for the purpose of his maintenance, education, or training, shall not be taxed in that other State, provided that such payments are made to him from sources outside that other State

Article XIX

(1) Any annuity, derived from sources within the Federal Republic of Germany by an individual who is a resident of Ireland, shall be exempt from Federal Republic tax.

(2) Any annuity, derived from sources within Ireland by an individual who is a resident of the Federal Republic, shall be exempt from Irish tax.

(3) The term "annuity" means a stated sum payable, under an obligation, periodically at stated times during life or during a specified or ascertainable period of time.

Article XX

Where taxes on capital are imposed by one or other or both of the Contracting States the following provisions shall apply :

- (a) Capital represented by immovable property as defined in paragraph (2) of Article IX may be taxed in the Contracting State in which such property is situated.
- (b) Subject to the provisions of paragraph (a) above, capital represented by assets forming part of the business property employed in a permanent establishment of an enterprise, or by assets pertaining to a fixed base used for the performance of professional services, may be taxed in the Contracting State in which the permanent establishment or fixed base is situated.
- (c) Ships and aircraft operated in international traffic and assets, other than immovable property, pertaining to the operation of such ships and aircraft, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
- (d) All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

Article XXI

(1) Individuals who are residents of the Federal Republic shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Irish income tax as Irish citizens who are not resident in Ireland.

(2) Individuals who are residents of Ireland shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Federal Republic income tax as German nationals who are not resident in the Federal Republic.

Article XXII

(1) Subject to the provisions of the law of Ireland regarding the allowance as a credit against Irish tax of tax payable in a territory outside Ireland, Federal Republic tax payable under the laws of the Federal Republic of Germany and in accordance with this Convention, whether directly or by deduction, in respect of income from sources within the Federal Republic of Germany shall be allowed as a credit against the Irish tax payable in respect of that income. Where such income is an ordinary dividend paid by a company resident in the Federal Republic the credit shall take into account (in addition to any Federal Republic tax payable in respect of the dividend) the Federal Republic tax payable by the company in respect of its profits, and, where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the Federal Republic tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate. For the purpose of this paragraph the term "Federal Republic tax" shall not include *Gewerbesteuer* (trade tax) computed on a basis other than profits or *Vermögensteuer* (capital tax).

(2) In the case of a person subject to unlimited tax liability in the Federal Republic tax shall be determined as follows :

(a) Where such person is a resident of the Federal Republic within the meaning of Article II paragraph (1) (d)

(aa) there shall, unless the provisions of sub-paragraph (bb) below apply, be excluded from the basis upon which Federal Republic tax is imposed, any item of income from sources within Ireland and any item of capital situated within Ireland which, according to this Convention, may be taxed in Ireland. The Federal Republic of Germany, however, retains the right to take into account in the determination of its rate of tax the items of income and capital so excluded. The first sentence shall in the case of income from dividends apply only to such dividends as are paid to a company limited by shares (*Kapitalgesellschaft*) being a resident of the Federal Republic by a company limited by shares being a resident of Ireland, at least 25 per cent of the voting shares of which are owned by the first-mentioned company. There shall also be excluded from the basis upon which Federal Republic tax is imposed any participation, the dividends on which, if paid, are excluded from the tax basis according to the foregoing sentence.

(bb) there shall be allowed as a credit against Federal Republic tax payable in respect of the following items of income from sources within Ireland

(i) in respect of dividends not dealt with in subparagraph (aa) above, an amount of 18 per cent. of the net amount of the dividends received ;

(ii) the Irish tax payable under the laws of Ireland and in accordance with this Convention on remuneration and pensions within the meaning of Article XIII paid out of public funds of Ireland to an individual who is a German national without being also a national of Ireland.

(b) Where such person is an individual resident in the Federal Republic for the purposes of Federal Republic tax and also resident in Ireland for the purposes of Irish tax the Irish tax imposed and paid on any item of income from sources within Ireland shall, subject to the provisions of German tax law regarding credit for foreign tax, be allowed as a credit against the Federal Republic tax on such income. Where such income is a dividend there shall be allowed as a credit against Federal Republic tax on such dividend in addition to Irish sur-tax paid thereon, an amount of 18 per cent of the net amount of such dividend.

For the purposes of this paragraph, income derived from sources in the United Kingdom by an individual resident in Ireland shall be deemed to be income from sources within Ireland if such income is not subject to United Kingdom tax.

(3) For the purposes of this Article, profits or remuneration arising from the exercise of a profession or employment in one of the Contracting States shall be deemed to be income from sources within that Contracting State, and the services of an individual whose services are wholly or mainly performed in ships or aircraft operated by a resident of a Contracting State shall be deemed to be performed in that Contracting State.

Article XXIII

(1) The competent authorities of the Contracting States shall upon request exchange such information (being information available under their respective taxation laws in the normal course of administration) as is necessary for carrying out the provisions of this 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 this 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 this Convention. No information shall be exchanged which would disclose any trade, business, industrial or professional secret or any trade process.

(2) In no case shall the provisions of this Article be construed so as to impose upon a Contracting State the obligation to carry out administrative measures at variance with its regulations and practice or which would be contrary to its sovereignty, security or public policy or to supply particulars which are not procurable under its own legislation and that of the State making application.

Article XXIV

(1) Where a resident of a Contracting State shows proof that the action of the tax authorities of the Contracting States has resulted or will result in double taxation contrary to the provisions of this Convention, he shall be entitled to present his case to the State of which he is a resident. Should his claim be deemed worthy of consideration, the competent authority of the State to which the claim is made shall endeavour to come to an agreement with the competent authority of the other State with a view to avoidance of double taxation.

(2) For the settlement of difficulties or doubts in the interpretation or application of this Convention or in respect of its relation to Conventions of the Contracting States with third States the competent authorities of the Contracting States shall reach a mutual agreement as quickly as possible.

Article XXV

(1) The nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.

(2) The term "nationals" means :

(a) in respect of the Federal Republic of Germany :

all Germans in the meaning of Article 116 (1) of the Basic Law for the Federal Republic of Germany and all legal persons, partnerships and associations deriving their status as such from the law in force in the Federal Republic of Germany ;

(b) in respect of Ireland :

all citizens of Ireland and all legal persons, partnerships and associations deriving their status as such from the law in force in Ireland.

(3) The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.

This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents, nor as obliging Ireland to grant to residents of the Federal Republic of Germany any relief or exemption allowed in accordance with the provisions of the Finance (Profits of Certain Mines) (Temporary Relief from Taxation) Act, 1956 (No. 8 of 1956) or of Part II of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956).

(4) Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned State are or may be subjected.

(5) In this Article the term "taxation" means the taxes which are the subject of the present Convention.

Article XXVI

This Convention shall apply to Land Berlin provided that the Government of the Federal Republic of Germany has not delivered a contrary declaration to the Government of Ireland within three months from the date of entry into force of the Convention.

Article XXVII

(1) This Convention shall be ratified and the instruments of ratification shall be exchanged at Bonn as soon as possible.

(2) The present Convention shall enter into force on the day of the exchange of ratifications.

(3) Upon the entry into force of the present Convention in accordance with paragraphs (1) and (2) of this Article the foregoing provisions of the Convention shall have effect :

- (a) (i) in respect of Irish income tax, for any year of assessment beginning on or after the 6th day of April, 1959 ;
- (ii) in respect of Irish sur-tax, for any year of assessment beginning on or after the 6th day of April, 1958 ; and
- (iii) in respect of Irish corporation profits tax, for any chargeable accounting period beginning on or after the 1st day of April, 1959, and for the unexpired portion of any chargeable accounting period current at that date ;
- (b) in respect of Federal Republic tax for taxes which are levied for the assessment period 1959 and for subsequent assessment periods.

Article XXVIII

This Convention shall continue in effect indefinitely but either of the Contracting States may, on or before the 30th day of June in any calendar year not earlier than the year 1963, give to the other Contracting State, through diplomatic channels, written notice of termination, and in such event this Convention shall cease to be effective :

- (a) (i) in respect of Irish income tax, for any year of assessment beginning on or after the 6th day of April in the calendar year next following that in which such notice is given ;
- (ii) in respect of Irish sur-tax, for any year of assessment beginning on or after the 6th day of April in the calendar year in which such notice is given ; and
- (iii) in respect of Irish corporation profits tax, for any chargeable accounting period beginning on or after the 1st day of April in the calendar year next following that in which such notice is given and for the unexpired portion of any chargeable accounting period current at that date ;

- (b) in respect of the Federal Republic tax for taxes which are levied for assessment periods beginning on or after the 1st day of January in the calendar year next following that in which notice is given.

IN WITNESS WHEREOF the undersigned duly authorised thereto have signed this Convention and have affixed thereto their seals.

DONE in duplicate at Dublin on the 17th October, 1962 in the Irish, German and English languages, each text being equally authentic but the English text prevailing in case of doubt.

For Ireland :

For the Federal Republic
of Germany :

Seán F. LEMASS

Adolph REIFFERSCHIEDT