

No. 9193

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
BRAZIL**

**Exchange of notes constituting an agreement for the avoidance
of double taxation on profits derived from shipping and
air transport. Rio de Janeiro, 29 December 1967**

Official texts: English and Portuguese.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
21 August 1968.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
BRÉSIL**

**Échange de notes constituant un accord tendant à éviter la
double imposition des bénéfices provenant de l'exploita-
tion de transports maritimes et aériens. Rio de Janeiro,
29 décembre 1967**

Textes officiels anglais et portugais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
21 août 1968.*

No. 9193. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF BRAZIL FOR THE AVOIDANCE OF DOUBLE TAXATION ON PROFITS DERIVED FROM SHIPPING AND AIR TRANSPORT. RIO DE JANEIRO, 29 DECEMBER 1967

I

*Her Majesty's Chargé d'Affaires at Rio de Janeiro
to the Brazilian Minister for Foreign Affairs*

BRITISH EMBASSY

(1171/67)

Rio de Janeiro, 29 December, 1967

Your Excellency,

I have the honour to inform Your Excellency that, in order to avoid the double taxation of profits derived from shipping and air transport and to encourage maritime transport and commercial aviation between the United Kingdom of Great Britain and Northern Ireland and Brazil, the Government of the United Kingdom of Great Britain and Northern Ireland propose that :

(1) The Government of Brazil shall in accordance with Article 22 of the Income Tax Regulations (Decree 58.400 of 10th May, 1965) exempt all income derived from the business of shipping and air transport in international traffic by United Kingdom undertakings engaged in such business from all taxes which are covered by the Federal income tax law and all similar Federal taxes on income or profits which are, or may become, chargeable in Brazil.

(2) The Government of the United Kingdom shall exempt all income derived from the business of shipping and air transport in international traffic by Brazilian undertakings engaged in such business from income tax and corporation tax and all other taxes on income or profits which are, or may become, chargeable in the United Kingdom.

(3) (a) The expression " United Kingdom undertakings " means the Government of the United Kingdom and companies managed and controlled in the United Kingdom, provided that they have their Head Offices in the United Kingdom.

(b) The expression " Brazilian undertakings " means the Government of Brazil and companies managed and controlled in Brazil, provided that they are established in accordance with Brazilian law and have their Head Offices in Brazil.

¹ Came into force on 29 December 1967 by the exchange of the said notes.

(4) The exemptions provided for in sub-paragraphs (1) and (2) above shall apply to all income earned from 1 January 1967.

(5) The exemptions from tax provided for in sub-paragraphs (1) and (2) above shall continue until either

- (a) Brazilian law ceases to provide for the exemption from tax referred to in sub-paragraph (1) above, or
- (b) the Government of the United Kingdom terminates the exemption from tax referred to in sub-paragraph (2) above by giving six months' notice in writing to the Government of Brazil.

2. If the foregoing proposals are acceptable to the Government of Brazil, I have the honour to suggest that the present Note and Your Excellency's reply in similar terms should be regarded as constituting an Agreement between the two Governments, which may be extended by a further Exchange of Notes to any territory for the international relations of which the Government of the United Kingdom are responsible.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Christopher GANDY

II

*The Brazilian Minister for Foreign Affairs
to Her Majesty's Chargé d'Affaires at Rio de Janeiro*

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

MINISTERIO DAS RELAÇÕES EXTERIORES

DAI/DPF/DEOc/127/588 (60)

Em 29 de dezembro de 1967

Senhor Encarregado de Negócios,

Tenho a honra de acusar recebimento da Nota de Vossa Senhoria datada de hoje, vasada, em sua tradução portuguesa, nos seguintes termos :

« Tenho a honra de levar ao conhecimento de Vossa Excelência que, com o objetivo de evitar a dupla taxação de lucros decorrentes de transporte marítimo e aéreo e a fim de estimular o transporte marítimo e a aviação comercial entre o Reino da Grã-Bretanha e Irlanda do Norte e o Brasil o Governo do Reino da Grã-Bretanha e Irlanda do Norte propõe o seguinte :

« 1) O Governo do Brasil isentará, de acordo com o Art. 22 do Regulamento do Imposto de Renda (Decreto 58.400 de 10 de maio de 1965) toda a renda auferida em operações de transporte marítimo e aéreo, no tráfego internacional, por empresas do Reino Unido exercendo tais atividades, de todos os impostos de renda bem como

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN AFFAIRS

29 December, 1967

Sir,

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

[*See note I*]

In reply, I have the honour to inform you that the foregoing proposals are acceptable to the Government of Brazil, who therefore agree that your Note together with this reply should be regarded as constituting an Agreement between the two Governments in this matter.

I avail myself of this opportunity to renew to you the assurance of my highest consideration.

For the Minister of State :

S. C. DA COSTA

¹ Translation by the Government of the United Kingdom.

² Traduction du Gouvernement du Royaume-Uni.