

**No. 10020**

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**BELGIUM  
and  
NORWAY**

**Convention for the avoidance of double taxation and the regulation of certain other matters with respect to taxes on income and fortune (with final protocol). Signed at Brussels on 30 June 1967**

*Authentic texts : French, Dutch and Norwegian.*

*Registered by Belgium on 4 November 1969.*

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**BELGIQUE  
et  
NORVÈGE**

**Convention tendant à éviter les doubles impositions et à régler certaines autres questions en matière d'impôts sur les revenus et sur la fortune (avec protocole final). Signée à Bruxelles le 30 juin 1967**

*Textes authentiques : français, néerlandais et norvégien.*

*Enregistrée par la Belgique le 4 novembre 1969.*

[TRANSLATION — TRADUCTION]

CONVENTION BETWEEN BELGIUM AND NORWAY FOR  
THE AVOIDANCE OF DOUBLE TAXATION AND THE  
REGULATION OF CERTAIN OTHER MATTERS WITH  
RESPECT TO TAXES ON INCOME AND FORTUNE

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His Majesty the King of the Belgians and His Majesty the King of Norway,

Desiring to avoid double taxation and to regulate certain other matters with respect to taxes on income and fortune,

Have decided to conclude a convention and for that purpose have appointed as their Plenipotentiaries :

His Majesty the King of the Belgians :

Mr. Pierre Harmel, Minister for Foreign Affairs;

His Majesty the King of Norway :

Mr. Jahn B. Halvorsen, Ambassador of Norway at Brussels,

Who, having exchanged their full powers, found in good and due form, have agreed as follows :

I. SCOPE OF THE CONVENTION

*Article 1*

PERSONAL SCOPE

This Convention shall apply to persons who are residents of one or both of the Contracting States.

*Article 2*

TAXES COVERED

1. This Convention shall apply to taxes on income and on fortune imposed on behalf of each Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.

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<sup>1</sup> Came into force on 25 October 1969, i.e., on the fifteenth day following the day of the exchange of the instruments of ratification, which took place at Oslo on 10 October 1969, in accordance with article 30 (2).

2. There shall be regarded as taxes on income and on fortune all taxes imposed on total income, on total fortune, or on elements of income or of fortune, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

3. The existing taxes to which the Convention shall apply are, in particular :

A. In the case of Belgium:

- (1) The tax on individuals (*l'impôt des personnes physiques*);
- (2) The company tax (*l'impôt des sociétés*);
- (3) The tax on legal persons (*l'impôt des personnes morales*);
- (4) The non-residents' tax (*l'impôt des non-résidents*), including taxes collected in advance (*précomptes*) and supplements to taxes collected in advance (*compléments de précomptes*), surcharges (*centimes additionnels*) on the aforementioned taxes and advance collections, and the additional communal tax (*taxe communale additionnelle*) to the tax on individuals.

B. In the case of Norway :

- (1) The State income tax (*inntektsskatt til staten*);
- (2) The State tax-equalization dues (*skatteutjevningsavgift til staten*);
- (3) The special tax in aid of developing countries (*saerskatt for utviklingshjelp*);
- (4) The State tax on fees paid to foreign artists (*avgift til staten av utenlandske kunstneres honorarer*);
- (5) The State fortune tax (*formuesskatt til staten*);
- (6) The communal income tax (*inntektsskatt til kommuner*);
- (7) The communal fortune tax (*formuesskatt til kommuner*);
- (8) The real property tax (*eiendomsskatt*);
- (9) The seamen's tax (*sjømannsskatt*).

4. The 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. At the end of each year, the competent authorities of the Contracting States shall notify each other of any changes which have been made in their respective taxation laws.

## II. DEFINITIONS

### Article 3

#### GENERAL DEFINITIONS

1. In this Convention, unless the context otherwise requires :

(1) The terms "a contracting State" and "the other Contracting State" mean Belgium or Norway, as the context requires

(2) The term “Belgium”, when used in a geographical sense, means the territory of the Kingdom of Belgium; in the event of the adoption of Belgian legal provisions to that effect, it shall also refer to the sea-bed and subsoil in the North Sea, adjacent to the Belgian territorial sea, over which Belgium will exercise sovereign rights of exploration and exploitation; the Kingdom of Norway shall in that event be notified of the boundary of the area in question, through the diplomatic channel, as soon as agreements with France, the Netherlands and the United Kingdom of Great Britain and Northern Ireland shall have rendered it possible to establish the said boundary;

(3) The term “Norway”, when used in a geographical sense, means the territory of the Kingdom of Norway, including the sea-bed and subsoil in the sea areas, adjacent to the Norwegian territorial sea, over which Norway exercises sovereign rights of exploration and exploitation;

it does not refer to Svalbard (Spitzbergen), Jan Mayen and the Norwegian dependencies outside Europe;

(4) The term “person” comprises an individual, a company and any other body of persons;

(5) The term “company” means any body corporate or any entity which is liable to taxation as such in respect of its income or its fortune in the State of which it is a resident;

(6) The terms “enterprise of a Contracting State” and “enterprise of the other Contracting State” mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;

(7) The term “competent authority” means :

- (a) In the case of Belgium, the authority which is competent under Belgian law;
- (b) In the case of Norway, the Minister of Finance and Customs or his duly authorized representative.

2. As regards the application of the Convention by a Contracting State, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of the Convention.

#### *Article 4*

##### FISCAL DOMICILE

1. For the purposes of this Convention, the term “resident of a Contracting State” means any person who, under the law of that State, is liable to taxation therein by reason of his domicile, residence, place of management or any other criterion of a similar nature.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then this case shall be determined in accordance with the following rules :

- (1) He shall be deemed to be a resident of the Contracting State in which he has a permanent home available to him. If he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident of the Contracting State with which his personal and economic relations are closest (centre of vital interests);
- (2) If the Contracting State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either Contracting State, he shall be deemed to be a resident of the Contracting State in which he has a habitual abode;
- (3) If he has a habitual abode in both Contracting States or in neither of them, he shall be deemed to be a resident of the Contracting State of which he is a national;
- (4) If he is a national of both Contracting States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the Contracting State in which its place of effective management — by which is meant its centre of general administration — is situated.

### *Article 5*

#### PERMANENT ESTABLISHMENT

1. For the purposes of this Convention, the term “permanent establishment” means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

2. The term “permanent establishment” shall include especially :

- (1) A place of management;
- (2) A branch;
- (3) An office;
- (4) A factory;
- (5) A workshop;
- (6) A mine, quarry or other place of exploitation of natural resources;
- (7) A building site or construction or assembly project which exists for more than twelve months.

3. The term "permanent establishment" shall not be deemed to include :
- (1) The use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
  - (2) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
  - (3) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
  - (4) The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;
  - (5) 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.
4. Even where there is no place of business within the meaning of paragraphs 1 and 2, a person — other than an agent of an independent status to whom paragraph 5 applies — acting in a Contracting State on behalf of an enterprise of the other Contracting State shall be deemed to be a permanent establishment of the enterprise in the first-mentioned State if he habitually concludes contracts in that State in the name of that enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise;
5. 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.
- This provision shall not be deemed to apply to an agent acting on behalf of an insurance enterprise who habitually concludes contracts in the name of that enterprise.
6. The fact that an enterprise of a Contracting State controls or is controlled by an enterprise of the other Contracting State, or an enterprise which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either enterprise a permanent establishment of the other.

## III. TAXATION OF INCOME

*Article 6*

## INCOME FROM IMMOVABLE PROPERTY

1. Income 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 law 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 used in agriculture and forestry, 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, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of professional services.

*Article 7*

## BUSINESS PROFITS

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Without prejudice to the application of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and acting wholly independently.
3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions 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.

4. Where there are no regular accounts or other records from which it is possible to determine how much of the profits of an enterprise of a Contracting State is attributable to its permanent establishment situated in the other Contracting State, the tax in that other State may be determined in accordance with the law of that other State, in particular by taking as a basis the normal profits of similar enterprises of that other State.

5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

7. Where the profits of an enterprise include items of income which are dealt with separately in other articles of this Convention, then the provisions of this article shall not affect the provisions of those articles as concerns the taxation of such items of income.

#### *Article 8*

#### SHIPPING AND AIR TRANSPORT ENTERPRISES, AND ENTERPRISES ENGAGED IN FISHING, SEALING AND WHALING ON THE HIGH SEAS

1. Notwithstanding the provisions of article 7, paragraphs 1 to 6, profits from the operation of ships or aircraft in international traffic may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

2. If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the Contracting State of which the operator of the enterprise is a resident.

3. The provisions of paragraphs 1 and 2 shall also apply to profits from the operation of fishing, sealing or whaling vessels on the high seas.

4. The provisions of paragraph 1 shall also apply where an air transport enterprise of a Contracting State participates in a pool, in a joint business or in an international operating agency.



*Article 9*

## INTERDEPENDENT ENTERPRISES

Where :

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

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 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 10*

## DIVIDENDS

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2. However, such dividends may be taxed in the Contracting State of which the company paying the dividends is a resident, and according to the law of that State, but the tax so charged shall not exceed 15 per cent of the gross amount of the said dividends.

This paragraph shall not limit the taxation of the company in respect of the profits out of which the dividends are paid.

In the case of companies which are residents of Belgium, this paragraph shall not preclude taxation at the rates provided for under Belgian law in force on the date of signature of this Convention in the event of redemption of their own stock or shares or division of the assets.

3. The term "dividends" as used in this article means income from shares, *jouissance* shares or *jouissance* rights, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights treated in the same way as income from shares under the taxation law of the State of which the company making the distribution is a resident. It also refers to income, including interest, which is taxable as income from capital invested by partners in partnerships — other than partnerships limited by shares — which are residents of Belgium.

4. The provisions of paragraphs 1 and 2 shall not apply if the recipient of the dividends, being a resident of a Contracting State, has in the other Contracting State, of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case, the provisions of article 7 shall apply; they shall not preclude the imposition of taxes payable at the source on such dividends, in accordance with the law of that other Contracting State.

5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not — except in the case referred to in paragraph 4 — impose any tax on the dividends paid by that company to a resident of the first-mentioned State, or subject the company's undistributed profits to any additional taxation, even if the dividends distributed or the undistributed profits consist wholly or partly of profits or income arising in such other State.

### *Article 11*

#### INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such interest may be taxed in the Contracting State in which it arises, and according to the law of that State, but the tax so charged shall not exceed 15 per cent of the amount of the interest.

3. The term "interest" as used in this article means income from government securities, bonds or debentures, whether or not secured by mortgage and whether or not carrying a right to participate in profits, and, subject to the provisions of the following sub-paragraph, debt-claims or deposits of every kind, as well as lottery bond prizes and all other income treated in the same way as income from money lent or deposited under the taxation law of the State in which the income arises.

The said term does not include :

- 1) Interest which, in accordance with article 10, paragraph 3, last sentence, is treated as dividends;
- 2) Other interest paid to partners in or members of an enterprise carried on by a partnership or body of persons the place of effective management of which is in a Contracting State;

- 3) Interest on commercial debt-claims, including debt-claims represented by negotiable instruments, arising from payment by instalments for supplies of goods, products or services by an enterprise of a Contracting State to a resident of the other Contracting State;
- 4) Interest on current accounts or loans between banking enterprises of the two Contracting States;
- 5) Interest on deposits of sums of money, not represented by bearer securities, by residents of a Contracting State in banking enterprises of the other Contracting State, including government credit institutions.

Interest of the kinds referred to in sub-paragraphs (2) to (4) above shall be treated in the manner provided for in article 7, and interest of the kind referred to in sub-paragraph (5) above shall be treated in the manner provided for in article 7 or article 21, as the case may be.

4. The provisions of paragraphs 1 and 2 shall not apply if the recipient of the interest, being a resident of a Contracting State, has in the other Contracting State in which the interest arises a permanent establishment with which the debt-claim or deposit from which the interest arises is effectively connected. In such a case, the provisions of article 7 shall apply; they shall not preclude the imposition of taxes payable at the source on such interest, in accordance with the law of that other Contracting State.

5. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connexion with which the indebtedness on which the interest is paid was incurred, and the interest is borne as such by the permanent establishment, then such interest shall be deemed to arise in the Contracting State in which the permanent establishment is situated.

6. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the interest paid, having regard to the debt-claim or deposit for which it is paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the rate limitation and the exemption provided for in paragraph 2 shall apply only to the last-mentioned amount. The excess amount of the interest may be taxed in the Contracting State in which the interest arises, in accordance with the law of that State, but, without prejudice to the application of article 9, the tax levied on the said excess amount shall not exceed that which would be applicable in the case of dividends.

*Article 12*

## ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State.
2. The term "royalties" as used in this article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, not being immovable property within the meaning of article 6, or for information concerning industrial, commercial or scientific experience.
3. The provisions of paragraph 1 shall not apply if the recipient of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise a permanent establishment with which the right or property giving rise to the royalties is effectively connected. In such a case, the provisions of article 7 shall apply.
4. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connexion with which the contract giving rise to the royalties was concluded, and the royalties are borne as such by the permanent establishment, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment is situated.
5. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties paid, having regard to the use, right or information for which they are paid, exceeds the normal amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of paragraph 1 shall apply only to the last-mentioned amount. The excess amount of the royalties may be taxed in the Contracting State in which they arise, in accordance with the law of that State, but, without prejudice to the application of article 9, the tax levied on the said excess amount shall not exceed that which would be applicable in the case of dividends.

6. If, in the case referred to in paragraph 5, the enterprise paying the royalties is effectively dependent on or controlled by the enterprise receiving the royalties or vice versa, or if both the said enterprises are effectively dependent on or controlled by a third enterprise or by enterprises which are juridically distinct but are dependent members of a single group, and the normal amount of the royalties cannot be determined on the basis of other and more suitable criteria, in particular by comparison with royalties freely agreed upon between genuinely independent enterprises for the use of, or the right to use, similar rights, property or information, then the said normal amount may be determined on the basis of the cost of acquisition, improvement and protection of the rights, property or information giving rise to the royalties, plus a normal profit.

### *Article 13*

#### CAPITAL GAINS

1. Gains from the alienation of immovable property, as defined in article 6, paragraph 2, may be taxed in the Contracting State in which such property is situated.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing professional services, including such gains from the alienation of such a permanent establishment (alone or together with the whole enterprise) or of such a fixed base, may be taxed in the other State. The rules laid down in article 7, paragraphs 2 and 3, shall apply to the determination of the amount of such gains.

However, gains from the alienation of ships or aircraft operated in international traffic and fishing, sealing or whaling vessels operated on the high seas, and of movable property pertaining to the operation of such ships, aircraft and vessels, may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

3. Gains from the alienation of any other property — including any interest, not expressly covered by paragraph 2, first sub-paragraph, in an enterprise carried on by a joint-stock company — shall be taxable only in the Contracting State of which the alienator is a resident.

*Article 14*

## PROFESSIONAL SERVICES

1. 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 State for the purpose of performing his activities. If he has such a fixed base, the income may be taxed in the other State but only so much of it as is attributable to the activities performed through that fixed base.

2. The term "professional services" includes, especially, independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

*Article 15*

## DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of article 16, article 17 (2), article 18, article 19, paragraph 1, and article 20, 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 and subject to the reservation mentioned therein, remuneration derived by a resident of a Contracting State in respect of an employment, not being an employment of the kind referred to in paragraph 3, exercised in the other Contracting State shall be taxable only in the first-mentioned State if :

- (1) It is paid in respect of an activity exercised in the other State for a period or periods not exceeding in the aggregate 183 days — including normal interruptions of work — in the calendar year, and
- (2) The remuneration is paid by, or on behalf of, an employer who is not a resident of the other State, and
- (3) The remuneration is not borne as such by a permanent establishment or a fixed base which the employer has in the other State.

3. Remuneration in respect of an employment exercised aboard a ship or aircraft operated in international traffic, or aboard a fishing, sealing or whaling vessel on the high seas, shall be deemed to pertain to an activity exercised in the Contracting State in which the place of effective management of the enterprise is situated and may be taxed in that State.

*Article 16*

## DIRECTORS OF JOINT-STOCK COMPANIES

1. Directors' fees and similar payments derived by a resident of a Contracting State exclusively in his capacity as a member of the board of directors or similar organ of a joint-stock company which is a resident of the other Contracting State may be taxed in that other State.
2. Normal remuneration paid to a person referred to in paragraph 1 in respect of the exercise of a daily activity by a permanent establishment situated in the Contracting State of which the company is not a resident may be taxed in that State.

*Article 17*

## INDEPENDENT ARTISTS OR ATHLETES AND RELATED ACTIVITIES

Notwithstanding the provisions of articles 14 and 15 :

- (1) Income derived by public entertainers, such as theatre, motion picture, radio or television artists, and musicians, and by athletes, from their independent personal activities as such may be taxed in the Contracting State in which these activities are exercised;
- (2) The rule laid down in (1) above shall apply to income from the personal activities exercised, independently or as an employee, by any person assisting in the organization or performance of such activities by public entertainers or professional athletes.

*Article 18*

## PENSIONS

Subject to the provisions of article 19, paragraph 1, pensions and other similar remuneration paid to a resident of a Contracting State in consideration of past employment shall be taxable only in that State.

*Article 19*

## PUBLIC REMUNERATION AND PENSIONS

1. Remuneration, including pensions, paid by, or out of funds created by, a Contracting State or a political subdivision or a local authority thereof to any individual who is not a national of the other Contracting State in

respect of services rendered to the first-mentioned State or to a subdivision or local authority thereof may be taxed in the first-mentioned State.

Pensions and other recurring or non-recurring payments which are paid pursuant to the social legislation of a Contracting State by that State or a political subdivision, a local authority or a public corporation thereof may be taxed in that State.

2. The provisions of paragraph 1, first sub-paragraph, shall not apply to remuneration or pensions in respect of services rendered in connexion with any trade or business carried on by a Contracting State or a political subdivision or a local authority thereof.

#### *Article 20*

##### TEACHERS AND STUDENTS

1. Any remuneration paid to professors and other teachers who are residents of a Contracting State and who are temporarily present in the other Contracting State for the purpose of teaching or carrying on scientific research at a university or other officially recognized educational or research institution in that State for a period not exceeding two years shall be taxable only in the first-mentioned State.

2. Payments which a student, apprentice or business trainee who is or was formerly a resident of a Contracting State and 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 21*

##### INCOME NOT EXPRESSLY MENTIONED

A resident of a Contracting State shall not be liable to tax in the other Contracting State in respect of items of income which are not expressly mentioned in the foregoing articles if, under the law of the first-mentioned State, he is liable to tax in that first-mentioned State in respect of such items of income.

#### IV. TAXATION OF FORTUNE

#### *Article 22*

1. Fortune represented by immovable property, as defined in article 6, paragraph 2, may be taxed in the Contracting State in which such property is situated.



2. Fortune represented by movable property forming part of the business property of a permanent establishment of an enterprise, or by movable property 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.
3. Ships and aircraft operated in international traffic and fishing, sealing or whaling vessels operated on the high seas, and movable property pertaining to the operation of such ships, aircraft and vessels, may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.
4. All other elements of fortune of a resident of a Contracting State — including any interest, not expressly covered by paragraph 2, in an enterprise carried on by a joint-stock company — shall be taxable only in that State.

## V. METHODS FOR AVOIDANCE OF DOUBLE TAXATION

### *Article 23*

1. Where, in accordance with the provisions of this Convention, a resident of a Contracting State is liable to tax in the other Contracting State in respect of items of income or elements of fortune, not being income or fortune of the kinds referred to in paragraphs 2 to 4, the first-mentioned State shall exempt such items of income or elements of fortune from tax but may, in calculating tax on the remaining income or fortune of that person, apply the average rate of tax which would have been applicable if the exempted items of income or elements of fortune had not been so exempted.
2. Where a resident of Norway derives income which in accordance with article 10, paragraph 2, first and third sub-paragraphs, article 11, paragraphs 2 and 6, and article 12, paragraph 5, may be taxed in Belgium, Norway shall, subject to the application of paragraph 4, first sub-paragraph, of this article, allow as a deduction from the tax on the income of that person an amount equal to the tax paid in Belgium in respect of such income. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is proportionate to the income which may be taxed in Belgium.
3. Where a resident of Belgium derives income which in accordance with article 10, paragraph 2, first sub-paragraph (except as concerns distributions

upon liquidation and bonus shares), article 11, paragraphs 2 and 6, and article 12, paragraph 5, may be taxed in Norway, Belgium shall allow a deduction corresponding to the fixed quota of Norwegian tax, determined upon the conditions and at the rate provided for by Belgian law, from the tax on individuals in respect of the dividends concerned or from the tax on individuals or the company tax in respect of the interest or royalties concerned which have actually been taxed in Norway.

In so far as distributions upon liquidation or issues of bonus shares of companies being residents of Norway which may be taxed in that State in accordance with Norwegian law and with article 10, paragraph 2, first sub-paragraph, disclose capital appreciation which is subject in Belgium to the tax on individuals, the rate of that tax shall not exceed the rate which would be applicable to such income in accordance with Belgian law if it were taxable as earned income having been derived and taxed abroad.

4. Where a company which is a resident of a Contracting State owns stock or shares in a joint-stock company which is a resident of the other State, dividends — including distributions upon liquidation and bonus shares — paid to the first-mentioned company by the last-mentioned company which may be taxed in that other State in accordance with the law of that other State and with article 10, paragraph 2, first and third sub-paragraphs, shall be exempt in the first-mentioned State from the taxes referred to in article 2, paragraph 3 A (2) and B (1), (2), (3), and (6), to the extent that exemption would be granted if both companies were residents of the same State. Stock or shares in a company which is a resident of Belgium shall, under the same conditions, be exempt from the Norwegian taxes on fortune referred to in article 2, paragraph 3 B (5) and (7).

Where the first-mentioned company is a resident of Belgium and has been the sole owner, throughout the financial year of a company which is a resident of Norway and is liable in Norway to the taxes referred to in article 2, paragraph 3 B (1), (2), (3) and (6), of stock or shares in the last-mentioned company, the first-mentioned company shall also be exempted from the movable property tax collected in advance payable under Belgian law in respect of dividends on the said stock or shares, provided that it makes written application for such exemption within the prescribed time for the submission of its annual tax return, it being understood that the dividends thus exempted may not, when they are passed on to the shareholders of the first-mentioned company, be deducted from the distributed dividends which are subject to the movable property tax collected in advance. This provision shall not apply if the first-mentioned company has elected to have its profits subjected to the tax on individuals.

5. Taxes of a Contracting State may be levied on income which the other Contracting State is entitled to tax, in so far as such income has not been

taxed in the last-mentioned State because it was set off in that State against losses which have also been deducted, in respect of any financial year, from income taxable in the first-mentioned State.

## VI. SPECIAL PROVISIONS

### *Article 24*

#### NON-DISCRIMINATION

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 :
  - (1) All individuals possessing the nationality of a Contracting State;
  - (2) All legal persons, partnerships and associations deriving their status as such from the law in force in a Contracting State.
3. Stateless persons shall not be subjected in a 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 State in the same circumstances are or may be subjected.
4. 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. In application of this provision :
  - (a) Companies which are residents of Belgium and which have a permanent establishment in Norway shall not be subjected in Norway to taxes on income and on fortune in respect of items of income or elements of fortune which are exempt in the case of similar companies being residents of Norway;
  - (b) Interest, royalties and other costs borne by an enterprise of a Contracting State in connexion with a permanent establishment which it maintains in the other Contracting State shall, for the purpose of determining the taxable profits of that establishment, be deductible upon the same conditions as if the establishment were an enterprise of that other State;

- (c) Debts incurred by an enterprise of a Contracting State in connexion with a permanent establishment which it maintains in the other Contracting State shall, for the purpose of determining the taxable fortune of that establishment, be deductible upon the same conditions as if the establishment were an enterprise of that other State.

The provisions of the first sub-paragraph of this paragraph shall not be construed as preventing a Contracting State from taxing the total profits attributable to the permanent establishment maintained in that State by a company of the other State or by any other partnership or body of persons the place of effective management of which is in that other State, at the rate laid down by the law of the first-mentioned State, provided that such rate does not exceed the maximum rate applicable to all or part of the undistributed profits of companies which are residents of the first-mentioned State.

5. 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 Contracting 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.

6. In this article the term "taxation" means the taxes referred to in article 2.

### *Article 25*

#### MUTUAL AGREEMENT PROCEDURE

1. Where a resident of a Contracting State considers that the actions of one or both of the Contracting States result or will result for him in double taxation not in accordance with this Convention, he may, without prejudice to the remedies provided by the national laws of those States, make written application for a review of the said taxation, indicating his reasons, to the competent authority of the Contracting State of which he is a resident.

Even where the taxation in one instance, having been found to be not in accordance with the Convention, can no longer be annulled or reduced under the laws of the Contracting State in which it was imposed, such application shall be admissible if it is submitted within two years from the date of notification or of deduction at the source of the second taxation.

2. The competent authority referred to in paragraph 1 shall endeavour, if the objection appears to it to be justified and if it is not itself able to

arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of double taxation not in accordance with the Convention.

3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention.

4. If one and the same term is interpreted differently by the laws of the respective Contracting States, the competent authorities may, in a spirit of reciprocity, agree on a common interpretation for the purposes of this Convention.

5. The competent authorities of the Contracting States shall agree on the administrative measures required for the implementation of the provisions of this Convention, and in particular on the evidence to be produced by residents of each State in order to enjoy in the other State the tax exemptions or reductions provided for in this Convention.

### *Article 26*

#### EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is necessary for the carrying out of this Convention and of the domestic laws of the Contracting States concerning taxes covered by this Convention, in so far as the taxation thereunder is in accordance with this Convention.

Any information so exchanged shall be treated as secret; it shall be disclosed — other than to the taxpayer or his agent — only to the persons or authorities concerned with the assessment or collection of the taxes which are the subject of this Convention and with appeals relating thereto, and to the judicial authorities for the purpose of criminal prosecution.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Contracting State the obligation :

- (1) To carry out administrative measures at variance with the laws or the administrative practice of that or of the other Contracting State;
- (2) To supply particulars which are not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;

- (3) To supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (*ordre public*).

#### Article 27

##### ASSISTANCE FOR THE COLLECTION OF TAXES

1. The Contracting States undertake to afford each other aid and assistance for the collection of the taxes referred to in article 2, namely, the principal, increases, surcharges, interest, costs and fines not of a criminal character.
2. Upon application by the competent authority of a Contracting State, the competent authority of the other Contracting State shall serve notice of and collect the tax claims referred to in paragraph 1 which are payable in the first-mentioned State, in accordance with the laws and regulations applicable to the notification and collection of like tax claims of the last-mentioned State. The said claims shall not be given precedence in the State applied to, and the latter shall not be required to levy execution by measures which are not authorized by the laws and regulations of the applicant State.
3. The applications referred to in paragraph 2 shall be accompanied by an official copy of the enforceable instruments, together with an official copy of any decisions which have acquired final effect.
4. In the case of tax claims which are still subject to appeal, the competent authority of a Contracting State may, in order to safeguard the rights of that State, request the competent authority of the other Contracting State to take the conservatory measures provided by the law of the last-mentioned State, to which the foregoing provisions shall apply *mutatis mutandis*.
5. Article 26, paragraph 1, second sub-paragraph, shall also apply to any information furnished pursuant to this article to the competent authority of the State applied to.
6. The Ministers of Finance of the two Contracting States or their deputies duly authorized for the purpose shall communicate with each other directly for the purposes laid down in articles 25, 26 and 27.

#### Article 28

##### LIMITATION OF THE EFFECTS OF THE CONVENTION

1. Without prejudice to the application of article 23, paragraph 4, second sub-paragraph, nothing in this Convention shall limit the rights and advantages accorded by the law of either Contracting State in respect of the taxes referred to in article 2.

2. Nothing in this Convention shall affect the fiscal privileges of members of diplomatic missions and consulates under the general rules of international law or under the provisions of special agreements.

For the purposes of the Convention, career diplomatic or consular agents of a Contracting State who are nationals of that State and who are members of the representation of that State in the other Contracting State shall be deemed to be residents of the first-mentioned State.

### *Article 29*

#### TERRITORIAL EXTENSION

1. This Convention may be extended, either in its entirety or with any necessary modifications, to any other State or territory for whose international relations Norway is responsible, which imposes taxes substantially similar in character to those to which the Convention applies. Any such extension shall take effect from such date and subject to such modifications and conditions, including conditions as to termination, as may be specified and agreed between the Contracting States in notes to be exchanged through the diplomatic channel or in any other manner in accordance with their constitutional procedures.

2. Unless otherwise agreed by both Contracting States, the denunciation of the Convention by one of them under article 31 shall terminate, in the manner provided for in that article, the application of the Convention to any State or territory to which it has been extended under this article.

## VII. FINAL PROVISIONS

### *Article 30*

#### ENTRY INTO FORCE AND SUSPENSION OF A PREVIOUS CONVENTION

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

2. The Convention shall enter into force on the fifteenth day following the date of the exchange of the instruments of ratification and its provisions shall apply :

- (1) To taxes payable by deduction at the source in respect of income accruing or paid on or after the first day of January of the year following the year in which the instruments of ratification are exchanged;

- (2) To other taxes levied on income for taxable periods ending on or after the thirty-first day of December of the year in which the instruments of ratification are exchanged;
  - (3) To Norwegian taxes on fortune in respect of fortune as at the first day of January of the year following the year in which the instruments of ratification are exchanged or as at the last day of the financial year ended during the year in which the instruments of ratification are exchanged.
3. The provisions of the Convention for the Prevention of Double Taxation on Income derived from Shipping Undertakings, concluded between Belgium and Norway on 29 October 1928, shall cease to have effect during such time as article 8 of the present Convention is in force.

### *Article 31*

#### TERMINATION

This Convention shall continue in effect indefinitely, but either of the Contracting States may, on or before the thirtieth day of June of any calendar year beginning with the fifth year after the year in which the instruments of ratification are exchanged, give written notice of termination, through the diplomatic channel, to the other Contracting State. In the event of notice of termination given before the first day of July of any such year, the Convention shall apply for the last time :

- (1) To taxes payable by deduction at the source in respect of income normally accruing or paid on or before the thirty-first day of December of the year in which notice of termination is given;
- (2) To other taxes levied on income for taxable periods normally ending before the expiry of the same year;
- (3) To Norwegian taxes on fortune in respect of fortune as at the first day of January of the year immediately following the year in which notice of termination is given or as at the last day of the financial year ended during the year in which notice of termination is given.

IN WITNESS WHEREOF the aforementioned Plenipotentiaries have signed this Convention and have thereto affixed their seals.

DONE at Brussels, on 30 June 1967, in duplicate in the French, Dutch and Norwegian languages, the three texts being equally authentic.

For Belgium :

Pierre HARMEL

For Norway :

Jahn B. HALVORSEN



## FINAL PROTOCOL

On signing the Convention concluded this day between Belgium and Norway for the Avoidance of Double Taxation and the Regulation of Certain Other Matters with respect to Taxes on Income and Fortune, the undersigned Plenipotentiaries have agreed upon the following provisions, which form an integral part of this Convention.

1. Shipping and air transport enterprises, and enterprises engaged in fishing, sealing and whaling on the high seas

*Ad articles 8, 13 and 22*

Where an enterprise as referred to in article 8 is carried on by a partnership or body of persons the partners in or members of which bear unlimited liability, jointly and severally, and are jointly engaged in its effective management, and where some of the partners or members are residents of a Contracting State and the others are residents of the other Contracting State, the place of effective management of the enterprise shall be deemed to be in both Contracting States.

In that event, the profits referred to in article 8, paragraphs 1 to 3, the gains referred to in article 13, paragraph 2, and the elements of fortune referred to in article 22, paragraph 3, may be taxed in each Contracting State in accordance with the proportion which the part of the income or elements of fortune in question attributable to the partners or members who are residents of that State bears to the part of the income or elements of fortune in question attributable to all the partners or members being residents of either Contracting State.

2. Employees of partnerships and bodies of persons

*Ad article 15*

Where the employer referred to in article 15, paragraph 2, is a partnership or body of persons not covered by article 3, paragraph 1 (4), it shall, for the purposes of article 15, paragraph 2, be deemed to be a resident of the Contracting State in which the place of effective management of the enterprise is situated.

In the case referred to in section 1 of this Protocol, the remuneration referred to in article 15, paragraph 3, of the Convention shall be deemed to relate to an activity exercised in the Contracting State in which the ship is registered or, if unregistered, was issued with clearance papers.

3. Belgian investment trusts and distributions upon liquidation of companies which are residents of Belgium

*Ad articles 10, 11 and 21*

For the purposes of these provisions, dividends and interest derived by a resident of Norway through an investment trust constituted in accordance with Belgian law shall be deemed to be dividends paid by a company which is a resident of Belgium or interest arising in Belgium, as the case may be.

*Ad article 23, paragraph 2*

For the purposes of this provision, income distributed by an investment trust constituted in accordance with Belgian law, and distributions upon liquidation of companies which are residents of Belgium, shall be presumed to have been subjected to taxation in Belgium at the rate applicable under article 11, paragraph 2.

4. Partners in enterprises carried on by partnerships or bodies of persons or under joint ownership, whether or not being companies within the meaning of article 3, paragraph 1 (4)

*Ad article 23, paragraph 1*

The exemption provided for in this provision shall apply to income, not being income of the kind referred to in article 10, paragraph 3, last sentence, which according to the law of a Contracting State may be taxed in that State in the name of a resident of that State in his capacity as a partner in an enterprise carried on by a partnership or body of persons and which in accordance with article 7 or article 13 may be taxed in the other Contracting State. The foregoing shall apply even if, according to the law of that other State, the partnership or body of persons is taxed jointly in respect of all or part of the income in question.

The same rule shall apply *mutatis mutandis* to elements of fortune.

5. Non-discrimination

*Ad article 24, paragraph 1*

This provision shall not be construed :

1. So as to prevent Belgium from taxing Norwegian nationals who are not residents of Belgium but who have a dwelling available to them in Belgium in respect of the minimum income, as determined by Belgian law, applicable to non-residents of Belgium, whether or not they are nationals, who have a dwelling available to them in Belgium;

2. So as to oblige Norway to grant to Belgian nationals the special tax relief granted to Norwegian nationals and to persons born of parents possessing Norwegian nationality under article 22 of the Norwegian tax law for rural areas and article 17 of the Norwegian tax law for urban areas.

DONE at Brussels, on 30 June 1967, in duplicate in the French, Dutch and Norwegian languages.

For Belgium :

Pierre HARMEL

For Norway :

Jahn B. HALVORSEN

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