

**No. 11006**

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**AUSTRIA  
and  
LIECHTENSTEIN**

**Agreement for the avoidance of double taxation with respect  
to taxes on income and fortune (with Final Protocol).  
Signed at Vaduz on 5 November 1969**

*Authentic text : German.*

*Registered by Austria on 8 March 1971.*

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**AUTRICHE  
et  
LIECHTENSTEIN**

**Convention tendant à éviter la double imposition en matière  
d'impôts sur le revenu et d'impôts sur la fortune (avec  
Protocole final). Signée à Vaduz le 5 novembre 1969**

*Texte authentique : allemand.*

*Enregistrée par l'Autriche le 8 mars 1971.*

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE REPUBLIC OF AUSTRIA  
AND THE PRINCIPALITY OF LIECHTENSTEIN FOR  
THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT  
TO TAXES ON INCOME AND FORTUNE

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The Republic of Austria and the Principality of Liechtenstein, desiring to avoid double taxation with respect to taxes on income and fortune, have agreed to conclude the following Agreement. For that purpose they have appointed as their plenipotentiaries :

The Federal President of the Republic of Austria :

Dr. Joseph Hammerschmidt, *Sektionschef*;

His Serene Highness the Reigning Prince of Liechtenstein :

Dr. Gerard Batliner, Head of Government of the Principality of Liechtenstein.

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

*Article 1*

PERSONAL SCOPE

This Agreement shall apply to persons who, in accordance with article 4, are residents of either of the Contracting States.

*Article 2*

TAXES COVERED

(1) This Agreement shall apply to taxes on income and on fortune imposed on behalf of either of the Contracting States or of its local authorities, irrespective of the manner in which they are levied.

(2) There shall be regarded as taxes on income and on fortune all ordinary and extraordinary taxes imposed on total income, on total fortune, or on

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<sup>1</sup> Came into force on 7 December 1970 by the exchange of the instruments of ratification, which took place at Vienna, in accordance with article 27.

elements of income or of fortune, including taxes on gains from the alienation of movable or immovable property, as well as taxes on capital appreciation.

(3) The existing taxes to which the Agreement shall apply are, in particular :

(a) In Austria :

- (i) The income tax (*Einkommensteuer*);
- (ii) The corporation tax (*Körperschaftsteuer*);
- (iii) The tax on fortune (*Vermögensteuer*);
- (iv) The contribution from income for the promotion of residential building and for the equalization of family burdens (*Beitrag Vom Einkommen zur Förderung des Wohnbaues und für Zwecke des Familienlastenausgleiches*);
- (v) The contribution from income to the Disaster Fund (*Beitrag vom Einkommen zum Katastrophenfonds*);
- (vi) The special tax on income (*Sonderabgabe vom Einkommen*);
- (vii) The contribution from fortune to the Disaster Fund (*Beitrag vom Vermögen zum Katastrophenfonds*);
- (viii) The special tax on fortune (*Sonderabgabe vom Vermögen*);
- (ix) The tax on directors' fees (*Aufsichtsratsabgabe*);
- (x) The business tax (*Gewerbsteuer*), including the pay-roll tax (*Lohnsummensteuer*);
- (xi) The land tax (*Grundsteuer*);
- (xii) The tax on agricultural and forestry enterprises (*Abgabe von land- und forstwirtschaftlichen Betrieben*);
- (xiii) The tax on the land value of undeveloped real estate (*Abgabe vom Bodenwert bei unbebauten Grundstücken*);
- (xiv) The tax on property exempt from the inheritance tax (*Abgabe von Vermögen, die der Erbschaftssteuer entzogen sind*);
- (xv) The contributions from agricultural and forestry enterprises to the equalization fund for family subsidies (*Beiträge von land- und forstwirtschaftlichen Betrieben zum Ausgleichsfonds für Familienbeihilfen*);

(b) In Liechtenstein :

- (i) The tax on earned income (*Erwerbssteuer*);
- (ii) The company taxes (*Gesellschaftssteuern*);
- (iii) The tax on profits from real estate (*Grundstücksgewinnsteuer*);
- (iv) The tax on fortune (*Vermögensteuer*);
- (v) The coupon tax (*Couponsteuer*).

(4) The Agreement 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 taxation laws.

### *Article 3*

#### GENERAL DEFINITIONS

- (1) In this Agreement, unless the context otherwise requires :
- (a) The term “person” comprises an individual, a company and any other body of persons;
  - (b) The “term company” means any body corporate or any entity which is treated as a body corporate for tax purposes;
  - (c) 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;
  - (d) The term “competent authority” means :
    - 1. In Austria : the Federal Minister of Finance;
    - 2. In Liechtenstein : the Government of the Principality of Liechtenstein.
- (2) As regards the application of the Agreement 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 Agreement.

### *Article 4*

#### FISCAL DOMICILE

- (1) For the purpose of this Agreement, the term “resident of a Contracting State” means :
- (a) Any individual who, under the law of that State, is liable to taxation therein by reason of his domicile, residence or any other criterion of a similar nature;
  - (b) Any body corporate which has its head office and its place of effective management in that State;
- (2) Where by reason of the provisions of paragraph (1) an individual is a resident of both Contracting States, the following shall apply :
- (a) 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);

- (b) 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;
- (c) 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;
- (d) If he is a national of both Contracting States or of neither of them, the Contracting States shall endeavour to settle the question in accordance with article 25.

(3) The maintenance of a permanent home in a Contracting State shall constitute domicile for the purposes of this Agreement only if the possessor of the home fulfils in that State the conditions required of aliens for permanent residence.

(4) A partnership shall be deemed to be a resident of a Contracting State only in so far as the partners therein are residents of that Contracting State in accordance with the provisions of this article.

#### *Article 5*

##### PERMANENT ESTABLISHMENT

(1) For the purposes of this Agreement, 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 :

- (a) A place of management;
- (b) A branch;
- (c) An office;
- (d) A factory;
- (e) A workshop;
- (f) A mine, quarry, or other place of extraction of natural resources;
- (g) A building site or construction or assembly project which exists for more than 12 months.

(3) The term “permanent establishment” shall not be deemed to include :

- (a) The use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;

- (b) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
- (c) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing or finishing by another enterprise;
- (d) The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise.

(4) 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 paragraph (5) 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.

(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.

(6) 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.

### *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.

(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) 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 dealing wholly independently with the enterprise of which it is a permanent establishment.

(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) In so far as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph (2) shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles laid down in this article.

(5) 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.

(6) Where profits include items of income which are dealt with separately in other articles of this Agreement, then the provisions of those articles shall not be affected by the provisions of this article.

(7) The provisions of this article shall also apply to profits derived from participation in an enterprise as a sleeping partner (*stiller Gesellschafter*).

### Article 8

#### RAILWAY ENTERPRISES

Profits from the operation of railway enterprises of one of the Contracting States which also operate in the territory of the other Contracting State shall be taxable only in the first-mentioned State.

### Article 9

#### ASSOCIATED ENTERPRISES

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

(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 assimilated to income from shares by the taxation law of the State of which the company making the distribution is a resident.

(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.

(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 impose any tax on the dividends paid by the company to persons who are not residents of that other State, or subject the company's profits to a tax on undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State. The foregoing shall not apply if the recipient of the dividends has in the other Contracting State a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected.

## 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 10 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 debt-claims of every kind as well as all other income assimilated to income from money lent by the taxation law of the State in which the income arises.

(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 from which the interest arises is effectively connected. In such a case, the provisions of article 7 shall apply.

(5) Interest shall be deemed to arise in a Contracting State when the payer is that State itself, one of its local authorities 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 such interest is borne by such 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 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 provisions of this article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this agreement.

### *Article 12*

#### ROYALTIES

(1) Royalties 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 royalties may be taxed in the Contracting State in which they arise, and according to the law of that State, but the tax so charged shall not exceed :

(a) 5 per cent of the amount of the royalties if they are derived by an enterprise of the other Contracting State which possesses an industrial production facility in the first-mentioned Contracting State, either directly or through a licensed company which is a resident of that other State;

(b) In all other cases, 10 per cent of the amount of the royalties.

(3) 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, or for information concerning industrial, commercial or scientific experience.

(4) The provisions of paragraphs (1) and (2) 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.

(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 amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Agreement.

(6) Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, one of its local authorities 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 liability on which the royalties are paid was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment is situated.

### *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 estab-

lishment (alone or together with the whole enterprise) or of such a fixed base, may be taxed in the other State.

(3) Gains from the alienation of any property other than that mentioned in paragraphs (1) and (3) shall be taxable only in the Contracting State of which the alienator is a resident.

#### *Article 14*

##### INDEPENDENT PERSONAL 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 Contracting State for the purpose of performing his activities. If he has a such fixed base, the income may be taxed in the other Contracting State but only so much of it as is attributable to 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 and accountants.

#### *Article 15*

##### DEPENDENT PERSONAL SERVICES

(1) Subject to the provisions of articles 16, 18, 19 and 20, paragraph (2), 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), 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 fiscal year 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 borne by a permanent establishment or a fixed base which the employer has in the other State.

(3) Regularly recurring remuneration or benefits paid by the Austrian Federal Railways to Liechtenstein nationals domiciled in Liechtenstein in respect of their present or past service or employment (salaries, wages, pensions, etc.) shall be subject to taxation only in Liechtenstein.

(4) Income derived from the employment of persons resident near the frontier in a Contracting State and having their place of work near the frontier in the other Contracting State who normally go to the said place of work from their place of residence every working day (frontier workers) shall be taxable in the Contracting State of which they are residents. However, the State in which the place of work is situated shall be entitled to levy by deduction at the source a tax of not more than 4 per cent on such income.

#### *Article 16*

##### DIRECTORS' FEES

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 17*

##### ARTISTS AND ATHLETES

(1) Notwithstanding the provisions of articles 14 and 15, income derived by professional entertainers, such as theatre, motion picture, radio or television artists, and musicians, and by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.

(2) Where income in respect of personal activities of the persons referred to in paragraph (1) accrues not to those persons themselves but to other persons, such income may, notwithstanding the provisions of articles 7, 14 and 15, be taxed in the Contracting State in which the activity of those persons is exercised.

#### *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*

## GOVERNMENTAL FUNCTIONS

(1) Remuneration, including pensions, paid by, or out of special funds created by, a Contracting State or a local authority thereof to any individual in respect of services rendered to that State or to the local authority in the discharge of functions of a governmental nature shall be taxable only in that State.

(2) The provisions of articles 15, 16 and 18 shall apply to remuneration or pensions in respect of services rendered in connexion with any trade or business carried on by one of the Contracting States or a local authority thereof.

*Article 20*

## STUDENTS

(1) Payments which a student or business apprentice 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.

(2) Remuneration derived by the persons mentioned in paragraph (1) in respect of an employment exercised in the other State, for a period not exceeding in the aggregate 183 days in the fiscal year, solely for the purpose of acquiring practical vocational experience may not be taxed in that other State.

*Article 21*

## INCOME NOT EXPRESSLY MENTIONED

Items of income of a resident of a Contracting State which are not expressly mentioned in the foregoing articles shall be taxable only in that State.

*Article 22*

## FORTUNE

(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. The same shall apply in respect of participation in an enterprise as a sleeping partner (*stiller Gesellschafter*).

(3) Fortune or railway enterprise of one of the Contracting States which also operate in the territory of the other Contracting State shall be taxable only in the first-mentioned State.

(4) All other elements of fortune of a resident of a Contracting State shall be taxable only in that State.

### Article 23

#### METHODS FOR ELIMINATION OF DOUBLE TAXATION

(1) Where a resident of Austria derives income or owns fortune which, in accordance with the provisions of this Agreement, may be taxed in Liechtenstein, Austria shall, subject to the provisions of paragraph (2), exempt such income or fortune from tax; however, Austria may, in calculating tax on the remaining income or fortune of that person, apply the rate of tax which would have been applicable if the exempted income or fortune had not been so exempted.

(2) Where a resident of Austria derives income which, in accordance with the provisions of articles 7, 10, 11, 12, 13, paragraph (2), 15 and 16, may be taxed in Liechtenstein, Austria shall allow as a deduction from the tax on the income of that person an amount equal to the tax paid in Liechtenstein. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is appropriate to the income derived from Liechtenstein.

(3) Where a resident of Liechtenstein derives income or owns fortune which, in accordance with the provisions of this Agreement, may be taxed in Austria, Liechtenstein shall, subject to the provisions of paragraph (4), exempt such income or fortune from tax; however, Liechtenstein may, in calculating tax on the remaining income or fortune of that person, apply the rate of tax which would have been applicable if the exempted income or fortune had not been so exempted.

(4) Where a resident of Liechtenstein derives income which, in accordance with the provisions of articles 10, 11, 12 and 15, paragraph (4), may be taxed in Austria, Liechtenstein shall allow as a deduction from the tax

on the income of that person an amount equal to the tax paid in Austria. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is appropriate to the income derived from Austria.

#### *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 :

- (a) All individuals possessing the nationality of a Contracting State;
- (b) All legal persons, partnerships and associations deriving their status as such from the law in force in a Contracting State.

(3) The taxation of 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 tax purposes on account of civil status or family responsibilities which it grants to its own residents.

(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 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.

#### *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 taxation not in accordance with this Agreement, he may, notwithstanding the remedies provided by the national laws of those States, present his case to the competent authority of the Contracting State of which he is a resident.



(2) The competent authority 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 taxation not in accordance with the Agreement. For this purpose, the competent authorities of the two Contracting States shall supply each other with any information which is or may be relevant to a review of the case.

(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 Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.

(4) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a commission consisting of representatives of the competent authorities of the Contracting States.

#### *Article 26*

##### LIMITATION OF THE SCOPE OF THE AGREEMENT

This Agreement shall apply to companies and trusts which, under the taxation law of Liechtenstein, are exempt from taxes on fortune, earnings or profits (pursuant to articles 83 and 84 of the Tax Act of 30 January 1961) only in so far as the direct participants in or beneficiaries of such companies or trusts are individuals who are residents of Liechtenstein or corporations, foundations and institutions established under Liechtenstein public law.

#### *Article 27*

##### ENTRY INTO FORCE

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

(2) The Agreement shall enter into force upon the exchange of instruments of ratification and its provisions shall apply to taxes on income and on fortune levied in respect of periods subsequent to 31 December 1968.

*Article 28*

## TERMINATION

This Agreement shall remain in force until denounced by one of the Contracting States. Either Contracting State may denounce the Agreement, through the diplomatic channel, by giving notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect as regards taxes on income and on fortune levied in respect of periods subsequent to the expiry of the calendar year at the end of which the Agreement is terminated.

IN WITNESS WHEREOF the plenipotentiaries, being duly authorized thereto, have signed this Agreement and have thereto affixed their seals.

DONE at Vaduz, on 5 November 1969, in duplicate.

For the Republic of Austria :

HAMMERSCHMIDT

For the Principality of Liechtenstein :

BATLINER

## FINAL PROTOCOL

On signing the Agreement for the Avoidance of Double Taxation with respect to Taxes on Income and Fortune, concluded this day between the Republic of Austria and the Principality of Liechtenstein, the undersigned plenipotentiaries have agreed on the following provisions, which shall form an integral part of the Agreement :

*Ad articles 1, 4, 12, paragraph (2), and 26 :*

The taxation authorities shall, upon request by the taxpayer, issue certificates indicating the existence of the conditions which, in accordance with articles 1, 4, 12, paragraph (2), and 26, are requisite for the application of the Agreement.

*Ad articles 10, 11 and 12 :*

The competent authorities of the two Contracting States shall, by mutual agreement and in accordance with their domestic procedural regulations, settle the mode of application of the limitations on rates of tax provided for in articles 10, paragraph (2), 11, paragraph (2), and 12, paragraph (2).

*Ad article 15, paragraph (4):*

The taxation authority of the Contracting State in which the place of work is situated shall issue annually to frontier workers a certificate indicating the amount of the taxes deducted at the source.

*Ad articles 16 and 23:*

Article 23, paragraph (2), shall not apply to income of the kind referred to in article 16 derived by a resident of Austria from a company which is a resident of Liechtenstein if, on the date specified in article 27, paragraph (2), the recipient of the income was a Liechtenstein national and if the legal relationship by virtue of which such income is payable existed on the said date.

DONE at Vaduz, on 5 November 1969, in duplicate.

For the Republic of Austria :

HAMMERSCHMIDT

For the Principality of Liechtenstein :

BATLINER

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