

No. 11799

**IRELAND
and
NORWAY**

**Convention for the avoidance of double taxation and the prevention
of fiscal evasion with respect to taxes on income and capital.
Signed at Dublin on 21 October 1969**

Authentic text : English.

Registered by Ireland on 5 May 1972.

**IRLANDE
et
NORVÈGE**

**Convention tendant à éviter la double imposition et à prévenir
l'évasion fiscale en matière d'impôts sur le revenu et d'impôts
sur la fortune. Signée à Dublin le 21 octobre 1969**

Texte authentique : anglais.

Enregistrée par l'Irlande le 5 mai 1972.

CONVENTION¹ BETWEEN THE GOVERNMENT OF IRELAND AND THE GOVERNMENT OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND CAPITAL

The Government of Ireland and the Government of Norway,
Desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital,

Have agreed as follows :

Chapter I

SCOPE OF THE CONVENTION

Article 1

TAXES COVERED

1. The taxes which are the subject of this Convention are :
- (a) in the case of Ireland :
the income tax (including sur-tax) and the corporation profits tax;
(hereinafter referred to as “ Irish tax ”);
- (b) In the case of Norway :
- (1) national income tax;
 - (2) national tax-equalisation dues;
 - (3) national tax in aid of developing countries;
 - (4) national dues on the salaries of foreign artistes;
 - (5) national capital tax;
 - (6) municipal income tax;
 - (7) municipal capital tax;
 - (8) seamen’s tax;
 - (9) tax on dependent children’s earnings;
(hereinafter referred to as “ Norwegian tax ”).
2. The Convention shall also apply to any identical or substantially similar taxes which are subsequently imposed in addition to, or in place of,

¹ Came into force on 21 August 1970 by the exchange of the instruments of ratification, which took place at Oslo, in accordance with article 30.

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

Chapter II DEFINITIONS

Article 2

GENERAL DEFINITIONS

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

(a) the term “ Ireland ” includes any area adjacent to the territorial waters of Ireland which by Irish legislation, and in accordance with international law, has been or may hereafter be designated as an area within which the rights of Ireland with respect to the sea-bed and subsoil and their natural resources may be exercised;

(b) the term “ Norway ” means the Kingdom of Norway, including any area adjacent to the territorial waters of Norway which by Norwegian legislation, and in accordance with international law, has been or may hereafter be designated as an area within which the rights of Norway with respect to the sea-bed and subsoil and their natural resources may be exercised; the term does not comprise Svalbard (Spitsbergen, including Bear Island), Jan Mayen, and the Norwegian dependencies outside Europe;

(c) the terms “ a Contracting State ” and “ the other Contracting State ” mean Ireland or Norway, as the context requires;

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

(e) the term “ company ” means any body corporate or any entity which is treated as a body corporate for tax purposes;

(f) (i) subject to the provisions of clauses (ii) and (iii) of this subparagraph the terms “ resident of Ireland ” and “ resident of Norway ” mean respectively any person who is a resident in Ireland for the purposes of Irish tax and not resident in Norway for the purposes of Norwegian tax, and any person who is resident in Norway for the purposes of Norwegian tax and not resident in Ireland for the purposes of Irish tax;

(ii) a company shall be regarded as resident only in Ireland if its business is managed and controlled in Ireland; provided that nothing in this paragraph

shall affect any provisions of the law of Ireland regarding the imposition of corporation profits tax in the case of a company incorporated in Ireland and whose business is not managed and controlled in Norway;

(iii) a company shall be regarded as resident only in Norway if its business is managed and controlled in Norway, or if it is incorporated in Norway and its business is not managed and controlled in Ireland;

(g) the terms “resident of a Contracting State” and “resident of the other Contracting State” mean a person who is a resident of Ireland or a person who is a resident of Norway, as the context requires;

(h) 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;

(i) the term “international traffic” includes traffic between places in one country in the course of a voyage which extends over more than one country;

(j) the term “competent authorities” means in the case of Ireland, the Revenue Commissioners or their authorised representative; and, in the case of Norway, the Ministry of Finance and Customs or its authorised representative.

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

3. 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 3

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 :

- (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 twelve 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 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;
- (e) 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. 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 person is acting in the ordinary course of his 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 itself constitute either company a permanent establishment of the other.

Chapter III

TAXATION OF INCOME

Article 4

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. Interest on debts connected with immovable property which a resident of a Contracting State has in the other Contracting State shall, for the computation of net income, be deductible in that other Contracting State on the same conditions as it is deductible for residents of that State.

5. The provisions of paragraphs 1, 3 and 4 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 5

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. 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 purpose 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 profits include items of income which are dealt with separately in other articles of this Convention, then the provisions of those articles shall not be affected by the provisions of this article.

Article 6

SHIPPING AND AIR TRANSPORT

1. Profits of an enterprise from the operation of ships or aircraft in international traffic (including any such profits from participation in a pooled shipping or air service, in a joint shipping or air transport operating organisation or in a shipping or air transport operating agency) shall be taxable only 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 likewise apply to profits derived from the operation of vessels engaged in fishing, sealing or whaling activities on the high seas.

4. Where an enterprise is carried on by one or more partners who are residents of one of the Contracting States and by one or more partners who are residents of the other Contracting State, and it is not feasible to determine in which of the Contracting States the effective management of the enterprise is situated, profits of the enterprise from such operations as are mentioned in paragraphs 1 and 3 shall be taxable in the respective Contracting States in proportion to the share or shares held by the partner or partners who are residents of the particular Contracting State. The profits so taxable in one Contracting State shall be exempt from tax in the other Contracting State.

5. Where the effective place of management of a joint air transport organisation, membership of which is composed of residents of Norway and residents of some other State or States (none of which is Ireland), is in the area comprised of all of those States (including Norway) and it is not feasible to determine in which State to the exclusion of the other States it is situated then the shares of the members who are residents of Norway of the profits of the organisation from the operation of aircraft in international traffic shall be exempt from Irish tax.

Article 7

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 8

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 also 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 be limited pursuant to the provisions of sub-paragraphs (a) and (b) :

- (a) Dividends paid by a company which is a resident of Ireland to a resident of Norway shall be exempt from Irish sur-tax.
- (b) Tax imposed in Norway on dividends paid by a company which is a resident of Norway to a resident of Ireland shall not exceed 10 per cent of the gross amount thereof. Where, however, the recipient of the dividends is a company (other than a partnership) which holds at least 25 per cent of the share-capital of the Norwegian company carrying full voting rights, such dividends shall be exempt from Norwegian tax.

The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of these limitations.

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

3. Dividends paid by a company which is a resident of Ireland to a company which is a resident of Norway shall be exempt from Norwegian tax. This exemption shall not apply unless in accordance with the laws of Norway the dividends would have been exempt from Norwegian tax if the first-mentioned company had been a resident of Norway and not a resident of Ireland.

4. The term "dividends" as used in this Article means income from shares, mining shares, founder's 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.

5. 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 dividends shall remain taxable in that other State according to its own law.

6. 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 undistributed 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.

Article 9

INTEREST

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

2. The term "interest" 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, by the taxation law of the State in which the income arises, to income from money lent.

3. The provisions of paragraph 1 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 interest shall remain taxable in that other Contracting State according to its own law.

4. 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 Convention.

Article 10

ROYALTIES

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

2. The term "royalties" as used in this article means payments of any kind received as a consideration of the use of, or the right to use, any copyright of literary, artistic or scientific work (including cinematograph films and films or tapes for radio or television broadcasting), 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.

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 royalties shall remain taxable in that other Contracting State according to its own law.

4. 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 Convention.

Article 11

UNDIVIDED ESTATES

1. Where under the provisions of this Convention a resident of Ireland is entitled to exemption or relief from Norwegian tax, similar exemption or relief shall be applied to the undivided estates of deceased persons in so far as one or more of the beneficiaries is a resident of Ireland.

2. Norwegian tax on the undivided estate of a deceased person shall, in so far as the income accrues to a beneficiary who is resident in Ireland, be allowed as a credit under article 23.

Article 12

CAPITAL GAINS

1. Gains from the alienation of immovable property, as defined in paragraph 2 of article 4, 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. However, gains from the alienation of movable property of the kind referred to in paragraph 3 of article 22 shall be taxable only in the Contracting State in which such moveable property is taxable according to the said article.

3. Gains from the alienation of any property other than those mentioned in paragraphs 1 and 2, shall be taxable only in the Contracting State of which the alienator is a resident.

4. The provisions of paragraph 3 shall not affect the right of Norway to levy a tax according to its own law on gains from the alienation of shares in a company resident in Norway and derived by an individual who is a resident of Ireland, provided that he has been a resident of Norway in the course of the last five years preceding the alienation of such shares.

Article 13

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 such a 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, dentists, and accountants.

Article 14

INCOME FROM EMPLOYMENT

1. Subject to the provisions of articles 15, 17, 18, 19 and 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, an individual who

sojourns in one of the Contracting States solely for the purpose of an employment exercised in that State, and who immediately prior to such sojourn was a resident of the other Contracting State, shall be taxable only in the last-mentioned State in respect of the remuneration from that employment if :

- (a) he is present in the first-mentioned 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 first-mentioned State, and
- (c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the first-mentioned State.

3. Notwithstanding the preceding provisions of this article remuneration in respect of an employment exercised aboard a ship or aircraft in international traffic may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

The provisions of the present paragraph shall likewise apply to remuneration derived by a resident of a Contracting State in respect of an employment exercised aboard a fishing, sealing or whaling vessel, and to remuneration paid to him in the form of a certain lay or share of the proceeds of the fishing, sealing or whaling activity.

Article 15

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 or of the committee of the shareholders' representatives (*representantskapet*) of a company which is a resident of the other Contracting State may be taxed in that other State.

Article 16

ARTISTES AND ATHLETES

Notwithstanding the provisions of articles 13 and 14, income derived by public entertainers, such as theatre, motion picture, radio, or television artistes, and musicians, and by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.

Article 17

PENSIONS

Subject to the provisions of paragraphs 1 and 3 of article 18, 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 18

PUBLIC REMUNERATIONS, ETC.

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 (other than an individual who is a national of and a resident of the other Contracting State and who is not also a national of the first-mentioned State) in respect of services rendered to the first-mentioned State or subdivision or local authority thereof as an employee or office-holder thereunder may be taxed in that State.

2. The provisions of articles 14, 15 and 17 shall apply to remuneration or pensions in respect of services rendered in connection with any trade or business carried on by one of the Contracting States or a political subdivision or local authority thereof.

3. Pensions and all other allocations, whether periodical or not, paid by, or out of funds created by, a Contracting State or a political subdivision or a local authority thereof in the execution of the social legislation of that State may be taxed in that State.

Article 19

STUDENTS AND APPRENTICES

An individual who sojourns in one of the Contracting States solely

(a) as a student at a university, college or school in that Contracting State,

- (b) as a business, agricultural, forestry or technical apprentice in that Contracting State, or
- (c) as the recipient, from a religious, charitable, scientific or educational organisation, of a grant, allowance or award for the primary purpose of study or research which he undertakes at a university, research institute, college or other similar establishment in that Contracting State

and who immediately prior to such sojourn was a resident of the other Contracting State shall not be taxed in the first-mentioned State in respect of :

- (i) remittances from sources outside that first-mentioned State for the purposes of his maintenance, education or training;
- (ii) such grant, allowance or award as is mentioned at (c) above;
- (iii) any scholarship grant.

Remuneration for services rendered in the first-mentioned State by such individual, for a period or periods not exceeding in the aggregate 183 days in the fiscal year concerned, shall likewise not be taxed in that State, provided that such services are directly related to his studies, training or research or are undertaken for the sole purpose of his maintenance.

Article 20

PROFESSORS, TEACHERS AND RESEARCHERS

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

Article 21

INCOME NOT EXPRESSLY MENTIONED

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

Chapter IV
TAXATION OF CAPITAL

Article 22

CAPITAL

1. Capital represented by immovable property, as defined in paragraph 2 of article 4, may be taxed in the Contracting State in which such property is situated.

Debts connected with immovable property which a resident of a Contracting State has in the other Contracting State shall, for the computation of net capital, be deductible in that other Contracting State on the same conditions as it is deductible for residents of that State.

2. Capital 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 vessels operated in fishing, sealing and whaling activities as mentioned in article 6, as well as movable property pertaining to the operations of such ships, aircraft and vessels, shall be taxable only in the Contracting State in which the profits derived from such activities are taxable according to the provisions of article 6.

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

Chapter V
METHODS FOR ELIMINATION OF DOUBLE-TAXATION

Article 23

1. Subject to the provisions of the law of Ireland regarding the allowance as a credit against Irish tax of tax payable in a territory outside Ireland, Norwegian tax (exclusive of the municipal income tax) payable under the laws of Norway and in accordance with this Convention, whether directly or by deduction, in respect of income from sources within Norway shall be allowed as a credit against any Irish tax payable in respect of that income. Where such income is an ordinary dividend paid by a company which is a resident of Norway the credit shall take into account the Norwegian tax payable by the company in respect of its profits; and, where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to

which the shares are entitled and an additional participation in profits, the Norwegian tax so payable by the Company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

2. Income from sources within Ireland shall be exempt from Norwegian tax if the income in accordance with this Convention may be taxed in Ireland either directly or by deduction :

Provided that :

- (i) where such income is a dividend paid by a company being a resident of Ireland to a person resident in Norway, not being a company which is exempt from Norwegian tax according to the provisions of paragraph 3 of article 8, whether or not such person is also resident in Ireland, Norwegian tax shall be charged on such a sum as would after deduction of the Irish income tax appropriate thereto correspond to the amount received, but that amount of Irish income tax appropriate to such dividend shall be allowed as a credit against any Norwegian tax payable in respect of that income;
- (ii) when the Irish income tax appropriate to the dividend has been wholly relieved or reduced for a limited period of time, the credit against Norwegian tax shall be allowed in an amount equal to the Irish income tax which would have been appropriate to the dividend if no such relief had been given or no such reduction had been allowed.

3. In the case of an individual who is resident in Ireland for the purposes of Irish tax and is also resident in Norway for the purposes of Norwegian tax, the provisions of paragraph 1 shall apply in relation to income which that person derives from sources within Norway, and the provisions of paragraph 2 shall apply in relation to income which that person derives from sources within Ireland. If such person derives income from sources outside both Ireland and Norway, tax may be imposed on that income in both Contracting States (subject to the laws in force in the Contracting States and to any Convention which may exist between either of the Contracting States and the territory from which the income is derived) but the Norwegian tax on any part of that income which is subjected to tax in both Contracting States shall be limited to tax on one-half of such part, and the Irish tax on such part shall be reduced by a credit, in accordance with paragraph 1, in respect of the Norwegian tax so computed.

4. Notwithstanding the provisions of paragraph 3, income derived from sources in the United Kingdom by an individual who is resident in Ireland

shall be deemed to be income from sources in Ireland if such income is not subject to United Kingdom income tax.

5. If, in accordance with article 22, capital belonging to a person resident in Norway, whether or not such person is also resident in Ireland, may be taxed in Ireland, such capital shall be exempt from Norwegian tax.

6. The graduated rate of Norwegian tax to be imposed on residents of Norway may be calculated as though income or capital exempted under this Convention were included in the amount of the total income or capital.

7. For the purposes of this article, profits or remuneration arising from the exercise of a profession or employment in a Contracting State shall be deemed to be income from sources within that Contracting State, and the services of an individual whose services are wholly or mainly performed in ships (including fishing, sealing and whaling vessels) or aircraft operated by a resident of a Contracting State shall be deemed to be performed in that Contracting State.

Chapter VI

SPECIAL PROVISIONS

Article 24

PERSONAL ALLOWANCES FOR NON-RESIDENTS

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

2. Individuals who are residents of Ireland shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Norwegian tax as those to which Norwegian nationals not resident in Norway may be entitled.

Article 25

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) in relation to Ireland, all citizens of Ireland and all legal persons, partnerships and associations deriving their status as such from the law in force in Ireland,
- (b) in relation to Norway, all citizens of Norway and all legal persons, partnerships and associations deriving their status as such from the law in force in Norway.

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

This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

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.

5. The provisions of this article shall not be construed as obliging :

- (a) Ireland to grant to any company other than a company incorporated in Ireland and resident therein for the purposes of income tax, any relief or exemption allowed in accordance with the provisions of :
 - (i) the Finance (Profits of Certain Mines) (Temporary Relief from Taxation) Act, 1956 (No. 8 of 1956), as subsequently amended, or
 - (ii) Part II of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956), as subsequently amended, or
 - (iii) Chapter II or Chapter III of Part XXV of the Income Tax Act, 1967 (No. 6 of 1967), as subsequently amended;
- (b) Norway to grant to nationals of Ireland the exceptional tax relief which is accorded to Norwegian nationals and persons born of parents having Norwegian nationality pursuant to Section 22 of the Norwegian Taxation Act for the Rural Districts and Section 17 of the Norwegian Taxation Act for the Urban Districts.

6. In this article the term “taxation” means taxes of every kind and description.

Article 26

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

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 27

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 and shall not be disclosed to any persons or authorities other than persons, including a court or other adjudicating authority, concerned with the assessment or collection of the taxes which are the subject of the Convention.

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

- (a) to carry out administrative measures at variance with the laws or the administrative practice of that or of the other Contracting State;
- (b) 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;
- (c) 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 28

TERRITORIAL EXTENSION

This Convention may be extended, either in its entire[t]y or with any necessary modifications, to any part of the territory of Norway, which is specifically excluded from the application of the Convention, in which taxes are imposed which are 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 diplomatic channels or in any other manner in accordance with their constitutional procedures.

Article 29

DIPLOMATIC AND CONSULAR OFFICIALS

Nothing in this Convention shall affect the fiscal privileges of diplomatic or consular officials under the general rules of international law or under the provisions of special agreements.

In so far as, on account of fiscal privileges granted to diplomatic or consular officials under the general rules of international law or under the provisions of special international treaties, income or capital is not subject to tax in the receiving State, the right to tax shall be reserved to the sending State irrespective of the provisions of this Convention.

Chapter VII

FINAL PROVISIONS

Article 30

ENTRY INTO FORCE

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 upon the exchange of instruments of ratification and its provisions shall have effect :

(a) in Ireland :

(1) in respect of income tax (including sur-tax) for the year of assessment beginning on the 6th April, 1967, and subsequent years;

(2) in respect of corporation profits tax, for any accounting period beginning on or after the 1st April, 1967, and for the unexpired portion of any accounting period current at that date;

(b) in Norway :

in respect of taxes on income and capital for the year of assessment beginning on the 1st January, 1967, and subsequent years.

3. The Agreement dated the 18th October, 1954,¹ between the Government of Ireland and the Royal Norwegian Government for the avoidance of double taxation on income derived from the business of sea and air transport shall not have effect for any period for which the present Convention has effect.

Article 31

TERMINATION

This Convention shall remain in force indefinitely, but either of the Contracting States may terminate the Convention, through diplomatic channels, by giving notice of termination at least six months before the end of any

¹ United Nations, *Treaty Series*, vol. 553, p. 123.

calendar year after the year 1972. In such event the Convention shall cease to have effect :

(a) in Ireland :

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

(b) in Norway :

in respect of taxes on income and capital for any year of assessment beginning on or after the 1st January in the calendar year next following that in which such notice is given.

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

DONE at Dublin, this 21st day of October, 1969, in duplicate, in the English language.

For the Government of Ireland :
P. J. HILLERY

For the Government of Norway :
PAUL KOHT