

No. 12052

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**FRANCE**  
**and**  
**LUXEMBOURG**

**Convention for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance with respect to extraordinary taxes on fortune. Signed at Paris on 1 April 1958**

*Authentic text : French.*

*Registered by France on 9 October 1972.*

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**FRANCE**  
**et**  
**LUXEMBOURG**

**Convention tendant à éviter les doubles impositions et à établir des règles d'assistance administrative réciproque en matière d'impôts extraordinaires sur le capital. Signée à Paris le 1<sup>er</sup> avril 1958**

*Texte authentique : français.*

*Enregistrée par la France le 9 octobre 1972.*

## [TRANSLATION — TRADUCTION]

CONVENTION<sup>1</sup> BETWEEN FRANCE AND THE GRAND DUCHY OF LUXEMBOURG FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF RULES OF RECIPROCAL ADMINISTRATIVE ASSISTANCE WITH RESPECT TO EXTRAORDINARY TAXES ON FORTUNE

The French Government and the Government of the Grand Duchy of Luxembourg,

Desiring to ensure, so far as possible, that fortune owned by individuals or bodies corporate domiciled or established in one of the two States and having its physical or legal *situs* in the other State shall not be liable to both the national solidarity tax instituted by the French Ordinance of 15 August 1945 and the tax on fortune instituted by the Luxembourg Act of 8 July 1946,

Have agreed on the following provisions :

*Article 1*

The taxation of fortune owned by individuals shall be subject to the following rules :

- (a) Immovables and tangible movables other than gold bullion or coin and bank-notes which are situated in one of the two States shall be taxable in that State;
- (b) Business or industrial concerns operated in one of the two States shall be taxable in that State.

In this connexion, a business or industrial concern shall be deemed to include, in particular, plant and merchandise; leasehold rights, goodwill, patents, trade-marks and other intangible assets; and outstanding debts, securities and bank deposits pertaining to the concern.

*Article 2*

All other fortune owned by individuals shall be taxed in the State in which such individuals have their fiscal domicile.

Subject to the provisions of the last sub-paragraph of article 1, the foregoing provision shall apply in particular to debts, to government securities, to stocks,

<sup>1</sup> Came into force on 9 February 1960 by the exchange of the instruments of ratification, which took place at Luxembourg, in accordance with article 7.

bonds and shares issued by companies, collective entities or bodies of whatsoever kind, to gold bullion or coin and to bank-notes.

For the purposes of this Convention, the fiscal domicile of an individual is his place of normal residence, this term being understood to mean his permanent home.

### *Article 3*

Notwithstanding the foregoing provisions, the Grand Duchy of Luxembourg shall tax, without prejudice to such taxes as may be levied in France, the assets referred to in article 5, items 7 to 9, of the Luxembourg Act of 8 July 1946.

### *Article 4*

Persons domiciled in the Grand Duchy of Luxembourg who fled to France as a consequence of the war shall be deemed to have retained their domicile in the Grand Duchy of Luxembourg, unless it is established that they have transferred it to France.

### *Article 5*

Companies and other bodies corporate having their head office in one of the two States shall be taxable only in that State.

### *Article 6*

The two Governments agree to lend each other assistance in the application of the provisions of this Convention; they shall consult together with a view to resolving by agreement any difficulties to which its application may give rise.

### *Article 7*

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

DONE in Paris, in duplicate, 1 April 1958.

For the French Republic :

[Signed]  
LOUIS JOXE

For the Grand Duchy  
of Luxembourg :

[Signed]  
ROBERT ALS