

No. 16843

**UNITED NATIONS
and
UNITED STATES OF AMERICA**

**Exchange of letters constituting an agreement relating to the
reimbursement of income taxes. New York, 30 June
and 12 July 1978**

Authentic text: English.

Registered ex officio on 12 July 1978.

**ORGANISATION DES NATIONS UNIES
et
ÉTATS-UNIS D'AMÉRIQUE**

**Échange de lettres constituant un accord relatif au
remboursement de l'impôt sur le revenu. New York,
30 juin et 12 juillet 1978**

Texte authentique: anglais.

Enregistré d'office le 12 juillet 1978.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED NATIONS AND THE UNITED
STATES OF AMERICA RELATING TO THE REIMBURSE-
MENT OF INCOME TAXES

I

THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA
TO THE UNITED NATIONS

June 30, 1978

UN 2184/5106

Dear Mr. Secretary-General,

I have been authorized to inform you that, in connection with its membership in the United Nations, the United States Government is prepared to reimburse the United Nations for sums utilized to reimburse UNEF/UNDOF staff members subject to payment of United States income taxes in order to equalize the remuneration of such personnel and that of staff members of UNEF/UNDOF not subject to national taxes. To do this, I propose the following agreement establishing the procedure:

"The United States Government understands that the United Nations will reimburse UNEF/UNDOF staff members who are U.S. citizens, or otherwise liable to pay U.S. income taxes, for any U.S. income taxes paid on their UNEF/UNDOF income through a special suspense account. The U.S. Government will be obligated to pay a tax equalization charge as part of its annual payment to UNEF/UNDOF to compensate this special suspense account. This charge will cover actual reimbursements made by the United Nations since the inception of UNEF/UNDOF to UNEF/UNDOF employees subject to U.S. income taxes. This agreement does not cover UNEF/UNDOF employees paid from voluntary funds."

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the United Nations formalizing the tax reimbursement agreement. This agreement shall enter in force on receipt of your letter in reply.

Sincerely yours,

[Signed]
ANDREW YOUNG

His Excellency Mr. Kurt Waldheim
Secretary-General of the United Nations
United Nations, New York

¹ Came into force on 12 July 1978, the date of the letter in reply, in accordance with the provisions of the said letters.

II

THE SECRETARY-GENERAL

12 July 1978

Dear Mr. Ambassador,

Thank you for your letter of 30 June 1978 proposing an agreement by which the United States Government will compensate the United Nations for sums utilized to reimburse U.S. income taxes incurred by UNEF/UNDOF staff members paid under the UNEF/UNDOF budgets. You have proposed agreement by the United Nations to the following text, which would establish the procedure:

[*See letter I*]

I am happy to indicate my concurrence in the above text, on the understanding that it concerns all U.S. income taxes on UNEF/UNDOF income. This exchange of letters constitutes the agreement between the United States Government and the United Nations formalizing this tax reimbursement procedure. This agreement shall enter in force on your receipt of this letter.

Sincerely yours,

[*Signed*]
KURT WALDHEIM

His Excellency Mr. Andrew Young
Ambassador Extraordinary and Plenipotentiary
Permanent Representative of the United States
of America to the United Nations
New York
