

No. 17323

**UNITED STATES OF AMERICA
and
INTER-GOVERNMENTAL MARITIME
CONSULTATIVE ORGANIZATION**

**Exchange of letters constituting an agreement relating to
reimbursement of income taxes. London, 18 May and
8 June 1977**

Authentic text: English.

Registered by the United States of America on 24 November 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
ORGANISATION INTERGOUVERNEMENTALE
CONSULTATIVE DE LA NAVIGATION MARITIME**

**Échange de lettres constituant un accord relatif au rembourse-
ment de l'impôt sur le revenu. Londres, 18 mai et
8 juin 1977**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 24 novembre 1978.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND THE
INTERGOVERNMENTAL MARITIME CONSULTATIVE OR-
GANIZATION RELATING TO REIMBURSEMENT OF INCOME
TAXES

I

EMBASSY OF THE UNITED STATES OF AMERICA
LONDON

May 18, 1977

Dear Mr. Srivastava:

In response to the letter of May 12, 1977, from the Director of Administration of IMCO, I have been authorized to inform you that the United States Government can reimburse the Intergovernmental Maritime Consultative Organization (IMCO) for the sums utilized to reimburse personnel subject to payment of U.S. income tax in order to equalize the remuneration between such personnel and staff members of IMCO not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure:

“The United States Government understands that the Intergovernmental Maritime Consultative Organization (IMCO) will reimburse IMCO 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 income from IMCO, 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 the IMCO to compensate this special suspense account. This charge will cover actual reimbursements made by IMCO to employees subject to U.S. income taxes. This agreement does not cover IMCO employees paid from voluntary funds.”

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the Intergovernmental Maritime Consultative Organization, formalizing the tax reimbursement procedure which will cover reimbursements beginning with taxes paid for calendar year 1977. This agreement shall enter into force upon receipt of your letter in reply.

Sincerely yours,

[Signed]
H. CLAY BLACK
Shipping Attaché

Mr. C. P. Srivastava
Secretary General
Intergovernmental Maritime Consultative
Organization
London

¹ Came into force on 8 June 1977, the date of the letter in reply, in accordance with the provisions of the said letters.

II

*The Secretary-General, Inter-Governmental Maritime Consultative Organization,
to the American First Secretary*

8 June 1977

A2/A/1.01

Dear Mr. Black,

Thank you for your letter of 18 May 1977 proposing a formal agreement by which the United States Government will compensate the Inter-Governmental Maritime Consultative Organization (IMCO) for the sums utilized to reimburse U.S. income taxes incurred by the staff members paid under its regular budget. You proposed agreement to the following text, which would establish the procedure:

[See letter I]

I am happy to indicate the concurrence of the Inter-Governmental Maritime Consultative Organization to the above text, on the understanding that it concerns all U.S. income taxes levied on IMCO income, and to acknowledge that this exchange of letters constitutes the agreement between the United States Government and the Inter-Governmental Maritime Consultative Organization formalizing the tax reimbursements procedure which will enter into force upon receipt of this letter and will cover reimbursements beginning with taxes paid for calendar year 1977.

Yours sincerely,

[Signed]

C. P. SRIVASTAVA
Secretary-General

Mr. Clay Black
First Secretary
United States Embassy
London
