

No. 19717

---

**UNITED STATES OF AMERICA  
and  
INTERNATIONAL COFFEE ORGANIZATION**

**Exchange of letters constituting an agreement concerning  
the reimbursement of income taxes. London, 20 and  
25 March 1980**

*Authentic text: English.*

*Registered by the United States of America on 27 March 1981.*

---

**ÉTATS-UNIS D'AMÉRIQUE  
et  
ORGANISATION INTERNATIONALE DU CAFÉ**

**Échange de lettres constituant un accord relatif au rembour-  
sement de l'impôt sur le revenu. Londres, 20 et 25 mars  
1980**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 27 mars 1981.*

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND THE  
INTERNATIONAL COFFEE ORGANIZATION CONCERNING  
THE REIMBURSEMENT OF INCOME TAXES

I

EMBASSY OF THE UNITED STATES OF AMERICA  
LONDON

March 20, 1980

Dear Mr. Beltrão:

I have been authorized to inform you that the United States Government can reimburse the International Coffee Organization for the sums utilized to reimburse personnel subject to payment of U.S. income tax in order to equalize the remuneration of such personnel and that of staff members of the ICO not subject to national taxes. To do this, I propose below a formal agreement establishing the procedure:

“The United States Government understands that the International Coffee Agreement (ICO) will reimburse ICO 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 ICO 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 the ICO to compensate this special suspense account. This charge will cover actual reimbursements made by the ICO to employees subject to U.S. income taxes. This agreement does not cover employees paid from voluntary funds.

“This agreement may be terminated by either party. Termination shall take effect one year from the date that notice of termination is given.”

Your concurrence in the above paragraph by letter will constitute the agreement between the United States Government and the International Coffee Organization formalizing the tax reimbursement procedure which will enter into force as of January 1, 1980.

Sincerely,

[Signed]

KINGMAN BREWSTER  
Ambassador

Mr. A. Beltrão  
Executive Director  
International Coffee Organization  
London

<sup>1</sup> Came into force on 31 March 1980, upon receipt of the letter in reply, with retroactive effect from 1 January 1980, in accordance with the provisions of the said letters.

## II

*The Executive Director, International Coffee Organization,  
to the American Ambassador*

INTERNATIONAL COFFEE ORGANIZATION  
LONDON, ENGLAND

25 March 1980

Dear Ambassador,

Thank you for your letter of 20 March 1980 proposing a formal agreement by which the United States Government will compensate the International Coffee Organization (ICO) for the sums utilised to reimburse staff subject to the payment of U.S. income taxes. You proposed agreement to the following text, which would establish the procedure:

[See letter I]

I am happy to indicate the concurrence of the International Coffee Organization to the above text, on the understanding that it concerns all U.S. income taxes levied on income received from the ICO, and to acknowledge that this exchange of letters constitutes the agreement between the United States Government and the International Coffee Organization formalising 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 1980.

Yours sincerely,

[Signed]

ALEXANDRE F. BELTRÃO

His Excellency the Honourable Kingman Brewster  
Ambassador of the United States of America  
American Embassy  
London