

**No. 20426**

---

**BRAZIL  
and  
VENEZUELA**

**Agreement for the avoidance of double taxation in the field  
of air transport. Signed at Caracas on 7 November 1979**

*Authentic texts: Portuguese and Spanish.*

*Registered by Brazil on 5 October 1981.*

---

**BRÉSIL  
et  
VENEZUELA**

**Accord tendant à éviter la double imposition dans le  
domaine des transports aériens. Signé à Caracas  
le 7 novembre 1979**

*Textes authentiques : portugais et espagnol.*

*Enregistré par le Brésil le 5 octobre 1981.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA FOR THE AVOIDANCE OF DOUBLE TAXATION IN THE FIELD OF AIR TRANSPORT

The Government of the Federative Republic of Brazil and the Government of the Republic of Venezuela,

Desiring to conclude an Agreement for the avoidance of double taxation in respect of the profits of air transport enterprises,

Having reviewed and ascertained the reciprocity of treatment accorded under the taxation system to which such enterprises are subjected,

Have agreed as follows:

*Article I.* 1. Subject to the provisions of article II of this Agreement, all profits, income and capital gains derived by an enterprise of a Contracting State from the business of air transport in international traffic shall be exempt in the other Contracting State from all the taxes of that other State (except local taxes) which are or may become chargeable on profits, income and capital gains.

2. The provisions of this article shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

*Article II.* 1. The exemption provided for in article I shall apply to any enterprise of a Contracting State which on the date of signature of this Agreement operates scheduled service to an airport situated in the territory of the other Contracting State.

2. Such exemption shall also apply to any air transport enterprise designated under the terms of any air transport agreement which may be concluded in future between the Federative Republic of Brazil and the Republic of Venezuela, or any other bilateral instrument which may supersede it.

3. Any enterprise of a Contracting State which is exempt from tax under the provisions of this Agreement shall submit to the competent authority of the other Contracting State, solely for statistical purposes, an annual statement of its profits and losses from the business of air transport and any related operations in which it engaged in the other Contracting State, without prejudice to its completion of other formalities required by the domestic law of either Contracting State.

*Article III.* 1. The two Contracting States shall endeavour to resolve by mutual agreement, through consultations, any difficulties or doubts arising as to the application of this Agreement.

2. Where direct consultations between the competent authorities prove necessary, they shall be held within a reasonable time after a Contracting State has requested them of the other Contracting State.

<sup>1</sup> Came into force on 11 August 1981, the date of the last of the notifications by which the Parties notified each other of the completion of the required legal procedures, in accordance with article V.

*Article IV.* For the purposes of this Agreement:

(a) The terms “a Contracting State” and “the other Contracting State” mean the Federative Republic of Brazil or the Republic of Venezuela as the context requires;

(b) The term “enterprise of a Contracting State” means the Government of that Contracting State, an individual resident in that Contracting State and not resident in the other Contracting State, or a company or firm established under the law in force and having its place of effective management in that Contracting State;

(c) The term “business of air transport” means the business of transporting persons, livestock, goods or mail by the owner or charterer of aircraft;

(d) The term “competent authority” means, in the case of the Federative Republic of Brazil, the Minister of Finance or the Secretary of Federal Revenue or their authorized representatives and, in the case of Venezuela, the Revenue Department of the Ministry of Finance or its authorized representative.

*Article V.* Each Contracting State shall notify the other in writing through the diplomatic channel of the completion of the procedures required by its law to bring this Agreement into force. The Agreement shall enter into force on the date of the latter of these notifications and shall thereupon have effect as regards profits, income or capital gains arising on or after 1 January 1979.

*Article VI.* This Agreement shall remain in force indefinitely, but either Contracting Party may terminate it by giving notice in writing to the other Contracting Party through the diplomatic channel on or before 30 June in any calendar year. In such event, it shall cease to have effect as regards profits, income and capital gains arising after 31 December of the year in which the notice of termination has been given.

DONE at Caracas on 7 November 1979 in duplicate, in the Portuguese and Spanish languages, both texts being equally authentic.

For the Government  
of the Federative Republic of Brazil:

[Signed]

RAMIRO SARAIVA GUERREIRO

For the Government  
of the Republic of Venezuela:

[Signed]

JOSÉ ALBERTO ZAMBRANO VELASCO