

No. 21784

**FRANCE
and
SWITZERLAND**

Agreement concerning tax treatment of gifts made for non-profit purposes. Signed at Paris on 30 October 1979

Authentic text: French.

Registered by France on 30 March 1983.

**FRANCE
et
SUISSE**

Accord concernant le traitement fiscal des libéralités faites dans des buts désintéressés. Signé à Paris le 30 octobre 1979

Texte authentique : français.

Enregistré par la France le 30 mars 1983.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE SWISS FEDERAL COUNCIL CONCERNING TAX TREATMENT OF GIFTS MADE FOR NON-PROFIT PURPOSES

The Government of the French Republic and the Swiss Federal Council, acting on behalf of the Cantons of Zurich, Berne, Lucerne, Uri, Unterwald-le-Haut, Glaris, Zoug, Fribourg, Bâle-Ville, Bâle-Campagne, Shaffhouse, Appenzell Rhodes-Extérieures, Appenzell Rhodes-Intérieures, Saint Gall, Grisons, Argovie, Thurgovie, Vaud and Neuchâtel,

Desiring to facilitate the transfer of gifts and legacies to public bodies and wholly non-profit organizations,

Considering that the tax laws in effect both in France and in the Swiss Cantons provide for the exemption of gifts and legacies to public bodies and wholly non-profit organizations,

Desiring to extend this exemption to the public bodies and non-profit organizations of the other State, subject to reciprocity,

Have agreed to the following provisions:

Article 1. 1. Gifts and legacies consisting of movable or immovable property, transferred or bequeathed to the Swiss Confederation, the Swiss Cantons, which are Parties to this Agreement, their communes or other local governments shall be exempt in France from transfer duties *inter vivos* and by death.

2. The same exemption shall apply to gifts and legacies transferred or bequeathed to wholly non-profit Swiss organizations, engaged in activities, *inter alia*, in the scientific, artistic, cultural or charitable fields, provided that this exemption is granted to organizations of the same nature set up or organized in France.

Article 2. 1. The gifts and legacies consisting of movable or immovable property, transferred or bequeathed to the French Republic (State, political subdivisions and local governments) shall be exempt, in the Cantons which are Parties to this Agreement, from gift taxes and succession duties (hereditary shares tax and estate tax).

2. The same exemption shall apply to gifts and legacies transferred or bequeathed to wholly non-profit French organizations, engaged in activities, *inter alia*, in the scientific, artistic, cultural or charitable fields, provided that this exemption is granted to organizations of the same nature set up or organized in the Cantons which are Parties to this Agreement.

Article 3. Only the competent authorities of the two Contracting States, namely, for France, the Minister of the Budget (Tax Law Department) and, for

¹ Came into force on 5 January 1982, the date of the last of the notifications (effected on 30 October 1979 and 5 January 1982) by which the Parties informed each other of the completion of the required constitutional procedures, in accordance with article 4 (1).

Switzerland, the Federal Tax Administration, acting on behalf of the Cantons which are Parties to this Agreement, may communicate directly with each other. They shall endeavour to settle by amicable agreement disputes which may arise from the implementation of this Agreement.

Article 4. 1. Each of the States shall notify the other of the completion of the required constitutional procedures for the implementation of this Agreement. It shall enter into force on the date of the later notification. Its provisions shall apply for the first time to gifts made and estates opened following its entry into force.

2. Other Swiss Cantons may, through the Swiss Federal Council, accede to this Agreement. The Swiss Federal Council shall notify the Government of the French Republic of each new accession. For each acceding Canton, this Agreement shall enter into force on the date of notification.

Article 5. 1. This Agreement shall remain in force as long as it is not denounced.

2. The Government of the French Republic may denounce this Agreement, with regard to one, several or all of the Cantons, by notifying the Swiss Federal Council. The Swiss Federal Council shall notify the Government of the French Republic of the denunciation of any or all of the Cantons which are Parties or which have acceded to the Agreement.

3. The denunciation shall take effect one month after the notification provided for in the preceding paragraph.

DONE at Paris on 30 October 1979, in two copies, in the French language.

For the Government
of the French Republic:

[Signed]

JEAN MEADMORE
Director of the Office
for French Nationals Abroad

For the Swiss Federal Council:

[Signed]

FRANÇOIS DE ZIEGLER
Ambassador of Switzerland
to France