

No. 22351

**ISRAEL
and
ITALY**

**Convention for the avoidance of double taxation with
respect to taxes on income and capital. Signed at Rome
on 22 April 1968**

Authentic texts: Hebrew, Italian and English.

Registered by Israel on 20 September 1983.

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et
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**Convention tendant à éviter la double imposition en matière
d'impôts sur le revenu et sur la fortune. Signée à Rome
le 22 avril 1968**

Textes authentiques : hébreu, italien et anglais.

Enregistrée par Israël le 20 septembre 1983.

CONVENTION¹ BETWEEN THE STATE OF ISRAEL AND THE ITALIAN REPUBLIC FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND CAPITAL

The Government of the State of Israel and the Government of the Italian Republic, desirous of concluding a convention between them for the avoidance of double taxation with respect to taxes on income and capital, have agreed upon the following articles:

Article I. 1. This Convention shall apply to taxes on income and capital imposed on behalf of each Contracting State irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income and capital all taxes imposed on total income, on total capital or on the elements of income or of capital, including taxes on profits derived from alienation of movable or immovable property, taxes on the total amount of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

3. The existing taxes to which this Convention shall apply are in particular:

(a) In the case of Israel:

- (i) The income tax; including
- (ii) The company tax;
- (iii) Land betterment tax; and
- (iv) Property tax and compensation fund law 1961.

(b) In the case of Italy:

- (i) The tax on land (*imposta sul reddito dei terreni*);
- (ii) The tax on buildings (*imposta sul reddito dei fabbricati*);
- (iii) The tax on income from movable wealth (*imposta sui redditi di ricchezza mobile*);
- (iv) The tax on agricultural income (*imposta sui redditi agrari*);
- (v) The complementary tax (*imposta complementare progressiva sul reddito [complessivo]*);
- (vi) The tax on companies (*imposta sulle società*); and
- (vii) The tax on bonds (*imposta sulle obbligazioni*).

4. This Convention shall also apply to any identical or substantially similar taxes which are subsequently imposed on behalf of each Contracting State in addition to, or in place of, the existing taxes. At the end of each year, the competent authorities of the Contracting States shall notify to each other any changes which have been made in their respective taxation laws.

5. The competent authorities of the Contracting States shall by mutual agreement resolve any doubts which may arise as to the taxes to which this Convention ought to apply.

¹ Came into force on 8 August 1973, upon exchange of the instruments of ratification, which took place at Jerusalem, in accordance with article XXIV.

Article II. 1. In the present Convention, unless the context otherwise requires:

(a) The terms “one of the Contracting States” and “the other Contracting State” mean Israel or Italy as the context requires.

(b) The term “person” comprises an individual and any body of persons, corporate or not corporate.

(c) The term “company” means any body corporate or any entity which is treated as a body corporate for tax purposes.

(d) The terms “enterprise of one of the Contracting States” and “enterprise of the other Contracting State” mean respectively an enterprise carried on by a resident of one of the Contracting States and an enterprise carried on by a resident of the other Contracting State.

(e) (1) For the purposes of this Convention, the term “resident” of a Contracting State means any person who, under the law of that State, is liable to taxation therein by reason of his domicile, residence, place of management or any other similar criterion.

(2) Where by reason of the provisions of the preceding paragraph an individual is a resident of both Contracting States, then this case shall be solved in accordance with the following rules:

- (i) He shall be deemed to be a resident of the Contracting State in which he has a permanent home available to him. If he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident of the Contracting State with which his personal and economic relations are closest (centre of vital interests);
- (ii) If the Contracting State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either Contracting State, he shall be deemed to be a resident of the Contracting State in which he has an habitual abode;
- (iii) If he has an habitual abode in both Contracting States or in neither of them, the competent authorities of the Contracting States shall determine the question by mutual agreement.

(3) Where by reason of the provisions of paragraph 1 a legal person is a resident of both Contracting States, then it shall be deemed to be a resident of the Contracting State in which its place of effective management is situated. The same provision shall apply to partnerships and associations which are not legal persons under the national laws by which they are governed.

(f) (1) The term “permanent establishment” means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

(2) A permanent establishment shall include especially:

- (i) A place of management;
- (ii) A branch;
- (iii) A factory;
- (iv) An office;
- (v) A workshop;

- (vi) A mine, quarry or other place of extraction of natural resources;
- (vii) A building site or construction or assembly project which exists for more than twelve months.

(3) The term "permanent establishment" shall not be deemed to include:

- (i) The use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
- (ii) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
- (iii) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
- (iv) The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information for the enterprise;
- (v) The maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character for the enterprise.

(4) A person acting in a Contracting State on behalf of an enterprise of the other Contracting State—other than an agent of an independent status to whom paragraph 5 applies—shall be deemed to be a permanent establishment in the first mentioned State if he has, and habitually exercises in that State, an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.

(5) An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the ordinary course of their business.

(6) The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

(g) The term "competent authority" means in the case of Israel the Minister of Finance or his authorised representative, and in the case of Italy the Minister of Finance, General Directorship for Direct Taxation.

2. As regards the application of the present Convention by one of the Contracting States any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of the present Convention.

Article III. 1. Income from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

2. The provisions of the preceding paragraph shall also apply in case where a shipping or air transport enterprise of one of the Contracting States carries on

an agency in the other Contracting State but only on so much of the activity of that agency exclusively concerned with the sale of tickets with regard to the carriage of passengers or cargo by ships and aircraft (belonging or not to that enterprise), including the connecting service.

3. In case where an air transport enterprise of one of the Contracting States participates in a pool, in a joint business or in an international operating agency, the provisions of the preceding paragraph shall also apply to profits obtained by the said enterprise through the type of cooperation described above.

Article IV. 1. Income from immovable property may be taxed in the Contracting State in which such property is situated.

2. The term “immovable property” shall be defined in accordance with the laws of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment of agricultural and forestry enterprises, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraphs 1 and 2 above shall apply to income derived from the direct use, or from the letting of immovable property or the use in any other form of such property, including income from agricultural or forestry enterprises. They shall likewise apply to profits from the alienation of immovable property.

4. The provisions of paragraphs 1 to 3 above shall apply to the income from immovable property of any enterprises other than agricultural or forestry enterprises and to income from immovable property used for the performance of professional services.

Article V. 1. Capital represented by immovable property, as defined in paragraph 2 of article IV, may be taxed in the Contracting State in which such property is situated.

2. Subject to the provisions of paragraph 1 above, capital represented by assets forming part of the business property employed in a permanent establishment of an enterprise, or by assets pertaining to a fixed base used for the performance of professional services, may be taxed in the Contracting State in which the permanent establishment or fixed base is situated.

3. Ships and aircraft operated in international traffic and assets other than immovable property pertaining to the operation of such ships and aircraft, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

4. All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

5. For the purpose of this article the tax on bonds (*imposta sulle obbligazioni*) is not deemed to be a tax on capital.

Article VI. 1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the

enterprise carries on business as aforesaid, tax may be imposed in the other State on the profits of the enterprise but only on so much of them as is attributable to that permanent establishment.

2. Where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing quite independently with the enterprise of which it is a permanent establishment.

3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions all expenses which are incurred for the purposes of the permanent establishment including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

5. For the purpose of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

Article VII. Where:

- (a) An enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
- (b) The same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, except for those conditions have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

Article VIII. Director's fees and similar payments derived by a resident of a Contracting State in his capacity as a member of the Board of Directors of a company which is a resident of the other Contracting State may be taxed in that other State.

Article IX. Income derived by a resident of a Contracting State in respect of professional services or other independent activities of a similar character shall be taxable only in that State unless he has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities. If he has such a fixed base, such part of that income as is attributable to that base may be taxed in that other State.

Article X. 1. Subject to the provisions of articles VIII and XI salaries, wages and other similar remuneration derived by a resident of a Contracting

State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.

2. Notwithstanding the provisions of paragraph 1 above, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first mentioned State if:

- (a) The recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in the fiscal year concerned, and
- (b) The remuneration is paid by, or on behalf of an employer who is not a resident of the other State, and
- (c) The remuneration is not deducted from the profits of a permanent establishment or a fixed base which the employer has in the other State.

3. Notwithstanding the preceding provisions of this article, remuneration for personal services performed aboard a ship or aircraft in international traffic, may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

Article XI. 1. Remuneration, including pensions, paid by or out of funds created by a Contracting State or a local authority thereof to any individual in respect of services rendered to that State, or local authority thereof in the discharge of functions of a governmental nature may be taxed in that State. They shall not be taxed in the other Contracting State if the payment is made to a citizen of the first mentioned State.

2. The provisions of articles VIII, X, and XII shall apply to remuneration and pensions in respect of services rendered in connection with any trade or business carried on by one of the Contracting States or a local authority thereof.

3. In this article and article XII, the term "pension" means periodic payments made in consideration of past services or by way of compensation for injuries received.

Article XII. 1. Subject to the provisions of paragraph 1 of article XI, pensions and other similar remuneration paid in consideration of past employment and annuities shall be taxable only in the Contracting State of which the recipient is a resident.

2. In this article the term "annuity" means a stated sum payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

Article XIII. Notwithstanding anything contained in this Convention, income derived by public entertainers, such as theatre, motion pictures, radio or television artists and musicians, and by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.

Article XIV. A resident of one of the Contracting States who, at the invitation of a university, college or other establishment for higher education or scientific research in the other Contracting State visits that other Contracting State solely for the purpose of teaching or scientific research at such institutions,

for a period not exceeding two years, shall not be taxed in that other Contracting State on his remuneration for such teaching or research.

Article XV. A resident of one of the Contracting States who is temporarily present in the other Contracting State solely:

- (a) As a student at a recognized university, college or school in such other State,
- (b) As a business apprentice, or to acquire technical, professional or business experience, or
- (c) As the recipient of a grant, allowance or award for the primary purposes of study or research from a religious, charitable, scientific or recognized educational organization,

shall not be taxed in such other State in respect of remittances from abroad for the purposes of his maintenance, education or training.

Article XVI. 1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, the Contracting State in which interest arises has the right to tax such interest according to its own law, but the rate of the tax which it charges may not exceed 15 per cent of the amount of the interest. The competent authorities of the two States shall by mutual agreement settle the mode of application of this limitation.

3. The term "interest" as used in this article means income from Government securities, bonds or debentures, whether or not secured by mortgage and whether or not carrying a right to participate in profits, and debt-claims of every kind, as well as all other income assimilated to income from money lent by the taxation law of the State in which the income arises.

4. The provisions of the foregoing paragraphs shall not apply where the recipient carries on business in the other Contracting State through a permanent establishment situated therein and such interest is attributable to that permanent establishment; in such event

- (a) In Israel article VI of this Convention shall be applicable;
- (b) In Italy the laws of Italy shall be applicable.

5. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, or a political sub-division, a local authority or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment for the requirements of which the loan on which interest is paid was effected, and such interest is borne by such permanent establishment, then such interest shall be deemed to arise in the Contracting State in which the permanent establishment is situated.

6. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the interest paid, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the Contracting States' own laws, due regard being had to the other provisions of this Convention.

Article XVII. 1. Dividends paid to a resident of one of the Contracting States by a company resident of the other Contracting State may not be taxed in that other Contracting State at a rate exceeding 25 per cent.

2. The term “dividends” as used in this article means income from shares, *jouissance* shares or *jouissance* rights, founders’ shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights assimilated to income from shares by the taxation law of the State of which the company making the distribution is a resident.

3. The provisions of paragraphs 1 and 2 shall not apply if the recipient of the dividends, being a resident of a Contracting State, has in the other Contracting State of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case article VI shall be applicable.

4. Where a company which is a resident of a Contracting State receives profits or income from the other Contracting State, such other State may not levy any tax on the dividends paid by the company to persons who are not residents of that other State, or subject the company’s undistributed profits to a tax on undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

Article XVIII. 1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State.

2. The term “royalties” as used in this article means payments of any kind received as consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, any patent, trade mark, design or model plan, secret formula or process, or for the use of, or the right to use industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.

3. Profits from the alienation of any rights or property mentioned in paragraph 2 shall be taxable only in the Contracting State of which the alienator is a resident.

4. There shall not be treated as royalties any variable or fixed payments for the working of mineral deposits, sources and other natural resources. In such cases articles IV and V, relating to the taxation of income from immovable property, shall apply.

5. The provisions of paragraphs 1 and 3 shall not apply if the recipient of the royalties, or the profits, being a resident of a Contracting State, has in the other Contracting State, in which the royalties arise, a permanent establishment with which the right or property giving rise to the royalties is effectively connected. In such a case article VI shall be applicable.

6. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties paid, having regard to the use, rights or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the Contracting [State’s] own laws, due regard being had to the other provisions of this Convention.

Article XIX. 1. It is agreed that double taxation shall be avoided in the following manner:

(a) The Italian Government in determining its income and capital taxes specified in article 1 of this Convention in the case of its residents or companies may, regardless of any other provision of this Convention, include in the basis upon which such taxes are imposed all items of income or of capital; the Italian Government shall, however, deduct from the taxes so calculated the Israeli tax on income or on capital (not exempt in Israel under this Convention) in the following manner:

(i) If the item of income is, according to the Italian law, subjected to the tax on income from movable wealth, the tax paid in Israel shall be deducted from the tax on income from movable wealth, but in an amount not exceeding that proportion of the aforesaid taxes which such income bears to the entire income.

Where the tax paid in Israel on such income is higher than the deduction so calculated, the difference shall be deducted from the complementary tax or from the tax on companies, as the case may be, but in an amount not exceeding that proportion of the tax which the item of income bears to the entire income;

(ii) If the item of income is only subjected to the complementary tax or to the tax on companies, the deduction shall be granted from the complementary tax or from the tax on companies, as the case may be, but for that part of the tax paid in Israel which exceeds 25 per cent of such item of income. The deduction cannot however exceed that proportion of the complementary tax or of the tax on companies which such income bears to the entire income;

(iii) In so far as taxes on capital are concerned, the Italian Government shall deduct from its tax on capital the tax on capital paid in Israel on the same item of capital. The deduction cannot however exceed that proportion of the Italian tax which the item of capital owned in Israel bears to the entire capital.

(b) In Israel:

(i) Italian tax payable, whether directly or by deduction, in respect of income from sources within Italy shall be allowed as a credit against any Israeli tax payable in respect of that income. Provided that such credit shall not exceed that proportion of the Israeli tax which such income bears to the entire income.

Where such income is an ordinary dividend paid by a company resident in Italy, the credit shall take into account (in addition to any Italian tax appropriate to the dividend) the Italian tax payable by the company in respect of its profits, and where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and additional participation in profits, the Italian tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate;

(ii) Tax on capital paid in the Italian Republic shall be allowed as a credit against Israeli tax on capital on the same item of capital. The credit

cannot however exceed that proportion of the Israeli tax which the item of capital owned in Italy bears to the entire capital.

2. Where, under the laws of one of the Contracting States, any tax to which this Convention applies has been wholly relieved or reduced for a limited period of time then, for the purposes of calculating the deduction from the tax as referred to in paragraph 1 (a) or the credit referred to in paragraph 1 (b), such tax shall be deemed to have been paid.

Article XX. 1. The nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.

2. The term “nationals” means:

- (a) All individuals possessing the nationality of a Contracting State;
- (b) All legal persons, partnerships and associations deriving their status as such from the law in force in a Contracting State.

3. Stateless persons shall not be subjected in a Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that State in the same circumstances are or may be subjected.

4. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities under the same conditions.

This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

5. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned State are or may be subjected.

6. The provisions of paragraphs 4 and 5 shall not be construed as affecting the imposition in Italy of the tax on companies (*imposta sulle società*) charged according to the Italian law.

7. In this Article the term “taxation” means taxes of every kind and description.

Article XXI. 1. Where a resident of a Contracting State considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of those States, lodge a claim to the competent authority of the Contracting State of which he is a resident. Such claim must be lodged within two years from the date of the notification or withholding at the source of the tax lastly imposed.

2. That competent authority shall endeavour, if the claim appears to be justified and if it is not itself able to arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation not in accordance with this Convention.

3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Convention. They may also consult together for the elimination of double taxation in cases not provided for in this Convention.

4. The competent authorities of the Contracting States shall communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a joint commission consisting of representatives of the competent authorities of the Contracting States.

Article XXII. 1. The [competent] authorities of the Contracting States shall exchange such information as is necessary for carrying out the present Convention. The competent authorities, however, are not obliged to supply information which is not obtainable from documents of the tax authorities, but would necessitate special inquiries. The contents of any information so exchanged shall be treated as secret and may only be disclosed to persons or authorities which are, under the laws of that Contracting State, concerned with the assessment and collection of the taxes which are the subject of this Convention. Those persons and authorities are bound to the same secrecy as the competent authorities.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on one of the Contracting States the obligation:

- (a) To carry out administrative measures at variance with the legal provisions or the administrative practice of that State;
- (b) To supply particulars which are not obtainable under the legislation of the one or the other Contracting State.

3. No information shall be exchanged which would disclose any commercial, industrial or professional secret.

Article XXIII. The provisions of the present Convention shall not affect the right to more extensive exemptions which are granted to diplomatic or consular officials by virtue of the general rules of international law or by special agreements. Insofar as, under this system of more extensive exemption, income and capital are not subject to tax in the receiving State, the right to taxation shall be reserved to the State which such officials represent.

Article XXIV. 1. The present Convention shall be ratified, and the instruments of ratification shall be exchanged at Jerusalem as soon as possible.

2. The present Convention shall enter into force upon the exchange of instruments of ratification. It shall apply to income earned, and to capital owned, on or after the first day of January 1962.

Article XXV. The present Convention shall remain in force until denounced by one of the Contracting States. Either Contracting State may denounce the Convention not earlier than five years after its entry into force by giving notice

of termination at least six months before the end of the calendar year. In such case the Convention shall cease to be effective on the first day of January following the expiration of the six-months period.

DONE at Rome, on the 22 April 1968 corresponding to 24 Nisan 5728 in duplicate in the Hebrew, Italian and English languages, each text being equally authentic, except in the case of doubt, when the English text shall prevail.

For the Government
of the State of Israel:

[*Signed — Signé*]¹

For the Government
of the Italian Republic:

[*Signed — Signé*]²

¹ Signed by Ehud Avriel — Signé par Ehud Avriel.

² Signed by Giovanni Vincenzo Soro — Signé par Giovanni Vincenzo Soro.