

No. 24044

**AUSTRALIA
and
INDIA**

**Agreement for the avoidance of double taxation of income
derived from international air transport. Signed at Can-
berra on 31 May 1983**

Authentic texts: English and Hindi.

Registered by Australia on 24 April 1986.

**AUSTRALIE
et
INDE**

**Accord visant à éviter la double imposition des revenus tirés
des transports aériens internationaux. Signé à Canberra
le 31 mai 1983**

Textes authentiques : anglais et hindi.

Enregistré par l'Australie le 24 avril 1986.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF AUSTRALIA
AND THE GOVERNMENT OF THE REPUBLIC OF INDIA FOR
THE AVOIDANCE OF DOUBLE TAXATION OF INCOME
DERIVED FROM INTERNATIONAL AIR TRANSPORT

The Government of Australia and the Government of the Republic of India,
Desiring to conclude an Agreement for the avoidance of double taxation of
income derived from international air transport,

Have agreed as follows:

Article 1

1. The existing taxes to which this Agreement shall apply are

(a) In the case of Australia: the Australian income tax, including the additional tax upon the undistributed amount of the distributable income of a private company (hereinafter referred to as “Australian tax”);

(b) In the case of India:

(i) The income-tax including any surcharge thereon imposed under the Income-tax Act, 1961 (43 of 1961);

(ii) The surtax imposed under the Companies (Profits) Surtax Act, 1964 (7 of 1964),

(hereinafter referred to as “Indian tax”).

2. This Agreement shall also apply to any identical or substantially similar taxes which are imposed after the date of signature of this Agreement in addition to, or in place of, the taxes referred to in paragraph 1 of this Article.

Article 2

1. For the purposes of this Agreement, unless the context otherwise requires

(a) The term “Australia” means the Commonwealth of Australia and, when used in a geographical sense, includes all Territories of Australia;

(b) The term “India” means the territory of India as defined in the Constitution and the Laws of India;

(c) The terms “Contracting State” and “other Contracting State” mean Australia or India, as the context requires;

(d) The term “tax” means “Australian tax” or “Indian tax”, as the context requires;

(e) The term “enterprise of a Contracting State” means an Australian enterprise or an Indian enterprise, as the context requires;

(f) The term “Australian enterprise” means an enterprise that has its place of effective management in Australia;

¹ Came into force on 16 November 1983, i.e., the thirtieth day following the date of the exchange of notes, which took place at New Delhi, by which the Parties had informed each other that the last of all such things had been done in Australia and India as were necessary to give it the force of law, in accordance with article 4 (1).

(g) The term “Indian enterprise” means an enterprise that has its place of effective management in India; and

(h) The term “operation of aircraft in international traffic” means the operation of aircraft in the carriage of persons, livestock, goods or mail between

- (i) Australia and India;
- (ii) Australia and any other country;
- (iii) India and any other country;
- (iv) Countries other than Australia or India;
- (v) Places within a country other than Australia or India,

and, in relation to an enterprise engaged in the operation of aircraft for such carriage, includes the sale of tickets for and the provision of services connected with such carriage, either for the enterprise itself or for any other enterprise engaged in the operation of aircraft for such carriage.

2. In the application of the provisions of this Agreement by a Contracting State, any term used but not defined herein shall, unless the context otherwise requires, have the meaning which it has under the laws in force in that State relating to the taxes to which this Agreement applies.

Article 3

1. Profits derived by an enterprise of a Contracting State from the operation of aircraft in international traffic or arising from the carriage by air of persons, livestock, goods or mail between places in that State, shall be exempt from tax in the other Contracting State.

2. The provisions of paragraph 1 shall also apply to the share of profits from the operation of aircraft in international traffic derived by an enterprise of a Contracting State through participation in a pooled service, in a joint air transport operation or in an international operating agency.

3. For the purpose of paragraph 1, interest on funds connected with the operation of aircraft in international traffic derived by an enterprise of a Contracting State engaged in such operation shall be regarded as income from the operation of aircraft in international traffic.

Article 4

1. This Agreement shall come into operation on the thirtieth day after the date on which the Government of Australia and the Government of the Republic of India exchange notes through the diplomatic channel notifying each other that the last of such things has been done as is necessary to give this Agreement the force of law in Australia and India respectively. The exchange of notes shall take place at New Delhi.

2. The provisions of this Agreement shall have effect in respect of income derived on or after 1 April 1975.

Article 5

This Agreement shall continue in effect indefinitely but either Contracting State may, on or before 30 June in any calendar year after the year 1986, give written notice of termination to the other Contracting State through the diplomatic

channel and in such event this Agreement shall cease to be effective in respect of income derived on or after 1 April in the calendar year next following the year in which the notice of termination is given.

IN WITNESS WHEREOF the undersigned, duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at Canberra this 31st day of May one thousand nine hundred and eighty-three in the English and Hindi languages, the English text to prevail in the case of inconsistency.

For the Government
of Australia:

[Signed — Signé]¹

For the Government
of the Republic of India:

[Signed — Signé]²

¹ Signed by J. S. Dawkins — Signé par J. S. Dawkins.

² Signed by D. Kamtekar — Signé par D. Kamtekar.