

No. 25376

**FRANCE
and
ALGERIA**

Convention for the avoidance of double taxation and to establish rules of reciprocal assistance with respect to taxes on income, succession duties, registration taxes and stamp taxes. Signed at Algiers on 17 May 1982

Authentic texts: French and Arabic.

Registered by France on 6 October 1987.

**FRANCE
et
ALGÉRIE**

Convention en vue d'éviter les doubles impositions et d'établir des règles d'assistance réciproque en matière d'impôts sur le revenu, d'impôts sur les successions, de droits d'enregistrement et de droits de timbre. Signée à Alger le 17 mai 1982

Textes authentiques : français et arabe.

Enregistrée par la France le 6 octobre 1987.

[TRANSLATION — TRADUCTION]

CONVENTION¹ BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME, SUCCESSION DUTIES, REGISTRATION TAXES AND STAMP TAXES

The Government of the French Republic and

The Government of the People's Democratic Republic of Algeria,

Desiring to avoid double taxation and to establish rules of reciprocal assistance with respect to taxes on income, succession duties, registration taxes and stamp taxes,

Have for that purpose agreed on the following provisions:

TITLE I. GENERAL PROVISIONS

Article 1

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

(a) The terms "a State" and "the other State" mean the French Republic or the People's Democratic Republic of Algeria, as the case may be.

(b) The term "person" includes an individual, a company and any other body of persons.

(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 a State" and "enterprise of the other State" mean respectively an enterprise carried on by a resident of a State and an enterprise carried on by a resident of the other State.

(e) The term "international traffic" means any transport by a ship or aircraft operated by an enterprise which has its place of effective management in a State, except when the ship or aircraft is operated solely between places in the other State.

2. This Convention shall apply:

(a) To the territory of the People's Democratic Republic of Algeria, including the territorial sea and beyond the territorial sea to areas over which, under international law, the People's Democratic Republic of Algeria has sovereign rights for the purposes of the exploration and exploitation of the sea-bed, its subsoil and the superjacent waters;

¹ Came into force on 1 February 1984, i.e., the first day of the second month following the date of receipt of the last of the notifications (23 August and 20 December 1983) by which the Parties had informed each other of the completion of the required constitutional procedures, in accordance with article 38 (1).

(b) To the European and overseas departments of the French Republic, including the territorial sea and beyond to any area over which, under international law, the French Republic has sovereign rights for the purposes of the exploration and exploitation of the resources of the sea-bed, its subsoil and the superjacent waters.

Article 2

1. For the purposes of this Convention, the term “resident of a State” means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, place of management or any other criterion of a similar nature.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both States, then his status shall be determined as follows:

(a) He shall be deemed to be a resident of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests).

(b) If the State in which he has his centre of vital interest cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode.

(c) If he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national.

(d) If it is not possible to determine the State of which he is a resident on the basis of the foregoing criteria, the competent authorities of the States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both States, then it shall be deemed to be a resident of the State in which its base of effective management is situated.

Article 3

1. For the purposes of this Convention, the term “permanent establishment” means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2. The term “permanent establishment” includes in particular:

(a) A place of operation;

(b) A branch;

(c) A sales office serving the State in which it is situated;

(d) A factory;

(e) A workshop;

(f) A mine, quarry or other place of extraction of natural resources;

(g) A building site or construction or assembly project;

(h) A sales outlet.

3. The term “permanent establishment” shall not be deemed to include:

(a) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

- (b) The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise for dispatch to the enterprise itself in the other State;
- (c) 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, so far as the enterprise is concerned, are of a preparatory or auxiliary character, provided that no orders are accepted there.

4. Where a person is acting on behalf of an enterprise and has, and habitually exercises, in a State an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 3 above which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.

5. An insurance enterprise of a State shall be deemed to have a permanent establishment in the other State if through a representative having an authority to enter into commitments on its behalf, it collects premiums in the territory of that State, insures risks situated therein or, more generally, concludes insurance contracts in that territory.

Article 4

For the purposes of this Convention, property and rights which are treated as immovable property under the taxation laws in force in the country in which the property in question is situated, including shares in companies whose sole object is, in fact, either the construction or the acquisition of buildings or groups of buildings, with a view to their division by fractions intended to be allotted to the shareholders as owners or beneficiaries, or the management of such buildings or groups of buildings, similarly divided, as well as rights of usufruct in immovable property, with the exception of claims of any kind secured by pledge of immovable, shall be deemed to be immovable property.

The question whether a property or a right can be considered to be an accessory to real property shall be decided in accordance with the laws of the State in which the property in question or the property to which the right in question relates is situated.

Article 5

1. Nationals and companies and other associations shall not be subjected in the other State to any taxation other or higher than the taxation to which nationals and companies and other associations of the last-mentioned State in the same circumstances are subjected.

2. In particular, nationals of a State who are liable to taxation in the territory of the other Contracting State shall be entitled, under the same conditions as nationals of that other State, to such exemptions, reliefs, rebates and reductions of any taxes or charges whatsoever as may be granted in respect of family dependants.

3. The nationals of one State shall not be subject, when leaving the territory of the other State provisionally or finally, to the formality of tax discharge.

4. Should Algeria, in another tax treaty with a third State, grant a more favourable régime to the residents of that State in respect of the taxes mentioned in this Convention, such régime shall be extended to the residents of France.

Article 6

In the application of the provisions of this Convention, the term “competent authorities” means:

- (a) In the case of the People’s Democratic Republic of Algeria, the Minister of Finance or his authorized representative;
- (b) In the case of the French Republic, the Minister in charge of the Budget or his authorized representative.

Article 7

In the application of the Convention by a State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the laws of that State concerning the taxes to which the Convention applies.

TITLE II. DOUBLE TAXATION

Chapter I. INCOME TAXES

Article 8

1. This chapter shall apply to taxes on income levied in whatsoever manner on behalf of either State or of its local authorities.

The expression “taxes on income” shall be deemed to mean taxes levied on total income or on elements of income (including capital appreciation).

2. The object of the provisions of this chapter is to avoid double taxation such as might result, for persons (as defined in article 1) having their fiscal domicile, determined in accordance with article 2, in one of the States, from the simultaneous or successive collection in that State and the other State of the taxes referred to in paragraph 1 above.

3. The existing taxes to which this chapter shall apply are:

(A) In the case of Algeria:

- (a) The tax on industrial and commercial profits;
- (b) The tax on profits from non-commercial professions;
- (c) The tax on debt-claims, deposits and securities;
- (d) The direct petroleum tax;
- (e) The standard assessment on employers and payers of pensions and annuities;
- (f) The tax on public and private salaries, on remunerations and emoluments, on wages, on pensions and on annuities;
- (g) The complementary tax on total income;
- (h) The tax on professional activities;
- (i) The standard assessment on agriculture;

- (j) The real estate tax on buildings;
- (k) The standard assessment.

(B) In the case of France:

- (a) The tax on income;
- (b) The tax on wages;
- (c) The tax on companies,

including all withholdings at the source, advance collections and prepayments in respect of the taxes mentioned above.

4. This Convention shall apply also to any taxes identical with or similar to those mentioned in paragraph 3 of this article which are imposed in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of changes which have been made in their taxation laws as soon as such changes are promulgated

Article 9

Income from immovable property, including profits from agricultural and forestry enterprises, shall be taxable only in the State in which the property is situated.

Article 10

1. Income from industrial, mining, commercial or financial enterprises shall be taxable only in the State in whose territory a permanent establishment is situated.

2. Where an enterprise maintains permanent establishment in both States, each State may tax only the income derived from the operations of the permanent establishments situated in its territory.

3. Such taxable income may not exceed the amount of the industrial, mining, commercial or financial profits, determined in accordance with the taxation laws, which are realized by the permanent establishment, including, where appropriate, any profits or advantages derived indirectly from that establishment or allotted or granted to third parties either by increasing or decreasing purchase or selling prices or by any other means. The overhead expenses of the head office shall be charged against the earnings of the permanent establishment on the basis of the ratio of the turnover of that establishment to the total turnover of the enterprise, to the extent that such expenses relate to business carried on by that establishment and do not duplicate expenses directly incurred by the establishment.

4. The accounts of taxpayers with business in the territories of both States must show separately and exactly the earnings accruing to the permanent establishments situated in each State.

5. Notwithstanding the provisions of paragraphs 2, 3 and 4 above, French enterprises carrying out work contracts in Algeria may benefit under the standard assessment régime provided for by Algerian laws on the same conditions as other foreign enterprises.

In practice, they shall notify their option for the standard assessment régime to the Algerian taxation administration prior to the commencement of the work, attaching a copy of the contract.

Article 11

1. Where an enterprise of one of the States, by virtue of its participation in the management or the capital of an enterprise of the other State, makes or imposes upon that enterprise, in their commercial or financial relations, conditions differing from those which it would make with any other enterprise, all profits which would normally have appeared in the accounts of one of the enterprises but which have in this manner been transferred to the other enterprise may be incorporated in the taxable profits of the first enterprise.

2. An enterprise shall in particular be deemed to participate in the management or the capital of another enterprise when the same person or persons participate directly or indirectly in the management or the capital of both enterprises.

Article 12

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

Such profits shall include also any additional income derived by such enterprise from the use of containers for the international carriage of goods or merchandise.

2. If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the State in which the home harbour of the ship is situated, or, if there is no such home harbour, in the State of which the operator of the ship is a resident.

3. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

Article 13

1. Income from loans, deposits, deposit accounts, cash vouchers and any other debt-claims, including income derived from the sale on credit of equipment or merchandise held by the seller of such equipment or merchandise shall be taxable in the State of fiscal domicile of the debtor.

2. Notwithstanding the provisions of paragraph 1:

(a) Interest arising in one State and received by the other State, one of its territorial authorities or the central bank of such other State shall be exempt from tax in the first-mentioned State.

(b) Interest arising in a State as a result of a debt-claim financed directly or indirectly by a public agency for the financing of the foreign trade of the other State shall be exempt from tax in the first-mentioned State.

3. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a State, carries on business in the other State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of article 10 or article 18, as the case may be, shall apply.

Article 14

1. Royalties arising in a State and paid to a resident of the other State may be taxed in the State in which they arise and according to its laws at the rate in force in that State on the date of signature of this Convention.

2. The term “royalties” means payments of any kind received as a consideration for the use of or the right to use any copyright of literary, artistic or scientific work, cinematograph films and any other sound or visual recordings, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific expertise.

3. For the purposes of this article, payments made for technical or economic studies or rental rates and similar payments made for the use of, or the right to use, agricultural, industrial, harbour, commercial or scientific equipment shall also be treated as royalties.

4. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a State, carries on business in the other State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected therewith. In such case, the provisions of article 10 or article 18, as the case may be, shall apply.

Article 15

1. Subject to the provisions of paragraphs 2 and 3 below, pensions and other similar remunerations paid to a resident of a State in consideration of past employment shall be taxable only in that State.

2. Pensions and other payments made under the social security legislation of a State shall be taxable only in that State.

3. Any pension paid by, or out of fund created by, a State or a territorial authority or statutory body thereof, to an individual in respect of services rendered to that State itself or to such territorial authority or statutory body may be taxed only in that State.

Article 16

1. Unless specific agreements provide for special treatment in the matter, salaries, wages and other similar remuneration received by a person domiciled in a State in respect of a gainful employment shall be taxable only in that State unless the employment is exercised in the other State. If the employment is so exercised, the remuneration derived from it may be taxed in that other State.

2. Notwithstanding the provisions of paragraph 1 above, remuneration received by a person domiciled in a State in respect of an employment exercised in the other 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 90 days in the fiscal year concerned; and
- (b) The remuneration is paid by an employer who is not domiciled in the other State; and
- (c) The remuneration is not deducted from the profits of a permanent establishment or fixed base maintained by the employer in the other State.

3. Notwithstanding the preceding provisions of this article, remuneration derived by a resident of a State in respect of an employment exercised aboard a ship or aircraft operated in international traffic may be taxed only in that State.

Article 17

Salaries, wages, remunerations or emoluments, pensions and annuities paid by individuals or bodies corporate — other than one of the States or territorial authorities or public administrative corporations of those States — shall be subject to the standard assessment on employers and payers of pensions and annuities or the tax on wages only in the State in which the employers or the payers of the pensions or annuities:

- Have their domicile or a permanent establishment or fixed base which bears the cost of the remuneration in question; or
- Carry on their activity for a period exceeding 90 days in a calendar year; or
- To which they dispatch more than 10 paid employees in a calendar year.

Article 18

Income derived by a resident of a State in respect of professional services or other activities of an independent character shall be taxable in the other State:

- (a) If he has a fixed base available to him in that other State for the purpose of performing his activities, on the basis of the income attributable to that fixed base;
- (b) If, in the absence of a fixed base, he actually exercises, in whole or in part, his activity in the other State, on the basis of the remuneration from such activity arising in that other State.

Article 19

1. Income derived by a resident of a State as an entertainer, such as a theatre, motion picture, radio or television artist or a musician, or as an athlete, from his personal activities as such exercised in the other State may be taxed in that other State.

2. Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of articles 10, 16 and 18, be taxed in the State in which the activities of the entertainer or athlete are exercised.

3. Notwithstanding the provisions of paragraph 1, remunerations or profits and wages, salaries and other similar income derived by an entertainer or an athlete, who is a resident of a State, from his personal activities as such exercised in the other State, shall be taxable only in the first-mentioned State if these activities in the other State are supported substantially by public funds of the first-mentioned State itself or a territorial authority or statutory body of that State.

4. Notwithstanding the provisions of paragraph 2, where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such in a State accrues not to the entertainer or athlete himself but to another person, that income, notwithstanding the provisions of articles 10, 16 and 18, shall be taxable

only in the other State, if that other person is supported substantially by public funds of that other State itself, or a territorial authority or a statutory body of that State, or if that other person is a non-profit making agency of that other State.

Article 20

Payments which a student or business apprentice of either of the two States who is present in the other State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that other State, provided that such payments arise from sources outside that other State, one of its statutory bodies or a non-profit making agency of that other State.

Article 21

Income not mentioned in the foregoing articles shall be taxable only in the State in which the recipient has his fiscal domicile, unless such income is connected with the activity of a permanent establishment maintained by the recipient in the other State.

Article 22

1. Double taxation shall be avoided in the following manner:

In the case of Algeria:

(a) Income other than that referred to in subparagraph (b) below shall be exempt from the Algerian taxes mentioned in article 8, paragraph 3-A, if such income is taxable in France under this Convention.

(b) Income referred to in articles 13, 14 and 19 received in France may be taxed in Algeria, in accordance with the provisions of those articles as to their gross amount. The French tax levied on such income entitles residents of Algeria to a tax credit corresponding to the amount of the French tax payable on such income. Such credit shall be allowed against taxes referred to in article 8, paragraph 3-B, in the bases of which such income is included.

(c) Notwithstanding the provisions of subparagraph (a), the Algerian tax shall be computed on income chargeable in Algeria by virtue of this Convention at the rate appropriate to the total of the income chargeable in accordance with the Algerian laws.

2. In the case of France:

(a) Income other than that referred to in subparagraphs (b) and (c) below shall be exempt from the French taxes referred to in article 8, paragraph 3-B, if the income is taxable in Algeria under this Convention.

(b) The income referred to in article 10, paragraph 1, received from the activity of a permanent establishment located in Algeria shall be exempt from the French taxes. Income of this kind which is not connected with the activity of a permanent establishment located in Algeria shall be taxable in France. However, in the case of the application in Algeria of the standard assessment in accordance with the provisions of article 10, paragraph 5, the portion of that assessment connected with receipts taken into account, in application of article 10, paragraph 2, for the determination of the profit taxable in France shall be deducted from those receipts.

(c) Income referred to in articles 13, 14 and 19 received from Algeria may be taxed in France, in accordance with the provisions of these articles, on the gross amount. The Algerian tax levied on such income shall entitle residents of France to a tax credit corresponding to the amount of the Algerian tax levied but which shall not exceed the amount of French tax attributable to such income. Such credit shall be allowed against taxes referred to in subparagraph 3-B of article 8, in the bases of which such income is included.

(d) Notwithstanding the provisions of subparagraphs (a) and (b), French tax is computed on income chargeable in France by virtue of this Convention at the rate appropriate to the total of the income chargeable in accordance with the French laws.

Chapter II. SUCCESSION DUTIES

Article 23

1. This chapter shall apply to succession duties levied on behalf of either State.

The term "succession duties" shall be understood to mean taxes levied at death in the form of estate duties, inheritance taxes, death duties or taxes on gifts *mortis causa*.

2. The existing duties to which this chapter shall apply are:

- In the case of France: death duties;
- In the case of Algeria: the succession duty.

Article 24

Immovable property (including accessories) shall be liable to succession duty only in the State in which it is situated; equipment or livestock of agricultural or forestry enterprises shall be taxable only in the State in which the enterprise is situated.

Article 25

1. Tangible or intangible movable property left by a deceased person who at the time of his death was domiciled in one of the States and invested in a commercial, industrial or handicraft enterprise of any kind shall be liable to succession duty in accordance with the following rule:

(a) If the enterprise has a permanent establishment in only one of the two States, the property shall be liable to duty only in that State; this provision shall apply even where the enterprise extends its operations to the territory of the other State, without maintaining a permanent establishment there.

(b) If the enterprise has a permanent establishment in each of the two States, the property shall be liable to duty in each State to the extent that it is used for a permanent establishment situated in the territory of that State.

2. The term "property invested in a commercial, industrial or handicraft enterprise" shall be understood to include participation in enterprises in the form of companies, with the exception of shares, founders' shares and other similar interests in joint stock companies.

Article 26

Tangible or intangible movable property connected with a fixed place of business and used in the practice of a profession in one of the States shall be liable to succession duty only in the State where such fixed base is situated.

Article 27

Tangible movable property other than the movables referred to in articles 25 and 26, including furniture, linen and household goods and art objects and collections, shall be liable to succession duty only in the State in which it is actually situated at the date of death.

Article 28

Property of a deceased person's estate to which articles 24 to 27 do not apply shall be liable to succession duty only in the Contracting State in which the deceased was domiciled at the time of his death.

Article 29

1. Debts pertaining to enterprises of the kind referred to in articles 25 and 26 shall be charged against the value of the property of those enterprises. If the business has a permanent establishment or fixed place of business, as the case may be, in both States, the debt shall be charged against the property of the establishment or fixed base of business to which they pertain.

2. Debts secured on immovable property or on rights in immovable property, or on the property referred to in article 27, or on property used in the practice of a profession as provided for in article 26, or on the property of an enterprise of the kind referred to in article 25, shall be charged against the value of such property.

This provision shall apply to the debts referred to in paragraph 1 only to the extent to which they are not covered in the manner provided for in that paragraph.

3. Debts not provided for in paragraphs 1 and 2 shall be charged against the value of property covered by the provisions of article 28.

4. If a debt exceeds the value of the property on which it is secured in a State, in accordance with paragraphs 1, 2 and 3, the balance shall be deducted from the value of any other property taxable in that State.

5. For the purposes of the procedure provided for in the foregoing provisions, if the deduction of a debt is subjected by the regulations in force in one of the States to formal conditions different from those fixed by the regulations in force in the other State for a debt of the same kind, the procedure must be admitted by the State in which the debt is chargeable by virtue of the foregoing provisions with reference to the formal conditions provided for in the regulations in force in the State in which those conditions are least restrictive.

Article 30

Notwithstanding the provisions of articles 24 to 29, each State shall retain the right to assess the duty on inherited property which it has the exclusive right to tax and the rate applicable to the sum of the property which would be liable to duty under its internal legislation.

Chapter III. REGISTRATION TAXES OTHER THAN SUCCESSION DUTIES;
STAMP TAXES

Article 31

1. Taxes pertaining to an instrument or judgement liable to registration shall, subject to the provisions of paragraphs 2 and 3 hereinafter, be payable to the State in which the instrument is drawn up or the judgement is rendered.

When an instrument drawn up or a judgement rendered in one of the States is presented for registration in the other State, the taxes applicable in the latter State shall be determined in accordance with the provisions of its internal legislation.

2. Company articles of association or amendments thereto shall be liable to the *ad valorem* capital contribution tax only in the State in which the company has its registered offices. In cases of mergers or similar operations, the tax shall be levied in the State in which the new or absorbing company has its registered offices.

However, notwithstanding the provisions of the preceding subparagraph, capital contribution tax payable on contributions consisting of the ownership or usufruct of immovables and businesses and on the right to lease or to benefit by an option to lease all or part of an immovable shall be levied only in the State in whose territory the immovable or business in question is situated.

3. Instruments or judgements transferring the ownership or usufruct of an immovable or a business or the use of an immovable, and instruments or judgements registering the sale of a right to lease or to benefit by an option to lease all or part of an immovable, may be charged with a transfer tax and with the real-estate advertising tax only in the Contracting State in whose territory the immovable or business in question is situated.

Article 32

Instruments or bills drawn up in one State shall not be subject to stamp tax in the other State if they have actually been charged with such tax at the rate applicable in the first-mentioned State or if they are legally exempt from such tax in the first-mentioned State.

TITLE III. ADMINISTRATIVE ASSISTANCE

Article 33

1. The taxation authorities of each of the States shall communicate to the taxation authorities of the other State any fiscal information available to them and useful to the last-mentioned authorities to ensure the proper assessment and collection of the taxes to which this Convention relates.

2. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those concerned with the assessment and collection of the taxes to which this Convention relates. No information shall be exchanged which would reveal a commercial, industrial or professional secret, a trade process or information the communication of which would be contrary to public policy.

3. Information shall be exchanged as a matter of routine or on request in connection with particular cases. The competent authorities of the two States shall agree on the list of classes of information to be furnished as a matter of routine.

Article 34

1. The Contracting States agree to lend each other assistance and support with a view to the collection, in accordance with the rules of their respective laws or regulations, of the taxes to which this Convention relates and of any tax increases, surcharges, overdue payment penalties, interest and costs pertaining to the said taxes, where such sums are finally due under the laws or regulations of the requesting State.

2. At the request of the requesting State, the requested State shall proceed to the recovery of the tax debts of the said State in accordance with the laws and administrative practice applicable to the recovery of its own tax debts, unless this Convention provides otherwise.

3. The provisions of the preceding paragraph shall apply only to tax debts which are the subject of an instrument permitting the recovery thereof in the requesting State and which are no longer contestable.

4. The requested State shall not be obliged to comply with the request:

- (a) If the requesting State has not exhausted in its own territory all means of recovering its tax debt;
- (b) If and to the extent that it considers that the tax debt is incompatible with the provisions of this Convention.

5. A request for assistance with a view to recovery of a tax debt shall be accompanied:

- (a) By a statement specifying that the tax debt concerns a tax to which the Convention relates and is no longer contestable;
- (b) By an official copy of the instrument permitting execution in the requesting State;
- (c) By any other document required for recovery; and
- (d) Where appropriate, by a certified true copy of any decision relating thereto issued by an administrative organ or a court.

6. The instrument permitting execution in the requesting State shall, where appropriate, and in accordance with the provisions in force in the requested State, be authorized and ratified and supplemented or replaced as soon as possible after the date of receipt of the request for assistance by an instrument permitting execution in the requested State.

7. Questions concerning the limitation period for tax debts shall be governed exclusively by the laws of the requesting State.

8. Acts of recovery performed by the requested State in response to a request for assistance which, under the laws of that State, result in the suspension or interruption of the limitation period shall have the same effect with regard to the laws of the requesting State. The requested State shall inform the requesting State of the measures taken to that end.

9. Tax debts for the recovery of which assistance is granted shall enjoy the same safeguards and privileges as similar debts in the requested State.

10. Where a tax debt of a State is the subject of an appeal and it has not been possible to obtain the safeguards envisaged by the laws of that State, the taxation authorities of that State may, in order to safeguard their rights, request the taxation authorities of the other State to take the interim measures authorized by the laws or regulations of the last-mentioned State.

If it considers that the taxation has not been established in accordance with the provisions of the Convention, that other State shall without delay request a meeting of the Mixed Commission mentioned in chapter IV.

TITLE IV. MIXED COMMISSION

Article 35

1. The competent authorities of the two States shall consult each other with a view to determining by mutual agreement and to the extent useful, the modalities of the implementation of this Convention within a Mixed Commission composed of representatives, in equal numbers, of the States.

2. In the event that the taxation laws of one of the States is the subject of amendments substantially affecting the nature or character of the taxes covered by the Convention, the Mixed Commission shall meet to determine such adjustments as it may be necessary to make to this Convention.

3. Any difficulties in the implementation of the Convention shall come within the competence of the Mixed Commission.

Article 36

If a taxpayer asserts that the actions of the taxation authorities of a State result in taxation not in accordance with the principles of this Convention, he may bring the matter before the competent authorities of the other States within a period of one year from the commencement of the recovery process. If the request is recognized as justified, those authorities shall reach an agreement with the competent authorities of the first-mentioned State, where appropriate, at a meeting of the Mixed Commission provided for in article 35, in order to avoid taxation which is not in accordance with the Convention.

Article 37

The Mixed Commission shall meet at least once a year.

TITLE V. MISCELLANEOUS PROVISIONS

Article 38

1. Each State shall notify the other of the completion of the procedures required by its laws for the entry into force of this Convention, which shall enter into force on the first day of the second month following the receipt of the later of these notifications.

2. Its provisions shall apply for the first time:

- (a) In respect of taxes withheld at source, to amounts payable on or after the date of entry into force of this Convention;
- (b) In respect of other taxes on income, to income derived during the calendar year in which the Convention entered into force or relating to the accounting period ending during this year;
- (c) In respect of succession duties, to the estates of persons deceased on or after the day of entry into force of the Convention;
- (d) In respect of registration taxes and stamp taxes, to instruments drawn up and judgements rendered after the entry into force of the Convention.

3. The provisions of the Agreement of 2 October 1968 between France and Algeria for the Elimination of Double Taxation and the Establishment of Rules of Mutual Administrative Assistance with respect to Taxation¹ shall cease to apply from the date on which the provisions of this Convention are applied for the first time.

Article 39

1. This Convention shall remain in force indefinitely. However, after 1984, each State may, by giving at least six months' written notice of termination through the diplomatic channel, denounce the Convention for the end of the calendar year.

2. In such an event, its provisions shall apply for the last time:

- (a) In respect of taxes withheld at source, to amounts payable before or on 31 December of the calendar year for the end of which the termination has been notified;
- (b) In respect of other taxes on income, to income derived during the calendar year for the end of which the termination has been notified or relating to the accounting period ending during this year;
- (c) In respect of succession duties, to estates of persons deceased before or on 31 December of the calendar year for the end of which the termination has been notified;
- (d) In respect of other registration taxes and stamp taxes, to instruments drawn up and judgements rendered before or on 31 December of the calendar year for the end of which the termination has been notified.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed this Convention.

DONE at Algiers, on 17 May 1982, in duplicate in the French and Arabic languages, both texts being equally authentic.

For the Government
of the French Republic:

[GUY GEORGY]

For the Government
of the People's Democratic Republic
of Algeria:

[MOHAMED TERBECHE]

¹ United Nations, *Treaty Series*, vol. 821, p. 415.