

No. 26948

---

**UNITED STATES OF AMERICA  
and  
WORLD TOURISM ORGANIZATION**

**Exchange of letters constituting an agreement concerning the  
reimbursement of income tax. Madrid, 23 September  
and 27 October 1981**

*Authentic text: English.*

*Registered by the United States of America on 29 November 1989.*

---

**ÉTATS-UNIS D'AMÉRIQUE  
et  
ORGANISATION MONDIALE DU TOURISME**

**Échange de notes constituant un accord relatif au rembourse-  
ment de l'impôt sur le revenu. Madrid, 23 septembre et  
27 octobre 1981**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 29 novembre 1989.*

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE WORLD TOURISM ORGANIZATION CONCERNING THE REIMBURSEMENT OF INCOME TAX

---

I

UNITED STATES DEPARTMENT OF COMMERCE  
FOREIGN COMMERCIAL SERVICE

Madrid, September 23, 1981

Dear Mr. Secretary-General:

I refer to this Embassy's diplomatic note, dated September 23, 1981, informing you of the U.S. Government's intention to terminate the existing Tax Reimbursement Agreement between the U.S. Government and the World Tourism Organization,<sup>2</sup> and to replace it with a new agreement. I enclose a draft text of the new Tax Reimbursement Agreement, for your consideration.

The U.S. Government would appreciate receiving a formal response from the World Tourism Organization as soon as might be convenient.

Sincerely,

[Signed]

MARK J. PLATT  
Acting Commercial Attaché

Enclosure:  
As stated

Honorable Robert C. Lonati  
Secretary-General  
World Tourism Organization  
Madrid

---

<sup>1</sup> Came into force by the exchange of letters, with effect from 1 January 1982, in accordance with the provisions of the said letters.

<sup>2</sup> United Nations, *Treaty Series*, vol. 1072, p. 273.

## TAX REIMBURSEMENT AGREEMENT

The World Tourism Organization will reimburse Organization staff members who are United States citizens, or who are otherwise liable to pay United States Federal Income Taxes, for those United States Federal Income Taxes that these employees have paid on World Tourism Organization income as specified below. An advance payment made by the World Tourism Organization relating to the estimated tax liability of an employee during a current year will be treated as a reimbursement, provided that such payment is effected by an instrument jointly payable to the Internal Revenue Service and the employee.

An income tax equalization charge will be payable by the United States Government, subject to the availability of funds, to the World Tourism Organization to compensate the World Tourism Organization for the expenditures it has made. This charge will cover reimbursements made by the World Tourism Organization for United States Federal Income Taxes on the following categories of World Tourism Organization income: Basic salary; post allowance that is based on the cost of living; travel on appointment or on separation; installation allowance; removal, shipment or storage of household effects; education allowance and education travel grant; home leave travel; travel on annual leave from designated duty station; family visit travel; representation; language allowance; dependency grant; or other payments made specifically to compensate an employee for the United States Federal Income Tax for which the employee is liable or has paid.

The charge payable by the United States Government will not include reimbursement for interest or fines paid on income tax, taxes on pensions, or lump sum payments related to pensions, or taxes paid to any state or local government within the United States.

The United States Government will reimburse for each taxpayer an amount not to exceed the Federal Income Tax that would be due if the specified categories of World Tourism Organization income were the taxpayer's only income, taking into account any special tax benefits available to United States taxpayers employed abroad, as well as the deductions and personal exemptions generally allowed.

This Agreement does not cover World Tourism Organization employees who are paid from voluntary funds, nor income from any source other than the World Tourism Organization.

The World Tourism Organization will maintain separate accounting of the tax reimbursements covered by this Agreement. To help insure the accountability of the program, the World Tourism Organization, after securing the written permission of the American staff members, will provide the Department of State with a list of participating employees and their United States Social Security numbers for forwarding to the United States Internal Revenue Service for income tax filing record checks.

The United States Government will reimburse the World Tourism Organization on the basis of a certification that reimbursements have been made by the World Tourism Organization to United States citizens, or others who are liable to pay United States Federal Income Taxes. The certifications will set forth the names and United States Social Security numbers of the staff members reimbursed, the total of World Tourism Organization income against which the United States Federal Income Tax has been paid, the amounts reimbursed to the staff members, the tax year

for which the reimbursement is made, and the year in which reimbursement is made for each of the categories of World Tourism Organization income specified above.

This Agreement will enter into force January 1, 1982. It shall apply with respect to reimbursements made by the World Tourism Organization on taxes paid on income earned in 1982 or thereafter.

This Agreement may be terminated by either party. Termination shall take effect one year from the date on which written notice of termination is given.

This Agreement supersedes the Agreement on Reimbursement of Income Taxes between the United States of America and the World Tourism Organization concluded in Madrid on February 24 and 25, 1977.

## II

## OMT-WTO-BTO

ORGANISATION MONDIALE DU TOURISME  
WORLD TOURISM ORGANIZATION  
ORGANIZACIÓN MUNDIAL DEL TURISMO  
ВСЕМИРНАЯ ТУРИСТСКАЯ ОРГАНИЗАЦИЯ  
The Secretary General

The Secretary-General of the World Tourism Organization presents his compliments to the Ambassador of the United States of America and has the honor to inform him that the Secretary-General has agreed to the proposal of the Government of the United States of America to terminate the existing tax reimbursement agreement between the World Tourism Organization and the United States of America and replace it with the new agreement with effect from 1 January 1982.

The Secretary-General is happy to acknowledge that this exchange of verbal notes constitutes the agreement between the Government of the United States of America and the World Tourism Organization with the aim of standardizing the existing tax reimbursement procedure with a more precisely worded text, copy attached.

The Secretary-General of the World Tourism Organization avails himself of this opportunity to renew to the Ambassador of the United States of America the assurances of his highest consideration.

Madrid, 27 October 1981

---