

No. 30285

**FINLAND
and
NORWAY**

**Agreement for the avoidance of double taxation with respect
to death duties. Signed at Helsinki on 29 March 1954**

Authentic texts: Finnish and Norwegian.

Registered by Finland on 28 September 1993.

Termination (*Note by the Secretariat*)

**FINLANDE
et
NORVÈGE**

**Accord tendant à éviter la double imposition en matière de
droits de succession. Signé à Helsinki le 29 mars 1954**

Textes authentiques : finnois et norvégien.

Enregistré par la Finlande le 28 septembre 1993.

Abrogation (*Note du Secrétariat*)

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE REPUBLIC OF FINLAND AND THE
KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE
TAXATION WITH RESPECT TO DEATH DUTIES

The Republic of Finland and the Kingdom of Norway have agreed to conclude an agreement for the avoidance of double taxation with respect to death duties.

They have for that purpose appointed as their plenipotentiaries:

The President of the Republic of Finland: Mr. Ralf Törngren, Minister for Foreign Affairs; and

His Majesty the King of Norway: Mr. Hans Olav, Envoy Extraordinary and Minister Plenipotentiary at Helsinki;

who, having examined each other's full powers, found in good and due form, have agreed upon the following provisions:

Article I

This Agreement refers to death duties applicable to the estates of deceased Finnish and Norwegian nationals.

Article II

For the time being the following duties are regarded as death duties:

In the case of Finland:

The succession duty and communal duty of inherited and bequeathed estate, and poor-relief tax, and

In the case of Norway:

The succession duty, which also applies to donations *mortis causa*.

This Agreement shall also apply to all other death duties imposed in Finland or Norway, after the signing of this Agreement, on property passing on death, whether such duties are levied on the entire estate or on the share accruing to each heir or legatee.

Article III

Immovable property situated in one of the two States shall be subject to duty only in that State.

Immovable property shall include accessories thereto (such as live-stock, tools and other movables employed in agriculture or forestry) and also usufruct and rights to produce or other yield from immovable property.

¹ Came into force on 20 April 1955 by the exchange of the instruments of ratification, which took place at Oslo, in accordance with article XII.

Rights to royalties granted for the use of immovable property, or for the operation of a mine or other natural deposit, shall be subject to duty in the State in which such immovable property, mine or natural deposit is situated.

Article IV

Assets employed in a business or liberal profession and attributable to a permanent establishment in one of the States shall be subject to duty only in that State.

A permanent establishment shall be regarded as a place at which there are special installations or at which special arrangements have been made for the permanent use of such place for business or professional purposes, such as a place where the undertaking has its management, offices, branches, permanent agencies, factories, workshops or the like, buying or selling premises, warehouses (including permanent commission warehouse), mines or other natural deposits.

For the purposes of this article the term “business” includes part-ownership in an undertaking, but not part-ownership resulting from the possession of shares or similar securities.

Article V

Assets not dealt with in article III or IV shall be subject to duty only in the State in which the deceased was domiciled at the time of his death.

For the purposes of this Agreement, a deceased person shall be deemed to have been domiciled in one of the States if he had his permanent residence there. If any doubt arises as to the State in which a deceased person shall be deemed to have been domiciled as aforesaid, or if such person can be deemed to have been domiciled in both States, the question of domicile shall be settled by a special agreement between the competent authorities of the two States. In this respect they shall take into consideration in which State the deceased can be deemed to have had the stronger personal and economic ties or, if this also cannot be decided, his nationality.

If the deceased person did not have a permanent residence in either State, he shall be deemed to have been domiciled in the State of which he was a national. If the deceased person was a national of both States, the question as to where he shall be deemed to have been domiciled shall be settled by a special agreement between the competent authorities.

Article VI

Where debts encumber a deceased's estate to which article III or IV applies, or are secured by such estate, the State having the right to levy duty on the said estate shall deduct such debts from that estate or from other assets on which the said State has the right to levy duty. Debts other than those aforesaid shall be deducted from assets subject to duty in the State in which the deceased person was domiciled at the time of his death.

Where debts which under the provisions of the first paragraph are to be deducted by one of the States exceed the value of all the assets on which the said State has the right to levy duty, the amount of debt in excess shall be deducted from assets subject to duty in the other State.

Article VII

Where the right to levy duty on the estate of a deceased person is shared by both States, the following provisions shall apply in respect of the right to compute duty in the State in which such person was domiciled at the time of his death: the duty computed shall not exceed the difference between the sum of duty that would have been computed if the entire estate of the deceased had been subject to duty in the said State and the sum of duty that would have been computed if the said State had levied duty only on that portion of the deceased's estate which is subject to duty in the other State.

Article VIII

This Agreement shall not affect any right to tax exemption which has been, or may hereafter be, conferred on diplomatic or consular officers in virtue of the general rules of international law. Where, owing to such tax exemption, assets are not subject to duty in the country to which such officers are accredited, the country accrediting them shall have the right to levy duty.

Article IX

If it can be shown that action taken by the revenue authorities of the two States results in taxation contrary to the principles of this Agreement, any person so affected by double taxation shall be entitled to lodge a claim with the State in which the deceased person shall be deemed under this Agreement to have been domiciled at the time of his death. If the claim is upheld, the latter State shall take the action necessary to eliminate such double taxation.

A claim as aforesaid shall ordinarily be lodged within two years from the end of the calendar year in which the double taxation came to the notice of the person liable to duty.

Article X

The competent authorities of the two States may make special arrangements for carrying out the provisions of this Agreement and for the avoidance of double taxation in respect of the duties specified in article II in cases not regulated by this Agreement or which may arise from the application thereof and in cases where difficulties or doubts may arise with respect to the interpretation and application of the Agreement.

Article XI

The term "competent authorities" as used in this Agreement, means the Ministries of Finance of the two States, or authorities delegated by them.

Article XII

This Agreement shall be ratified and the instruments of ratification shall be exchanged at Oslo as soon as possible.

The Agreement shall enter into force on the day on which the instruments of ratification are exchanged and shall apply in respect of the estate of any person dying on or after the said day.

Article XIII

This Agreement shall remain in force until denounced by one of the Contracting States. Denunciation shall take place at least six months before the end of the calendar year. Where due notice is given, the Agreement shall cease to have effect at the end of the calendar year but shall continue to apply in respect of the estate of any person dying before the end of the year.

IN WITNESS WHEREOF the plenipotentiaries of the two States have signed this Agreement and have thereto affixed their seals.

DONE at Helsinki on 29 March 1954, in duplicate in the Finnish and Norwegian languages, both texts being equally authentic.

For the Government
of Finland:
RALF TÖRNGREN

For the Government
of Norway:
HANS OLAV

TERMINATION OF THE AGREEMENT OF 29 MARCH 1954 BETWEEN THE REPUBLIC OF FINLAND AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO DEATH DUTIES¹ (*Note by the Secretariat*)

The Government of Finland registered on 15 December 1992 the Convention between Denmark, Finland, Iceland, Norway and Sweden for the avoidance of double taxation with respect to taxes on inheritances and gifts signed at Helsinki on 12 September 1989.²

The said Agreement, which came into force on 19 August 1992, provides, in its article 15 (3), for the termination of the above-mentioned Agreement of 29 March 1954.

(28 September 1993).

ABROGATION DE L'ACCORD DU 29 MARS 1954 ENTRE LA RÉPUBLIQUE DE FINLANDE ET LE ROYAUME DE NORVÈGE TENDANT À ÉVITER LES DOUBLES IMPOSITIONS EN MATIÈRE DE DROITS DE SUCCESSION¹ (*Note du Secrétariat*)

Le Gouvernement finlandais a enregistré le 15 décembre 1992 la Convention entre le Danemark, la Finlande, l'Islande, la Norvège et la Suède tendant à éviter la double imposition en matière de droits de successions et d'impôts sur les cadeaux signée à Helsinki le 12 septembre 1989.²

Ledit Accord, qui est entré en vigueur le 19 août 1992, stipule, au paragraphe 3 de son article 15, l'abrogation de l'Accord susmentionné du 29 mars 1954.

(28 septembre 1993).

¹ See p. 73 of this volume.

² United Nations, *Treaty Series*, vol. 1698, No. I-29388.

¹ Voir p. 73 du présent volume.

² Nations Unies, *Recueil des Traités*, vol. 1698, n° I-29388.