

**Income Tax (Singapore-Egypt) (Avoidance of Double Taxation Agreement)  
Order 2004**

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**Enacting Formula**

**THE SCHEDULE**

**No. S 36**

**INCOME TAX ACT  
(CHAPTER 134)**

**INCOME TAX (SINGAPORE-EGYPT) (AVOIDANCE OF DOUBLE TAXATION  
AGREEMENT) ORDER 2004**

WHEREAS it is provided by section 49 of the Income Tax Act that if the Minister by order declares that arrangements specified in the order have been made with the Government of any country outside Singapore with a view to affording relief from double taxation in relation to tax under the Act and any tax of a similar character imposed by the laws of that country, and that it is expedient that those arrangements should have effect, the arrangements shall have effect in relation to tax under the Act notwithstanding anything in any written law:

AND WHEREAS by an Agreement dated the 22nd day of May 1996, between the Government of the Republic of Singapore and the Government of the Arab Republic of Egypt, arrangements were made, amongst other things, for the avoidance of double taxation:

NOW, THEREFORE, it is hereby declared by the Minister for Finance —

- (a) that the arrangements specified in the Schedule to this Order have been made with the Government of the Arab Republic of Egypt; and
- (b) that it is expedient that those arrangements should have effect notwithstanding anything in any written law.

THE SCHEDULE  
AGREEMENT  
BETWEEN  
THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE  
AND  
THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT  
FOR  
THE AVOIDANCE OF DOUBLE TAXATION  
AND THE PREVENTION OF FISCAL EVASION  
WITH RESPECT TO TAXES ON INCOME

The Government of the Republic of Singapore and the Government of the Arab Republic of Egypt,  
DESIRING to conclude an Agreement for the avoidance of double taxation and the prevention of  
fiscal evasion with respect to taxes on income,  
HAVE AGREED as follows:

ARTICLE 1

PERSONAL SCOPE

This Agreement shall apply to persons who are residents of one or both of the Contracting States.

ARTICLE 2

TAXES COVERED

1. This Agreement shall apply to taxes on income imposed on behalf of each Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property, taxes on the total amount of wages or salaries paid by enterprises.
3. The existing taxes to which the Agreement shall apply are in particular:
  - (a) in the case of the Arab Republic of Egypt:
    - (i) tax on income derived from immovable property (including the land tax and the

building tax);

(ii) the unified tax on income of individuals levied by the law No. 157 for the year 1981 and amended by the law No. 187 for the year 1993;

(iii) corporation profits tax;

(iv) the development duty imposed by the law No. 147 for the year 1984 and its amendments;

(v) supplementary taxes imposed as percentage of taxes mentioned above

(hereinafter referred to as “Egyptian tax”);

(b) in the case of the Republic of Singapore:

the income tax (hereinafter referred to as “Singapore tax”).

4. The 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 existing taxes. The competent authorities of the Contracting States shall notify each other of substantial changes which have been made in their respective taxation laws.

### ARTICLE 3

#### GENERAL DEFINITIONS

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

(a) (i) the term “Singapore” means the Republic of Singapore;

(ii) the term “Egypt” means the Arab Republic of Egypt.

(b) the terms “a Contracting State” and “the other Contracting State” mean Egypt or Singapore as the case may be;

(c) the term “person” includes an individual, a company and any other body of persons;

(d) the term “company” means any body corporate or any entity which is treated as a body corporate for tax purposes;

(e) the terms “enterprise of a Contracting State” and “enterprise of the other Contracting 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;

(f) the term “tax” means Singapore tax or Egyptian tax as the context requires;

(g) 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 Contracting State except when the ship or aircraft is operated solely between places in the other Contracting State;

- (h) the term “competent authority” means:
- (i) in the case of Egypt, the Minister of Finance or his authorized representative;
  - (ii) in the case of Singapore, the Minister for Finance or his authorized representative;
- (i) the term “national” means:
- (i) any individual possessing the nationality of a Contracting State;
  - (ii) any legal person, partnership and association deriving its status as such from the law in force in a Contracting State;
- (j) the terms “resident of a Contracting State” and “resident of the other Contracting State” mean a person who is a resident of Egypt or a person who is a resident of Singapore as the context requires.

2. As regards the application of the Agreement by a Contracting 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 this Agreement applies.

#### ARTICLE 4

##### RESIDENT

1. For the purposes of this Agreement, the term “resident of a Contracting State” means any person who is a resident of a Contracting State in accordance with the taxation laws of that State.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting 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 interests 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 Contracting States or in neither of them, the competent authorities of the Contracting 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 Contracting States, then it shall be deemed to be a resident of the Contracting State in which its place of effective management is situated. In case of doubts the competent authorities of the Contracting States shall settle the question by mutual agreement.

4. Where by reason of the provisions of paragraph 1 a person other than an individual or a company is a resident of both Contracting States, the competent authorities of the Contracting State shall by mutual

agreement endeavour to settle the question and to determine the mode of application of the Agreement to such person.

## ARTICLE 5

### PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, 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 especially:

- (a) a place of management;
- (b) a branch;
- (c) an office;
- (d) a factory;
- (e) a workshop;
- (f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources; and
- (g) a farm or a plantation.

3. The term “permanent establishment” likewise encompasses:

- (a) a building site, a construction, assembly or installation project or supervisory activities in connection therewith, but only where such site, project or activities lasts more than six months;
- (b) the furnishing of services, including consultancy services, by an enterprise of a Contracting State through employees or other personnel in the other Contracting State, provided that such activities continue for the same project or a connected project for a period or periods aggregating more than six months within any twelve-month period.

4. Notwithstanding the preceding provisions of this Article, the term “permanent establishment” shall be deemed not to include:

- (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
- (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
- (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
- (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
- (e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;
- (f) the maintenance of a fixed place of business solely for any combination of activities