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No. 6335

UNION OF SOUTH AFRICA
and
SWEDEN

Agreement for the avoidance of double taxation with respect to death duties. Signed at Stockholm, on 29 May 1961

Official texts: English, Afrikaans and Swedish.

Registered by South Africa on 10 October 1962.

UNION SUD-AFRICAINE
et
SUÈDE

Convention tendant à éviter la double imposition en matière d'impôts sur les successions. Signée à Stockholm, le 29 mai 1961

Textes officiels anglais, afrikaans et suédois.

Enregistrée par l'Afrique du Sud le 10 octobre 1962.

No. 6335. AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNION OF SOUTH AFRICA AND THE ROYAL GOVERNMENT OF SWEDEN FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO DEATH DUTIES. SIGNED AT STOCKHOLM, ON 29 MAY 1961

The Government of the Union of South Africa and the Royal Government of Sweden, desiring to conclude an agreement for the avoidance of double taxation with respect to death duties, have agreed as follows :

Article I

This agreement refers to death duties applicable to the estates of persons who at the time of their death were residents of the Union of South Africa or of Sweden.

Article II

(1) The duties which are the subject of this agreement are :

(*a*) In the Union of South Africa the estate duty ; and

(*b*) In Sweden the succession duty.

(2) This agreement shall also apply to any other duties of a substantially similar character imposed in the Union of South Africa or in Sweden subsequent to the date of signature of this agreement.

Article III

(1) In this agreement, unless the context otherwise requires :

(*a*) "competent authority" means, in the case of the Union, the Commissioner for Inland Revenue or his authorised representative ; in the case of Sweden, the Minister of Finance or his authorised representative ;

(*b*) "territory" means the Union or Sweden as the case may be ;

(*c*) "Union" means the Union of South Africa.

(2) In the application of the provisons of this agreement by one of the Contracting Governments, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting Government relating to the duties which are the subject of this agreement.

[1] Came into force on 17 August 1962 by the exchange of the instruments of ratification, in accordance with article XIV.

Article IV

(1) Immovable property situated in one of the territories shall be subject to duty only in that territory.

(2) Immvoable property shall include accessories thereto as well as usufructs over and other like interests in immovable property.

(3) Rights to royalties for the use of immovable property, or for the operation of a mine or other place of natural resources, shall be subject to duty only in the territory in which such immovable property, mine or place is situated.

Article V

(1) Assets employed in a business or liberal profession or in any agricultural of forestry enterprise and attributable to a permanent establishment in one of the territories shall be subject to duty only in that territory.

(2) 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, professional, agricultural or forestry purposes, such as a place where the undertaking has its management, an office, a branch, a factory, a workshop, a farm, a forest or a mine or other place of natural resources.

Article VI

Shares in a joint stock company incorporated under the laws of one of the territories shall be subject to duty only in the territory in which the company is incorporated.

Article VII

(1) Assets not dealt with in Articles IV, V and VI shall be subject to duty only in the territory in which the deceased person was domiciled at the time of his death.

(2) For the purposes of this agreement a deceased person shall be deemed to have been domiciled in Sweden if at the time of his death he was resident in Sweden in terms of the laws of that territory and to have been domiciled in the Union if at the time of his death he was ordinarily resident in the Union in terms of the laws of that territory.

(3) If any doubt arises as to the territory in which a deceased person shall be deemed to have been domiciled as aforesaid, or if such person is deemed to have been domiciled in both territories, the question of domicile shall be settled by arrangement between the competent authorities. In this respect they shall take into consideration in which territory the deceased's personal and economic interests may be considered to have been centred, or, if this cannot be decided, his nationality.