No. 7174

AUSTRIA
and
UNITED ARAB REPUBLIC

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital. Signed at Vienna, on 16 October 1962

Official text: English.

Registered by Austria on 20 March 1964.

AUTRICHE
et
RÉPUBLIQUE ARABE UNIE

Convention tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu et sur la fortune. Signée à Vienne, le 16 octobre 1962

Texte officiel anglais.

Enregistré par l'Autriche le 20 mars 1964.

No. 7174. CONVENTION[1] BETWEEN THE REPUBLIC OF AUSTRIA AND THE UNITED ARAB REPUBLIC FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND CAPITAL. SIGNED AT VIENNA, ON 16 OCTOBER 1962

The Republic of Austria and the United Arab Republic, desiring to conclude for the purpose of the elimination of obstacles to international trade and investment a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital, have agreed as follows :

Article I

(1) The taxes which are the subject of the present Convention are :

(*a*) In Austria :

(i) The *Einkommensteuer* (income tax);

(ii) The *Körperschaftsteuer* (corporation tax);

(iii) The *Beitrag vom Einkommen zur Förderung des Wohnbaues und für Zwecke des Familienlastenausgleiches* (contribution from income for the promotion of residential building and for the equalisation of family burdens);

(iv) The *Gewerbesteuer* including the *Lohnsummensteuer* (tax on commercial and industrial enterprises, including the tax levied on the sum of wages);

(v) The *Vermögensteuer* (capital tax);

(vi) The *Grundsteuer* (land tax);

(vii) The *Abgabe von land- und forstwirtschaftlichen Betrieben* (tax on agricultural and forestry enterprises);

(viii) The *Abgabe vom Bodenwert bei unbebauten Grundstücken* (tax on the value of vacant plots);

(ix) The *Abgabe von Vermögen, die der Erbschaftssteuer entzogen sind* (tax on property eluding death duties);

(hereinafter referred to as " Austrian tax ");

(*b*) In the United Arab Republic :

(i) Tax on income derived from immovable property (including the land tax, the building tax and the *ghaffir* tax);

[1] Came into force on 28 October 1963, the date of the exchange of the instruments of ratification which took place at Cairo, in accordance with article XXVI.

(ii) Tax on income from movable capital;

(iii) Tax on commercial and industrial profits;

(iv) Tax on wages, salaries, indemnities and pensions;

(v) Tax on profits from liberal professions and all other non-commercial professions;

(vi) General income tax;
(vii) Defence tax;
(viii) Supplementary taxes imposed as a percentage of taxes mentioned above;

(hereinafter referred to as " United Arab Republic tax ").

(2) The present Convention shall also apply to any other taxes of a substantially similar character imposed in Austria or in the United Arab Republic subsequently to the date of signature of the present Convention.

Article II

(1) In the present Convention, unless the context otherwise requires :

(*a*) The term " Austria " means the Republic of Austria;

(*b*) The term " United Arab Republic " means Egypt;

(*c*) The terms " one of the Contracting States " and " the other Contracting State " mean Austria or the United Arab Republic, as the context requires;

(*d*) The term " tax " means Austrian tax or United Arab Republic tax, as the context requires;

(*e*) The term " person " includes any individual, company, and any unincorporated body of persons;

(*f*) The term " company " means any body corporate and any entity which is treated as a body corporate for tax purposes;

(*g*) The term " competent taxation authorities " means, in the case of Austria the Federal Ministry of Finance; in the case of the United Arab Republic, the Minister of Treasury or his authorized representative.

(2) In the application of the provisions of the present Convention by one of the Contracting States any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws in force in the territory of that State relating to the taxes which are the subject of the present Convention.

Article III

(1) As used in this Convention the terms " resident of Austria " and " resident of the United Arab Republic " mean :

(*a*) any person, who, as the context requires, under the Austrian or the United Arab Republic law is liable to taxation therein by reason of his domicile, residence, place of management or any other similar criterion.

(*b*) Where by reason of the provisions of the preceding lit. (*a*) an individual is a resident of both Contracting States, then this case shall be solved in accordance with the following rules :

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

(ii) If the Contracting 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 Contracting State, he shall be deemed to be a resident of the State in which he has an habitual abode;

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

(iv) If he is a national of both Contracting States or of neither of them, the competent authorities of the Contracting States shall determine the question by mutual agreement.

(*c*) Where by reason of the provisions of lit. (*a*) a company 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. The same provision shall apply to partnerships and associations which are not legal persons under the national laws by which they are governed.

(2) As used in this Convention the terms " resident of one of the Contracting States " and " resident of the other Contracting State " mean a person who is a resident of Austria or a person who is a resident of the United Arab Republic, as the context requires.

(3) As used in this Convention the terms " Austrian enterprise " and " United Arab Republic enterprise " mean, respectively, an industrial or commercial enterprise or undertaking carried on by a resident of Austria and an industrial or commercial enterprise or undertaking carried on by a resident of the United Arab Republic and the terms " enterprise of one of the Contracting

States " and " enterprise of the other Contracting State " mean an Austrian enterprise or a United Arab Republic enterprise, as the context requires.

Article IV

(1) As used in this Convention the term " permanent establishment " means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

(2) A permanent establishment shall include especially:

(*a*) a place of management;

(*b*) a branch;

(*c*) an office;

(*d*) a factory;

(*e*) a workshop;

(*f*) a mine, an oifield, a quarry or other place of extraction of natural resources;

(*g*) a building site or construction or assembly project which exists for more than six months.

(3) The term " permanent establishment " shall not be deemed 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 for collecting information, for the enterprise;

(*e*) 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 have a preparatory or auxiliary charcter, for the enterprise.

(4) A person acting in one of the Contracting States on behalf of an enterprise of the other Contracting State — other than an agent of an independent status to whom paragraph (5) applies — shall be deemed to be a permanent establishment in the first-mentioned State if he has, and habitually exercices in that State, an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.