No. 7537

THAILAND
and
NORWAY

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital. Signed at Bangkok, on 9 January 1964

Official text: English.

Registered by Thailand on 11 January 1965.

THAÏLANDE
et
NORVÈGE

Convention tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu et d'impôts sur la fortune. Signée à Bangkok, le 9 janvier 1964

Texte officiel anglais.

Enregistrée par la Thaïlande le 11 janvier 1965.

No. 7537. CONVENTION[1] BETWEEN THE ROYAL GOVERNMENT OF THAILAND AND THE ROYAL GOVERNMENT OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL. SIGNED AT BANGKOK, ON 9 JANUARY 1964

The Royal Government of Thailand and the Royal Government of Norway,

Desiring to conclude a Convention for the avoidance of double taxation with respect to taxes on income and on capital,

Have agreed as follows :

CHAPTER I

SCOPE OF THE CONVENTION

Article 1

PERSONAL SCOPE

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

Article 2

TAXES COVERED

1. This Convention shall apply to taxes on income and on capital 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 and on capital all taxes imposed on total income, on total capital, or on all elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

[1] Came into force on 31 December 1964, thirty days after the exchange of the instruments of ratification which took place at Bangkok on 1 December 1964, in accordance with article 28.

3. The existing taxes to which the Convention shall apply are in particular :

(*a*) In the case of Norway :
(1) National income and capital taxes, including tax-equalization dues ;

(2) Municipal income and capital taxes ;
(3) Seamen's tax ;
(*b*) In the case of Thailand :
(1) The income tax ;
(2) The local development tax.

4. The Convention shall also apply to any identical or substantially similar taxes which are subsequently imposed in addition to, or in the place of, the existing taxes. At the end of each year, the competent authorities of the Contracting States shall notify to each other any significant changes which have been made in their respective taxation laws.

CHAPTER II

DEFINITIONS

Article 3

GENERAL DEFINITIONS

1. In this Convention, unless the context otherwise requires :

(*a*) The term "Norway" means the Kingdom of Norway, excluding Svalbard (Spitsbergen), Jan Mayen and the Norwegian dependencies outside Europe ;

(*b*) The term "Thailand" means the Kingdom of Thailand ;

(*c*) The terms "a Contracting State" and "the other Contracting State" mean Norway or Thailand, as the context requires ;

(*d*) The term "tax" means any tax covered by Article 2 ;

(*e*) The term "person" includes individuals, companies and all other entities which are treated as taxable units under the tax laws in force in either Contracting State ;

(*f*) The term "company" means any entity which is treated as a body corporate for tax purposes under the relevant laws of either Contracting State including any group or body of persons which is taxed in substantially same manner as a body corporate ;

(*g*) 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 Contracting State and an enterprise carried on by a resident of the other Contracting State ;

(*h*) The term "competent authorities" means in the case of Norway, the Minister of Finance and Customs or his authorised representative ; and in the case of Thailand, the Minister of Finance or his authorised representative.

2. As regards the application of the provisions of the present Convention by a Contracting State any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of the present Convention.

Article 4

FISCAL DOMICILE

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who, under the law of that State, is liable to taxation therein by reason of his domicile, residence, place of management or any other criterion of a similar nature.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then this case shall be determined in accordance with the following rules :

(*a*) 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) ;

(*b*) 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 Contracting State in which he has an habitual abode ;

(*c*) 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 ;

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

3. A company shall be regarded as a resident of a Contracting State if it is incorporated or else derives its status as such under the law of that State.

Article 5

PERMANENT ESTABLISHMENT

1. For the purposes of 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. The term "permanent establishment" shall include especially :

(*a*) a place of management ;

(*b*) a branch ;

(*c*) an office ;

(*d*) a factory ;

(*e*) a workshop ;

(*f*) a warehouse ;

(*g*) a mine, quarry or other place of extraction of natural resources.

3. The term "permanent establishment" shall not be deemed to include :

(*a*) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise ;

(*b*) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise and not for any processing of such goods or merchandise, or for collecting information, for the enterprise ;

(*c*) the maintenance of a fixed place of business solely for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise.

4. An enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State, if

(*a*) it carries on in that other State a construction, installation or assembly project or the like ;

(*b*) it carries on in that other State a business which consists of providing the services of public entertainers referred to in Article 16.

5. A person acting in a Contracting State on behalf of an enterprise of the other Contracting State — other than a broker of an independent status to whom paragraph 6 applies — shall be deemed to be a permanent establishment in the first-mentioned State, but only if

(*a*) he has and habitually exercices in the first-mentioned State an authority to negotiate and conclude contracts for or on behalf of the enterprise, unless