No. 9406

DENMARK
and
YUGOSLAVIA

Exchange of notes constituting an agreement for the avoidance of double taxation of enterprises engaged in air and maritime traffic. Belgrade, 26 March and 11 April 1968

Authentic text: English.

Registered by Denmark on 14 February 1969.

DANEMARK
et
YOUGOSLAVIE

Échange de notes constituant une convention tendant à éviter la double imposition des entreprises de transports aériens et maritimes. Belgrade, 26 mars et 11 avril 1968

Texte authentique : anglais.

Enregistré par le Danemark le 14 février 1969.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT[1] BETWEEN DENMARK AND YUGOSLAVIA FOR THE AVOIDANCE OF DOUBLE TAXATION OF ENTREPRISES ENGAGED IN AIR AND MARITIME TRAFFIC

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AMBASSADE ROYALE DE DANEMARK
BELGRADE

The Royal Danish Embassy presents its compliments to the Secretariat of State for Foreign Affairs of the Socialist Federal Republic of Yugoslavia and, acting upon instructions from its Government, has the honour to submit the following proposal :

1. The Royal Government of Denmark, in exercising the authorization conferred on it by Act No. 74 of March 31, 1953 on the Conclusion of Agreements with Foreign States with a View to Avoiding Double Taxation, declares, under reservation of reciprocity, that Yugoslav enterprises engaged in air and maritime traffic are exempt in Denmark from all income taxes and taxes on benefits ; derived from their engaging in such traffic ; this exemption covers also taxes on movable property, including vessels and aircraft used by such enterprises.

2. The Government of the Socialist Federal Republic of Yugoslavia, in exercising the authorization conferred on it under Article 73 of the Basic Law on Taxes, declares, under reservation of reciprocity, that Danish enterprises engaged in air and maritime traffic are exempt in Yugoslavia from all income taxes and taxes on benefits derived from their engaging in air and maritime navigation ; this exemption covers also taxes on movable property, including vessels and aircraft used by such enterprises.

3. The exemption under paragraphs 1 and 2 applies also to income derived by Danish and Yugoslav civil aviation enterprises participating in a " pool ", joint venture or in an international agency engaged in traffic.

4. The term " engaged in air and maritime traffic " relates to the professional transportation of persons or goods by the owner, charterer or leaseholder of aircraft and vessels.

5. The term " Danish enterprises " means enterprises engaged in air and maritime traffic whose head offices are located in Denmark and which are run

[1] Came into force on 11 April 1968 by the exchange of the said notes.