

**No. 49593**

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**France  
and  
United Kingdom of Great Britain and Northern Ireland (in re-  
spect of the Isle of Man)**

**Agreement between the Government of the French Republic and the Government of the Isle of Man for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic. Douglas, 26 March 2009**

**Entry into force:** *14 January 2012, in accordance with article 6*

**Authentic texts:** *English and French*

**Registration with the Secretariat of the United Nations:** *France, 1 May 2012*

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**France  
et  
Royaume-Uni de Grande-Bretagne et d'Irlande du Nord (à  
l'égard de l'Île de Man)**

**Accord entre le Gouvernement de la République française et le Gouvernement de l'Île de Man en vue d'éviter la double imposition des entreprises exploitant, en trafic international, des navires ou des aéronefs. Douglas, 26 mars 2009**

**Entrée en vigueur :** *14 janvier 2012, conformément à l'article 6*

**Textes authentiques :** *anglais et français*

**Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies :** *France, 1<sup>er</sup> mai 2012*

**AGREEMENT BETWEEN  
THE GOVERNMENT OF THE FRENCH REPUBLIC  
AND  
THE GOVERNMENT OF THE ISLE OF MAN  
FOR THE AVOIDANCE OF DOUBLE TAXATION  
WITH RESPECT TO ENTERPRISES  
OPERATING SHIPS OR AIRCRAFT  
IN INTERNATIONAL TRAFFIC**

**THE GOVERNMENT OF THE FRENCH REPUBLIC**

and

**THE GOVERNMENT OF THE ISLE OF MAN,**

**DESIRING** to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

**HAVE AGREED** as follows:

**ARTICLE 1**

**Scope of the Agreement**

This agreement shall apply to enterprise operating ships or aircraft in international traffic which are resident of one or both of the Parties.

**ARTICLE 2**

**Taxes Covered**

1. This Agreement shall apply to the following taxes imposed by the Parties:

(a) in the case of the Isle of Man:

- taxes on income or profits;

(b) in the case of France:

- income tax;

- corporation tax;

- contributions on corporation tax;

- taxes on salaries;

as well as any withholding tax, prepayments or advance payments connected with the above mentioned taxes.

2. This Agreement shall apply also to any identical or substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

## **ARTICLE 3**

### **Definitions**

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

(a) the term “a Party” means the Isle of Man or the French Republic, as the context requires; the term “Parties” means the Isle of Man and the French Republic;

(b) the term “Isle of Man” means the island of the Isle of Man;

(c) the term “France” means the European and Overseas Departments of the French Republic including the territorial sea, and any area outside the territorial sea within which, in accordance with international law, the French Republic has sovereign rights for the purpose of exploring and exploiting the natural resources of the seabed and its subsoil and the superjacent waters;

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

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

(f) the term “competent authority” means:

i) in the case of the Isle of Man, the Assessor of Income Tax or his delegate;

ii) in the case of France, the Minister of finance or his authorised representative;

(g) the term “resident of a Party” means any person, who under the law of that Party is liable to taxation therein by reason of his domicile, residence, place of effective management or any other criterion of a similar nature.

(h) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;

(i) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise that has its place of effective management in a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

**ARTICLE 4**

**Shipping And Air Transport Profits And Gains**

1. Profits derived by an enterprise of a Party from the operation of ships or aircraft in international traffic shall be taxable only in the Party in which the place of effective management of the enterprise is situated.

2. Gains derived by an enterprise of a Party from the alienation of ships or aircraft operated in international traffic or from movable property pertaining to the operation of such ships or aircraft shall be taxable only in the Party in which the place of effective management of the enterprise is situated.

3. The provisions of paragraphs 1 and 2 shall also apply to profits and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

4. Should consideration need to be given to the meaning of the term "profits derived by an enterprise of a Party from the operation of ships or aircraft in international traffic" the Parties agree to refer for guidance to article 8 (shipping, inland waterways transport and air transport) and the commentary on article 8 of the Organisation for Economic Cooperation and Development's Model Tax Convention on Income and on Capital.