No. 4179

NETHERLANDS
and
DENMARK

Convention (with Protocol and exchange of letters) for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance with respect to taxes on income and fortune. Signed at Copenhagen, on 20 February 1957

Official text of the Convention and Protocol: Dutch and Danish.

Official text of the exchange of letters: English.

Registered by the Netherlands on 21 February 1958.

PAYS-BAS
et
DANEMARK

Convention (avec Protocole et échange de lettres) tendant à éviter la double imposition et à établir des règles d'assistance administrative réciproque en matière d'impôts sur le revenu et sur la fortune. Signée à Copenhague, le 20 février 1957

Textes officiels de la Convention et du Protocole: néerlandais et danois.

Texte officiel de l'échange de lettres: anglais.

Enregistrée par les Pays-Bas le 21 février 1958.

EXCHANGE OF LETTERS — ÉCHANGE DE LETTRES

I

Copenhagen, February 20, 1957

Monsieur le Ministre,

With reference to the Convention between the Kingdom of the Netherlands and the Kingdom of Denmark for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance with respect to taxes on income and capital, which Convention has been signed today,[1] I suggest, that in connection with Article 23 of the said Convention the following proviso be made :

> "It is agreed that the obligation to exchange information does not concern information obtained from banks or from institutions assimilated therewith."

I would appreciate it if I could receive from Your Excellency the confirmation of the agreement of the Danish Government.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

(*Signed*)
J. A. BEELAERTS VAN BLOKLAND

His Excellency
Mr. H. C. Hansen
Prime Minister and Minister
for Foreign Affairs
Christiansborg, Copenhagen

[1] See p. 74 of this volume.

[TRADUCTION — TRANSLATION]

I

Copenhague, le 20 février 1957

Monsieur le Ministre,

Me référant à la Convention tendant à éviter la double imposition et à établir des règles d'assistance administrative réciproque en matière d'impôts sur le revenu et sur la fortune que le Royaume des Pays-Bas et le Royaume de Danemark ont conclue ce jour[1], j'ai l'honneur de proposer que la réserve suivante soit formulée en ce qui concerne l'article 23 de ladite Convention :

> « Il est convenu que l'obligation d'échanger des renseignements n'a pas trait aux renseignements obtenus de banques ou d'institutions analogues. »

Je vous serais reconnaissant de me confirmer l'accord du Gouvernement danois à ce sujet.

Veuillez agréer, etc.

(*Signé*)
J. A. BEELAERTS VAN BLOKLAND

A Son Excellence
Monsieur H. C. Hansen
Premier Ministre et Ministre
des affaires étrangères
Christiansborg, Copenhague

[1] Voir p. 75 de ce volume.

II

UDENRIGSMINISTERIET[1]

Copenhagen, February 20, 1957

Monsieur le Chargé d'Affaires,

I have the honour to acknowledge receipt of your letter of this day, reading as follows :

[*See letter I*]

I have the honour to inform you that the Danish Government agree with the proviso stated in your above-mentioned letter.

I avail myself of this opportunity to renew to you, Monsieur le Chargé d'Affaires, the assurance of my high consideration.

(*Signed*) H. C. HANSEN

Jonkheer
J. A. Beelaerts van Blokland
Chargé d'Affaires a.i.
of the Netherlands
Copenhagen

II

MINISTÈRE DES AFFAIRES ÉTRANGÈRES

Copenhague, le 20 février 1957

Monsieur le Chargé d'affaires,

J'ai l'honneur d'accuser réception de votre lettre de ce jour ainsi conçue :

[*Voir lettre I*]

J'ai l'honneur de vous informer que le Gouvernement danois approuve la réserve indiquée dans la lettre susmentionnée.

Veuillez agréer, etc.

(*Signé*) H. C. HANSEN

Le jonkheer
J. A. Beelaerts van Blokland
Chargé d'affaires des Pays-Bas
Copenhague

[1] Ministry of Foreign Affairs.

[TRANSLATION — TRADUCTION]

No. 4179. CONVENTION[1] BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF DENMARK FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF RULES OF RECIPROCAL ADMINISTRATIVE ASSISTANCE WITH RESPECT TO TAXES ON INCOME AND FORTUNE. SIGNED AT COPENHAGEN, ON 20 FEBRUARY 1957

Her Majesty the Queen of the Netherlands and His Majesty the King of Denmark,

Desiring to avoid double taxation so far as possible and to establish rules of reciprocal administrative assistance with respect to taxes on income and fortune,

Have decided to include a Convention for that purpose,

And have appointed as their plenipotentiaries :

Her Majesty the Queen of the Netherlands :

Jonkheer Johan Anthony Beelaerts van Blokland, Secretary of Embassy, Her Acting Chargé d'Affaires at Copenhagen ;

His Majesty the King of Denmark :

Mr. Hans Christian Svane Hansen, His Prime Minister and Minister of Foreign Affairs,

Who, having communicated to each other their full powers, found in good and due form, have agreed on the following provisions :

Article 1

1. This Convention shall apply to taxes on income and capital payable to the State or to a province, commune or other political subdivision.

2. The taxes which are the subject of this Convention shall be :

In the case of the Netherlands :

(*a*) Income tax,

(*b*) Tax on wages,

[1] Came into force on 29 January 1958 by the exchange of the instruments of ratification at The Hague, in accordance with article 32.

(*c*) Company tax,
(*d*) Dividend tax,
(*e*) Tax on directors' salaries,
(*f*) Fortune tax,

(these are referred to hereinafter as "Netherlands tax").

In the case of Denmark :

(*a*) State income tax including the special company tax,
(*b*) State fortune tax,
(*c*) Communal income tax,

(these are referred to hereinafter as "Danish Tax").

3. This Convention shall also apply to other taxes of a substantially similar character imposed by either State after the signature of this Convention.

4. If any appreciable change takes place in the revenue law of either State, the competent authority of that State shall notify the competent authority of the other State of the change with a view to making such amendments in or giving such interpretation to this Convention as appear to be necessary.

Article 2

1. In this Convention :

(*a*) The term "Netherlands" means that part of the Kingdom of the Netherlands which is situated in Europe ;

(*b*) The term "Denmark" means the Kingdom of Denmark excluding the Faroe Islands and Greenland ;

(*c*) The terms "resident or domiciled in one of the States" and "resident or domiciled in the other State" mean resident or domiciled in the Netherlands, or resident or domiciled in Denmark, as the context requires ; and the terms "resident or domiciled in the Netherlands" and "resident or domiciled in Denmark" mean an individual who is resident or a body corporate which is domiciled in the Netherlands, or an individual who is resident or a body corporate which is domiciled in Denmark, in accordance with the provisions of article 3 of this Convention ;

(*d*) The term "body corporate" means a company, association or other organization which is taxable as such under the law ;

(*e*) The terms "enterprise of one of the States" and "enterprise of the other State" mean a Netherlands enterprise or a Danish enterprise, as the context requires; and the term "Netherlands enterprise" means an enterprise carried on by a person