

PART VII - FINAL PROVISIONS

Article 27 – Signature and Ratification, Acceptance or Approval

1. As of 31 December 2016, this **Convention shall be open for signature** by:
 - a) all States;
 - b) Guernsey (the United Kingdom of Great Britain and Northern Ireland); Isle of Man (the United Kingdom of Great Britain and Northern Ireland); Jersey (the United Kingdom of Great Britain and Northern Ireland); and
 - c) any other jurisdiction authorised to become a Party by means of a decision by consensus of the Parties and Signatories.
2. This **Convention is subject to ratification, acceptance or approval**.

Article 28 – Reservations

1. Subject to paragraph 2, **no reservations** may be made to this Convention **except those expressly permitted** by:
 - a) Paragraph 5 of Article 3 (Transparent Entities);
 - b) Paragraph 3 of Article 4 (Dual Resident Entities);
 - c) Paragraphs 8 and 9 of Article 5 (Application of Methods for Elimination of Double Taxation);
 - d) Paragraph 4 of Article 6 (Purpose of a Covered Tax Agreement);
 - e) Paragraphs 15 and 16 of Article 7 (Prevention of Treaty Abuse);

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- f) Paragraph 3 of Article 8 (Dividend Transfer Transactions);
- g) Paragraph 6 of Article 9 (Capital Gains from Alienation of Shares or Interests of Entities Deriving their Value Principally from Immovable Property);
- h) Paragraph 5 of Article 10 (Anti-abuse Rule for Permanent Establishments Situated in Third Jurisdictions);
- i) Paragraph 3 of Article 11 (Application of Tax Agreements to Restrict a Party's Right to Tax its Own Residents);

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- j) Paragraph 4 of Article 12 (Artificial Avoidance of Permanent Establishment Status through Commissionnaire Arrangements and Similar Strategies);
- k) Paragraph 6 of Article 13 (Artificial Avoidance of Permanent Establishment Status through the Specific Activity Exemptions);
- l) Paragraph 3 of Article 14 (Splitting-up of Contracts);
- m) Paragraph 2 of Article 15 (Definition of a Person Closely Related to an Enterprise);
- n) Paragraph 5 of Article 16 (Mutual Agreement Procedure);

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- o) Paragraph 3 of Article 17 (Corresponding Adjustments);
- p) Paragraphs 11 and 12 of Article 19 (Mandatory Binding Arbitration);
- q) Paragraphs 2, 3, 6, and 7 of Article 23 (Type of Arbitration Process);
- r) Paragraph 3 of Article 24 (Agreement on a Different Resolution);
- s) Paragraph 4 of Article 26 (Compatibility);
- t) Paragraphs 6 and 7 of Article 35 (Entry into Effect); and
- u) Paragraph 2 of Article 36 (Entry into Effect of Part VI).

Article 28 – Reservations – Paragraph 2(a)

Notwithstanding paragraph 1,

- a Party that chooses under **Article 18** (Choice to Apply Part VI) to apply Part VI (Arbitration)
 - ✓ may formulate **one or more reservations** with respect to the scope of cases that shall be eligible for arbitration under the **provisions of Part VI** (Arbitration).
- For a Party which chooses under **Article 18** (Choice to Apply Part VI) to apply Part VI (Arbitration) after it has become a **Party to this Convention**,
 - ✓ reservations pursuant to this subparagraph **shall be made at the same time** as that Party's notification to the Depositary pursuant to Article 18 (Choice to Apply Part VI).

Article 28 – Reservations – Paragraph 2(b)

- Reservations made under subparagraph a) are **subject to acceptance**.
- A reservation made under subparagraph a) **shall be considered to have been accepted** by a Party
 - ✓ if it has **not notified** the Depositary that it objects to the reservation
 - ✓ by the end of a **period of twelve calendar months** beginning on the date of notification of the reservation by the Depositary or
 - ✓ by the **date on which it deposits its instrument** of ratification, acceptance, or approval,

whichever is later.

Article 28 – Reservations – Paragraph 2(b)

- For a Party which **chooses under Article 18** (Choice to Apply Part VI) to apply Part VI (Arbitration) **after it has become a Party to this Convention**,
 - ✓ objections to **prior reservations** made by other Parties pursuant to subparagraph a)
 - ✓ can be made **at the time** of the first mentioned Party's **notification to the Depository** pursuant to Article 18 (Choice to Apply Part VI).
- Where a Party **raises an objection** to a reservation made under **subparagraph a)**,
 - ✓ the **entirety of Part VI (Arbitration) shall not apply** as between the objecting Party and the reserving Party.

Article 28 – Reservations – Paragraph 3

Unless explicitly provided otherwise in the relevant provisions of this Convention, a reservation made in accordance with paragraph 1 or 2 shall:

- a) modify for the reserving Party in its relations with another Party the provisions of this Convention to which the reservation relates to the extent of the reservation; and
- b) modify those provisions to the same extent for the other Party in its relations with the reserving Party.

Article 28 – Reservations – Paragraph 4

- Reservations applicable to Covered Tax Agreements entered into by or on behalf of a jurisdiction or territory
- for whose international relations a Party is responsible,
- where that jurisdiction or territory is not a Party to the Convention
- pursuant to subparagraph b) or c) of paragraph 1 of Article 27 (Signature and Ratification, Acceptance or Approval),
- shall be made by the responsible Party and can be different from the reservations made by that Party for its own Covered Tax Agreements.

Article 28 – Reservations – Paragraph 5

- Reservations shall be made
 - ✓ at the **time of signature** or
 - ✓ when **depositing** the instrument of ratification, acceptance or approval,

subject to the provisions of paragraphs 2, 6 and 9 of this Article, and paragraph 5 of Article 29 (Notifications).

Article 28 – Reservations – Paragraph 5

- However, for a Party which chooses under Article 18 (Choice to Apply Part VI) to apply Part VI (Arbitration) **after it has become a Party to this Convention,**
 - ✓ reservations described in subparagraphs p), q), r) and s) of paragraph 1 of this Article shall be made
 - ✓ **at the same time as that Party's notification** to the Depositary pursuant to Article 18 (Choice to Apply Part VI).

Article 28 – Reservations – Paragraph 6

- If reservations are made at the **time of signature**,
 - they shall be **confirmed upon deposit of the instrument** of ratification, acceptance or approval,
 - **unless** the document containing the **reservations** explicitly specifies that it is to be **considered definitive**, subject to the provisions of paragraphs 2, 5 and 9 of this Article, and paragraph 5 of Article 29 (Notifications).

Article 28 – Reservations – Paragraph 7

- If reservations are not made at the time of signature,
- a **provisional list** of expected reservations
- shall be provided to the **Depositary at that time.**

Article 28 – Reservations – Paragraph 8

- For reservations made pursuant to each of the following provisions,
- a **list of agreements notified** pursuant to clause ii) of subparagraph a) of paragraph 1 of **Article 2** (Interpretation of Terms)
- that are within the **scope of the reservation** as defined in the relevant provision
- (and, in the case of a reservation under any of the following provisions other than those listed in subparagraphs c), d) and n), the article and paragraph number of each relevant provision)
- must be provided **when such reservations are made:**

Article 28 – Reservations – Paragraph 8

- a) Subparagraphs b), c), d), e) and g) of paragraph 5 of Article 3 (Transparent Entities);
- b) Subparagraphs b), c) and d) of paragraph 3 of Article 4 (Dual Resident Entities);
- c) Paragraphs 8 and 9 of Article 5 (Application of Methods for Elimination of Double Taxation);
- d) Paragraph 4 of Article 6 (Purpose of a Covered Tax Agreement);
- e) Subparagraphs b) and c) of paragraph 15 of Article 7 (Prevention of Treaty Abuse);
- f) Clauses i), ii), and iii) of subparagraph b) of paragraph 3 of Article 8 (Dividend Transfer Transactions);

Article 28 – Reservations – Paragraph 8

- g) Subparagraphs d), e) and f) of paragraph 6 of Article 9 (Capital Gains from Alienation of Shares or Interests of Entities Deriving their Value Principally from Immovable Property);
- h) Subparagraphs b) and c) of paragraph 5 of Article 10 (Anti-abuse Rule for Permanent Establishments Situated in Third Jurisdictions);
- i) Subparagraph b) of paragraph 3 of Article 11 (Application of Tax Agreements to Restrict a Party's Right to Tax its Own Residents);
- j) Subparagraph b) of paragraph 6 of Article 13 (Artificial Avoidance of Permanent Establishment Status through the Specific Activity Exemptions);

Article 28 – Reservations – Paragraph 8

- k) Subparagraph b) of paragraph 3 of Article 14 (Splitting-up of Contracts);
- l) Subparagraph b) of paragraph 5 of Article 16 (Mutual Agreement Procedure);
- m) Subparagraph a) of paragraph 3 of Article 17 (Corresponding Adjustments);
- n) Paragraph 6 of Article 23 (Type of Arbitration Process); and
- o) Paragraph 4 of Article 26 (Compatibility).

The reservations described in subparagraphs a) through o) above **shall not apply to any Covered Tax Agreement that is not included on the list** described in this paragraph.

Article 28 – Reservations – Paragraph 9

- Any Party which has made a reservation in accordance with paragraph 1 or 2
 - may at any time **withdraw it or replace it** with a more limited reservation by means of a notification addressed to the Depositary.
 - Such Party shall make any **additional notifications pursuant to paragraph 6 of Article 29 (Notifications)** which may be required as a result of the withdrawal or replacement of the reservation.
- Subject to paragraph 7 of Article 35 (Entry into Effect), **the withdrawal or replacement shall take effect:**

Article 28 – Reservations – Paragraph 9(a)

With respect to a Covered Tax Agreement solely with States or jurisdictions that are Parties to the Convention **when the notification of withdrawal or replacement of the reservation is received by the Depository:**

- i) for **reservations** in respect of provisions relating to taxes **withheld at source**,
 - ✓ where the event giving rise to such taxes occurs on or after 1 January of the year next following
 - ✓ the **expiration of a period of six calendar months**
 - ✓ beginning on the **date of the communication by the Depository** of the notification of withdrawal or replacement of the reservation; and

Article 28 – Reservations – Paragraph 9(a)

- ii) for **reservations** in respect of all **other provisions**,
 - ✓ for taxes levied with respect to taxable periods
 - ✓ beginning on or after 1 January of the year next following
 - ✓ the **expiration of a period of six calendar months**
 - ✓ beginning on the **date of the communication by the Depository** of the notification of withdrawal or replacement of the reservation; and

Article 28 – Reservations – Paragraph 9(b)

- With respect to a **Covered Tax Agreement** for which one or more Contracting Jurisdictions becomes a **Party to this Convention**
- **after the date of receipt** by the Depositary of the notification of **withdrawal or replacement**:
- on the **latest of the dates on which the Convention enters into force** for those Contracting Jurisdictions.

Article 29 – Notifications – Paragraph (1)

Subject to paragraphs 5 and 6 of this Article, and paragraph 7 of Article 35 (Entry into Effect), notifications pursuant to the following provisions shall be made at the time of signature or when depositing the instrument of ratification, acceptance or approval:

- a) Clause ii) of subparagraph a) of paragraph 1 of Article 2 (Interpretation of Terms);
- b) Paragraph 6 of Article 3 (Transparent Entities);
- c) Paragraph 4 of Article 4 (Dual Resident Entities);
- d) Paragraph 10 of Article 5 (Application of Methods for Elimination of Double Taxation);
- e) Paragraphs 5 and 6 of Article 6 (Purpose of a Covered Tax Agreement);

Article 29 – Notifications – Paragraph (1)

- f) Paragraph 17 of Article 7 (Prevention of Treaty Abuse);
- g) Paragraph 4 of Article 8 (Dividend Transfer Transactions);
- h) Paragraphs 7 and 8 of Article 9 (Capital Gains from Alienation of Shares or Interests of Entities Deriving their Value Principally from Immovable Property);
- i) Paragraph 6 of Article 10 (Anti-abuse Rule for Permanent Establishments Situated in Third Jurisdictions);
- j) Paragraph 4 of Article 11 (Application of Tax Agreements to Restrict a Party's Right to Tax its Own Residents);

Article 29 – Notifications – Paragraph (1)

- k) Paragraphs 5 and 6 of Article 12 (Artificial Avoidance of Permanent Establishment Status through Commissionnaire Arrangements and Similar Strategies);
- l) Paragraphs 7 and 8 of Article 13 (Artificial Avoidance of Permanent Establishment Status through the Specific Activity Exemptions);
- m) Paragraph 4 of Article 14 (Splitting-up of Contracts);
- n) Paragraph 6 of Article 16 (Mutual Agreement Procedure);
- o) Paragraph 4 of Article 17 (Corresponding Adjustments);

Article 29 – Notifications – Paragraph (1)

- p) Article 18 (Choice to Apply Part VI);
- q) Paragraph 4 of Article 23 (Type of Arbitration Process);
- r) Paragraph 1 of Article 24 (Agreement on a Different Resolution);
- s) Paragraph 1 of Article 26 (Compatibility); and
- t) Paragraphs 1, 2, 3, 5 and 7 of Article 35 (Entry into Effect).

Article 29 – Notifications – Paragraph (2)

- Notifications in respect of Covered Tax Agreements entered into by or on behalf of a jurisdiction or territory
- for whose international relations a Party is responsible,
- where that jurisdiction or territory is not a Party to the Convention pursuant to subparagraph b) or c) of paragraph 1 of Article 27 (Signature and Ratification, Acceptance or Approval),
- shall be made by the responsible Party and
- can be different from the notifications made by that Party for its own Covered Tax Agreements.

Article 29 – Notifications – Paragraph (3)

If **notifications** are made at the time of **signature**,

- they shall be **confirmed** upon **deposit of the instrument** of ratification, acceptance or approval,
- unless the document containing the **notifications** explicitly specifies that it is to be **considered definitive**,
- subject to the provisions of paragraphs 5 and 6 of this Article, and paragraph 7 of Article 35 (Entry into Effect).

Article 29 – Notifications – Paragraph (4)

If notifications are **not made at the time of signature**,

- a **provisional list** of expected notifications shall be provided at that time.

Article 29 – Notifications – Paragraph (5)

- A Party may **extend** at any time the **list of agreements notified** under clause ii) of subparagraph a) of paragraph 1 of Article 2 (Interpretation of Terms) **by means of a notification** addressed to the Depositary.
- The Party shall specify in this **notification** whether the **agreement falls within the scope of any of the reservations** made by the Party which are listed in paragraph 8 of Article 28 (Reservations).
- The Party may also make a **new reservation** described in paragraph 8 of Article 28 (Reservations) if the additional agreement would be the first to fall within the scope of such a reservation.

Article 29 – Notifications – Paragraph (5)

- The Party shall also specify any **additional notifications** that may be required under subparagraphs b) through s) of paragraph 1 to **reflect the inclusion of the additional agreements**.
- In addition, **if the extension results for the first time** in the inclusion of a tax agreement entered into by or on behalf of a jurisdiction or territory for whose international relations a Party is responsible,
 - ✓ the Party shall **specify any reservations**
 - ✓ (pursuant to paragraph 4 of Article 28 (Reservations)) or notifications (pursuant to paragraph 2 of this Article)
 - ✓ applicable to Covered Tax Agreements entered into by or on behalf of that jurisdiction or territory.

Article 29 – Notifications – Paragraph (5)

- On the date on which the added agreement(s) notified under clause ii) of subparagraph a) of paragraph 1 of Article 2 (Interpretation of Terms) become Covered Tax Agreements,
 - ✓ the provisions of **Article 35 (Entry into Effect) shall govern** the date on which the **modifications** to the Covered Tax Agreement shall have **effect**.

Article 29 – Notifications – Paragraph (6) and Paragraph 6(a)

A Party may make **additional notifications** pursuant to subparagraphs b) through s) of paragraph 1 by means of a **notification addressed to the Depository**. These notifications shall take effect:

a) with respect to Covered Tax Agreements solely with States or jurisdictions that are **Parties to the Convention** when **the additional notification is received by the Depository**:

- i) for notifications in respect of **provisions relating to taxes withheld at source**,
 - ✓ where the event giving rise to such taxes occurs on or after 1 January of the year next following
 - ✓ the expiration of a period of six calendar months
 - ✓ beginning on the date of the communication by the Depository of the additional notification; and

Article 29 – Notifications – Paragraph (6) and Paragraph 6(a)

- ii) for notifications in respect of **all other provisions**,
 - ✓ for taxes levied with respect to taxable periods
 - ✓ beginning on or after 1 January of the year next following
 - ✓ the expiration of a period of six calendar months beginning on the date of the communication by the Depositary of the additional notification;

and

Article 29 – Notifications – Paragraph (6)(b)

- b) with respect to a **Covered Tax Agreement** for which one or more Contracting Jurisdictions **becomes a Party to this Convention after the date of receipt by the Depository** of the additional notification:
- ✓ on the latest of the dates on which the Convention enters into force for those Contracting Jurisdictions.

Article 30 – Subsequent Modifications of Covered Tax Agreements

- The provisions in this Convention are **without prejudice to subsequent modifications** to a Covered Tax Agreement
- which may be agreed between the Contracting Jurisdictions of the Covered Tax Agreement.

Article 31 – Conference of the Parties

1. The Parties may convene a **Conference of the Parties** for the purposes of taking any decisions or exercising any functions as may be required or appropriate under the provisions of this Convention.
2. The Conference of the Parties shall be served by the Depositary.
3. Any Party may request a Conference of the Parties by communicating a request to the Depositary. The Depositary shall inform all Parties of any request. Thereafter, the **Depositary shall convene a Conference of the Parties,**
 - ✓ provided that the request is supported by **one-third of the Parties**
 - ✓ **within six calendar months of the communication by the Depositary of the request.**

Article 32 – Interpretation and Implementation

1. Any question arising as to the interpretation or implementation of provisions of a Covered Tax Agreement as they are modified by this Convention
 - ✓ shall be determined in accordance with the provision(s) of the Covered Tax Agreement relating to the resolution **by mutual agreement of questions of interpretation or application** of the Covered Tax Agreement (as those provisions may be modified by this Convention).

2. Any question arising as to the interpretation or implementation of this Convention
 - ✓ may be addressed by a **Conference of the Parties** convened in accordance with paragraph 3 of Article 31 (Conference of the Parties).

Article 2 – Interpretation of Terms- Paragraph 1 and Paragraph 1(a)

For the purpose of this Convention, the following definitions apply:

a) The term “Covered Tax Agreement”

✓ means an agreement for the avoidance of double taxation with respect to taxes on income (whether or not other taxes are also covered):

(i) that is **in force** between two or more:

A) **Parties**; and/or

B) jurisdictions or territories which are parties to an agreement described above and **for whose international relations a Party is responsible**; and

Article 2 – Interpretation of Terms- Paragraph 1(a)(ii)

(ii) With respect to which **each such Party**

- **has made a notification** to the Depository listing
 - ✓ the agreement as well as
 - ✓ any amending or accompanying instruments thereto (identified by title, names of the parties, date of signature, and, if applicable at the time of the notification, date of entry into force)
- as an **agreement which it wishes to be covered by this Convention.**

Article 2 – Interpretation of Terms- Paragraph 1(b)

The term “Party” means:

- i) A State for which this **Convention is in force** pursuant to Article 34 (Entry into Force);
or

- ii) A jurisdiction which has **signed this Convention** pursuant to subparagraph b) or c) of paragraph 1 of Article 27 (**Signature and Ratification, Acceptance or Approval**) and for which this **Convention is in force** pursuant to Article 34 (Entry into Force).

Article 2 – Interpretation of Terms- Paragraph 1(c) & 1(d)

- (c) The term “Contracting Jurisdiction” means a party to a Covered Tax Agreement.
- d) The term “Signatory” means a State or jurisdiction which has signed this Convention but for which the Convention is not yet in force.

Article 2 – Interpretation of Terms- Paragraph 2

- As regards the application of this Convention at any time by a Party,
- any term not defined herein shall,
- unless the context otherwise requires,
- have the **meaning that it has**
- **at that time** under the relevant Covered Tax Agreement.

Article 33 – Amendment

1. Any Party may **propose an amendment** to this Convention
 - ✓ by **submitting** the proposed amendment to the **Depositary**.
2. A Conference of the Parties may be convened to consider the proposed amendment in accordance with **paragraph 3 of Article 31 (Conference of the Parties)**.

Article 34 – Entry into Force – Paragraph 1

This Convention shall enter into force on

- the first day of the month following
- the expiration of a period of three calendar months
- beginning on the date of deposit of the fifth instrument of ratification, acceptance or approval.

Article 34 – Entry into Force – Paragraph 2

For each Signatory **ratifying, accepting, or approving this Convention** after the deposit of the fifth instrument of ratification, acceptance or approval, the Convention **shall enter into force on**

- the first day of the month
- **following the expiration of a period of three calendar months**
- beginning on the date of the deposit by such Signatory of its instrument of ratification, acceptance or approval.

Article 35 – Entry into Effect- Paragraph 1 and 1(a)

1. The provisions of this Convention shall have effect in each Contracting Jurisdiction with respect to a Covered Tax Agreement:
 - a) with respect to **taxes withheld at source** on amounts paid or credited to non-residents,
 - where the event giving rise to such taxes occurs
 - on or after the first day of the next calendar year
 - that begins on or after the **latest of the dates**
 - **on which this Convention enters into force** for each of the Contracting Jurisdictions to the Covered Tax Agreement; and

Article 35 – Entry into Effect- Paragraph 1(b)

With respect to **all other taxes** levied by that Contracting Jurisdiction,

- for taxes levied with respect to taxable periods
- beginning on or after the **expiration of a period of six calendar months**
- (or a shorter period, if all Contracting Jurisdictions notify the Depository that they intend to apply such shorter period)
- from the **latest of the dates on which this Convention enters into force**
- for each of the Contracting Jurisdictions to the Covered Tax Agreement.

Article 35 – Entry into Effect – Paragraph (2)

Solely for the purpose of its **own application** of

- subparagraph a) of paragraph 1 and subparagraph a) of paragraph 5,
- a Party may choose to **substitute “taxable period” for “calendar year”**, and
- shall notify the **Depositary** accordingly.

Article 35 – Entry into Effect – Paragraph (3)

Solely for the purpose of its **own application** of

- subparagraph b) of paragraph 1 and subparagraph b) of paragraph 5,
- a Party may choose to **replace** the reference to “**taxable periods beginning on or after the expiration of a period**”
- with a reference to “**taxable periods beginning on or after 1 January of the next year beginning on or after the expiration of a period**”,
- and shall notify the **Depositary** accordingly.

Article 35 – Entry into Effect – Paragraph (4)

Notwithstanding the preceding provisions of this Article, Article 16 (Mutual Agreement Procedure)

- shall have effect with respect to a Covered Tax Agreement for a case presented to the competent authority of a Contracting Jurisdiction
- on or after the latest of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement,
- except for cases that were not eligible to be presented as of that date under the Covered Tax Agreement prior to its modification by the Convention, without regard to the taxable period to which the case relates.

Article 35 – Entry into Effect- Paragraph 5

For a new Covered Tax Agreement resulting from an extension pursuant to

- paragraph 5 of Article 29 (Notifications) of the list of agreements
- notified under clause ii) of subparagraph a) of paragraph 1 of Article 2 (Interpretation of Terms),
- **the provisions of this Convention shall have effect** in each Contracting Jurisdiction:

Article 35 – Entry into Effect- Paragraph 5 (a)

With **respect to taxes withheld at source** on amounts paid or credited to non-residents,

- where the event giving rise to such taxes occurs
- on or after the first day of the next calendar year
- that begins on or after 30 days after the date of the communication
- by the Depositary of the notification of the extension of the list of agreements; and

Article 35 – Entry into Effect- Paragraph 5 (b)

- b) with **respect to all other taxes** levied by that Contracting Jurisdiction,
- for taxes levied with respect to taxable periods
 - beginning on or after the **expiration of a period of nine calendar months**
 - (or a shorter period, if all Contracting Jurisdictions notify the Depository that they intend to apply such shorter period)
 - from the date of the communication by the Depository of the notification of the extension of the list of agreements.

Article 35 – Entry into Effect- Paragraph 6

6. A Party may reserve the **right for paragraph 4 not to apply** with respect to its Covered Tax Agreements.

Article 35 – Entry into Effect – Paragraph 7(a)

A Party may reserve the right to replace:

- i) the references in paragraphs 1 and 4 to
 - “the latest of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement”; and

Article 35 – Entry into Effect – Paragraph 7(a)

ii) the references in paragraph 5 to

- “the date of the communication by the Depository of the notification of the extension of the list of agreements”;
- with references to “30 days after the date of receipt by the Depository of the latest notification by each Contracting Jurisdiction making the reservation described in paragraph 7 of Article 35 (Entry into Effect) that it has completed its internal procedures for the entry into effect of the provisions of this Convention with respect to that specific Covered Tax Agreement”

Article 35 – Entry into Effect – Paragraph 7(a)

- iii) the **references in subparagraph** a) of paragraph 9 of Article 28 (Reservations) to
- “on the date of the communication by the Depositary of the notification of withdrawal or replacement of the reservation”;

and

Article 35 – Entry into Effect – Paragraph 7(a)

- iv) the **reference in** subparagraph b) of paragraph 9 of Article 28 (Reservations) to
- “on the latest of the dates on which the Convention enters into force for those Contracting Jurisdictions”;
 - **with references to** “30 days after the date of receipt by the Depositary of the latest notification by each Contracting Jurisdiction making the reservation described in paragraph 7 of Article 35 (Entry into Effect) that it has completed its internal procedures for the entry into effect of the withdrawal or replacement of the reservation with respect to that specific Covered Tax Agreement”;

Article 35 – Entry into Effect – Paragraph 7(a)

v) the references in subparagraph a) of paragraph 6 of Article 29 (Notifications) to

- “on the date of the communication by the Depository of the additional notification”;

and

Article 35 – Entry into Effect – Paragraph 7(a)

(vi) the **reference in** subparagraph b) of paragraph 6 of **Article 29** (Notifications) to

- “on the latest of the dates on which the Convention enters into force for those Contracting Jurisdictions”;
- **with references to** “30 days after the date of receipt by the Depositary of the latest notification by each Contracting Jurisdiction making the reservation described in paragraph 7 of Article 35 (Entry into Effect) that it has completed its internal procedures for the entry into effect of the additional notification with respect to that specific Covered Tax Agreement”;

Article 35 – Entry into Effect – Paragraph 7(a)

- vii) the **references in** paragraphs 1 and 2 of **Article 36** (Entry into Effect of Part VI) to
- “the later of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement”;
 - **with references to** “30 days after the date of receipt by the Depositary of the latest notification by each Contracting Jurisdiction making the reservation described in paragraph 7 of Article 35 (Entry into Effect) that it has completed its internal procedures for the entry into effect of the provisions of this Convention with respect to that specific Covered Tax Agreement”;

and

Article 35 – Entry into Effect – Paragraph 7(a)

viii) the **reference in** paragraph 3 of **Article 36** (Entry into Effect of Part VI) to

- “the date of the communication by the Depository of the notification of the extension of the list of agreements”;

Article 35 – Entry into Effect – Paragraph 7(a)

ix) the **references in** paragraph 4 of **Article 36** (Entry into Effect of Part VI) to

- “the date of the communication by the Depositary of the notification of withdrawal of the reservation”,
- “the date of the communication by the Depositary of the notification of replacement of the reservation” and
- “the date of the communication by the Depositary of the notification of withdrawal of the objection to the reservation”; and

Article 35 – Entry into Effect – Paragraph 7(a)

- x) the **reference in** paragraph 5 of **Article 36** (Entry into Effect of Part VI) to
- “the date of the communication by the Depository of the additional notification”;
 - **with references to** “30 days after the date of receipt by the Depository of the latest notification by each Contracting Jurisdiction making the reservation described in paragraph 7 of Article 35 (Entry into Effect) that it has completed its internal procedures for the entry into effect of the provisions of Part VI (Arbitration) with respect to that specific Covered Tax Agreement”.

Article 35 – Entry into Effect – Paragraph 7(b)

- A Party making a reservation in accordance with subparagraph a)
- shall **notify the confirmation of the completion of its internal procedures**
- simultaneously to the Depositary and the other Contracting Jurisdiction(s).

Article 35 – Entry into Effect – Paragraph 7(c)

- If one or more Contracting Jurisdictions to a Covered Tax Agreement **makes a reservation under this paragraph,**
- the **date of entry into effect** of the provisions of the Convention, of the withdrawal or replacement of a reservation, of an additional notification with respect to that Covered Tax Agreement, or of Part VI (Arbitration)
- shall be **governed by this paragraph** for all Contracting Jurisdictions to the Covered Tax Agreement

Determining date of Entry into Effect (EIE) of CTA

Particulars	Ordinary rule of date of entry into effect
For withholding taxes	1 st day of next calendar year that begins on or after the “relevant date”
	Option is provided to use “taxable period” in place of “calendar year” and such option is effective unilaterally. India has opted for such option.
For other taxes	Taxable period that begins on or after expiry of 6 calendar months from the relevant date

Illustration – UK & Germany

Particulars	Scenario 1	Scenario 2	Scenario 3
UK's date of ratification	15 th April 2018	15 th April 2018	15 th April 2018
Germany's date of ratification	1 st October 2017	1 st July 2019	20 th Nov 2022
a. Date of entry into force of MLI for UK	1 st Aug 2018	1 st Aug 2018	1 st Aug 2018
b. Date of entry into force of MLI for Germany	1 st Jan 2018	1 st October 2019	1 st March 2023
c. Relevant date for determining EIE of UK – Germany tax treaty (later of (a) or (b))	1 st August 2018	1 st October 2019	1 st March 2023
d. <u>EIE of MLI for UK :</u>			
➤ Withholding tax	6 th April 2019	6 th April 2020	6 th April 2023
➤ Other taxes	6 th April 2019	6 th April 2021	6 th April 2024
e. <u>EIE of MLI for Germany :</u>			
➤ Withholding tax	1 st Jan 2019	1 st Jan 2020	1 st Jan 2024
➤ Other taxes	1 st Jan 2020	1 st Jan 2021	1 st Jan 2024

Determining date of Entry into Effect (EIE) of Indian CTA's

Particulars	Date of entry into effect of Indian CTAs
For withholding taxes	1 st day of next taxable period /calendar year that begins on or after 30 days from latter of the dates on which OECD has received notification from India and its treaty partner about completion of its respective internal procedures with respect to such specific CTA
For other taxes	Taxable period that begins on or after expiry of 6 calendar months from 30 days from latter of the dates on which OECD has received notification from India and its treaty partner about completion of its respective internal procedures with respect to such specific CTA

Illustration – India & Singapore

Particulars	Scenario 1	Scenario 2	Scenario 3
Date of completion of internal procedures by Singapore	15 th April 2018	15 th April 2018	15 th April 2018
Date of completion of internal procedures by India	1 st October 2017	1 st July 2019	20 th Nov 2022
Relevant date for determining EIE of India – Singapore tax treaty (30 days from later of (a) or (b))	15 th May 2018	31 st July 2019	20 th Dec 2022
<u>EIE of MLI for India</u>			
➤ Withholding tax	1 st April 2019	1 st April 2020	1 st April 2023
➤ Other taxes	1 st April 2019	1 st April 2020	1 st April 2024
<u>EIE of MLI for Singapore</u>			
➤ Withholding tax	1 st Jan 2019	1 st Jan 2020	1 st Jan 2023
➤ Other taxes	1 st Jan 2019	1 st Jan 2021	1 st Jan 2024

Article 36 – Entry into Effect of Part VI- Paragraph (1) & (1)(a)

1. **Notwithstanding** paragraph 9 of Article 28 (**Reservations**), paragraph 6 of Article 29 (**Notifications**), and paragraphs 1 through 6 of Article 35 (**Entry into Effect**), with respect to two Contracting Jurisdictions to a Covered Tax Agreement, **the provisions of Part VI (Arbitration) shall have effect:**
 - a) with respect to **cases presented to the competent authority** of a Contracting Jurisdiction (as described in subparagraph a) of paragraph 1 of Article 19 (Mandatory Binding Arbitration)),
 - **on or after the later of the dates** on which this Convention **enters into force** for each of the Contracting Jurisdictions to the Covered Tax Agreement; and

Article 36 – Entry into Effect of Part VI- Paragraph 1(b)

With respect to cases presented to the competent authority of a Contracting Jurisdiction prior to the later of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement,

- on the date when both Contracting Jurisdictions have notified the Depository that they have reached mutual agreement pursuant to paragraph 10 of Article 19 (Mandatory Binding Arbitration),
- along with information regarding the date or dates on which such cases shall be considered to have been presented
- to the competent authority of a Contracting Jurisdiction (as described in subparagraph a) of paragraph 1 of Article 19 (Mandatory Binding Arbitration)) according to the terms of that mutual agreement.

Article 36 – Entry into Effect of Part VI- Paragraph (2)

A Party may **reserve the right for Part VI** (Arbitration) to apply to a case presented to the competent authority of a Contracting Jurisdiction

- **prior to the later of the dates** on which this Convention **enters into force**
- for each of the Contracting Jurisdictions to the Covered Tax Agreement
- **only to the extent** that the competent authorities of both **Contracting Jurisdictions agree** that it will apply to that specific case.

Article 36 – Entry into Effect of Part VI- Paragraph (3)

- In the case of a new Covered Tax Agreement
- resulting from an extension pursuant to paragraph 5 of Article 29 (**Notifications**) of the list of agreements notified under clause ii) of subparagraph a) of paragraph 1 of Article 2 (**Interpretation of Terms**),
- the **references in** paragraphs 1 and 2 of this Article to
- “the later of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement”
- **shall be replaced** with references to “the date of the communication by the Depositary of the notification of the extension of the list of agreements”.

Article 36 – Entry into Effect of Part VI-Paragraph (4)

- A withdrawal or replacement of a reservation made
- under paragraph 4 of Article 26 (Compatibility) pursuant to paragraph 9 of Article 28 (Reservations), or
- the withdrawal of an objection to a reservation made under paragraph 2 of Article 28 (Reservations)
- which results in the application of Part VI (Arbitration)
- between two Contracting Jurisdictions to a Covered Tax Agreement,

Article 36 – Entry into Effect of Part VI-Paragraph (4)

- shall have effect according to subparagraphs a) and b) of paragraph 1 of this Article,
- except that the **references to** “the later of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement”
- **shall be replaced with references to** “the date of the communication by the Depositary of the notification of withdrawal of the reservation”, “the date of the communication by the Depositary of the notification of replacement of the reservation” or “the date of the communication by the Depositary of the notification of withdrawal of the objection to the reservation”, respectively.

Article 36 – Entry into Effect of Part VI-Paragraph (5)

An **additional notification** made pursuant to subparagraph p) of paragraph 1 of Article 29 (Notifications)

- shall have effect according to subparagraphs a) and b) of paragraph 1,
- **except that the references in** paragraphs 1 and 2 of this Article to “the later of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement”
- shall be **replaced with references** to “the date of the communication by the Depositary of the additional notification”.

Article 37 - Withdrawal

1. Any Party may, **at any time, withdraw from this Convention** by means of a **notification** addressed to the Depositary.

2. Withdrawal pursuant to paragraph 1 shall **become effective on the date of receipt of the notification by the Depositary.**
 - In cases where this Convention has entered into force
 - with respect to all Contracting Jurisdictions to a Covered Tax Agreement
 - before the date on which a Party's withdrawal becomes effective,
 - that Covered Tax Agreement shall remain as modified by this Convention.

Article 38 – Relation with Protocols

1. This Convention may be **supplemented** by one or more **protocols**.
2. In order to become a **party to a protocol**, a State or jurisdiction **must also be a Party** to this **Convention**.
3. A **Party to this Convention is not bound by a protocol** unless it becomes a party to the protocol in accordance with its provisions.

Article 39 – Depositary- Paragraph 1

- The **Secretary-General** of the Organisation for Economic Co-operation and Development
- shall be the **Depositary of this Convention** and
- **any protocols** pursuant to Article 38 (Relation with Protocols).

Article 39 – Depositary- Paragraph 2

The Depositary shall notify the Parties and Signatories within **one calendar month of:**

- a) **any signature** pursuant to Article 27 (Signature and Ratification, Acceptance or Approval);
- b) **the deposit of any instrument** of ratification, acceptance or approval pursuant to Article 27 (Signature and Ratification, Acceptance or Approval);
- c) **any reservation or withdrawal or replacement** of a reservation pursuant to Article 28 (Reservations);

Article 39 – Depositary-Paragraph 2

- d) **any notification** or additional notification pursuant to Article 29 (Notifications);
- e) any **proposed amendment** to this Convention pursuant to Article 33 (Amendment);
- f) any **withdrawal from this Convention** pursuant to Article 37 (Withdrawal); and
- g) **any other communication** related to this Convention.

Article 39 – Depositary-Paragraph 3

3. The Depositary shall maintain publicly available lists of:
 - a) Covered Tax Agreements;
 - b) reservations made by the Parties; and
 - c) notifications made by the Parties.