INCOME TAX

DOUBLE TAXATION RELIEF

The Double Taxation Relief (Air Transport Profits) (Greece) Order, 1951

1951 No. 618

Made - - - - 9th April, 1951

At the Court at Buckingham Palace, the 9th day of April, 1951

Present,

The King's Most Excellent Majesty in Council

Whereas it is provided by subsection (1) of section fifty-one of the Finance (No. 2) Act, 1945(a), that if His Majesty by Order in Council declares that arrangements specified in the Order have been made with the Government of any territory outside the United Kingdom with a view to affording relief from double taxation in relation to income tax or profits tax and any taxes of a similar character imposed by the laws of that territory, and that it is expedient that those arrangements should have effect, the arrangements shall have effect to the extent specified in that subsection:

And Whereas under certain other provisions of Part V of the said Act certain other consequences ensue on the making of any such Order:

And Whereas a draft of this Order was laid before the Commons House of Parliament in accordance with the provisions of subsection (2) of section fifty-six of the said Act and an Address has been presented to His Majesty by that House praying that an Order may be made in the terms of this Order:

Now, therefore, His Majesty, in exercise of the powers conferred on Him by subsection (1) of the said section fifty-one and of all other powers enabling Him in that behalf, is pleased, by and with the advice of His Privy Council, to order, and it is hereby ordered, as follows:—

1. This Order may be cited as the Double Taxation Relief (Air Transport Profits) (Greece) Order, 1951.

2. It is hereby declared—

(*a*) that the arrangements specified in the Schedule to this Order have been made with the Government of the Kingdom of Greece with a view to affording relief from double taxation in relation to income tax or profits tax and taxes of a similar character imposed by the laws of Greece ; and

(*b*) that it is expedient that those arrangements should have effect.

E. C. E. Leadbitter.

(a) 9 & 10 Geo. 6. c. 13.

SCHEDULE

(1) The Government of the United Kingdom shall so long as the exemption specified in paragraph (2) remains effective exempt from income tax and all other taxes on profits which are chargeable in the United Kingdom all income derived from the business of air transport between the United Kingdom and other countries by Greek undertakings and shall take the necessary action under Section 51 of the Act of Parliament of the United Kingdom known as the Finance (No. 2) Act, 1945, with a view to giving the force of law to the exemption aforesaid.

(2) The Government of the Kingdom of Greece declares that so long as the exemption specified in paragraph (1) remains effective the law in force in Greece will operate to exempt from all income tax and all other taxes which are chargeable in Greece on profits any income derived from the business of air transport between Greece and other countries by United Kingdom undertakings.

(3) The expression "business of air transport" means the business carried on by an owner or charterer of aircraft.

(4) The expression "United Kingdom undertakings" means the Government of the United Kingdom, physical persons resident in the United Kingdom and not resident in Greece, and corporations and partnerships managed and controlled in the United Kingdom.

(5) The expression "Greek undertakings" means the Government of Greece, physical persons resident in Greece and not resident in the United Kingdom, and corporations and partnerships constituted under the laws of the Kingdom of Greece.

(6) This Agreement shall apply to the colony of Cyprus as if the word "Cyprus" or "Cypriot" were substituted for the words "the United Kingdom" or "United Kingdom" respectively wherever they occur, but may be separately terminated in respect of Cyprus.

(7) The exemption provided for in paragraphs (1) and (2) above shall apply to all income earned as from 1st January, 1946.

(8) This Agreement may be terminated by either party by giving six months' notice in writing to the other party.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

The arrangements with Greece which are Scheduled to this Order provide that air transport profits derived from one country by a resident of the other country are (subject to certain conditions) to be exempt from tax in the former country. The arrangements apply to Cyprus as they apply to the United Kingdom.

The arrangements apply to profits earned on or after the 1st January, 1946.