The rate of the Swiss anticipatory tax on dividends received from Switzerland by United Kingdom residents is to be reduced in certain cases. Dividends received from the United Kingdom by residents of Switzerland are to be exempt from United Kingdom surtax.

Residents of Switzerland are to be entitled to the same personal allowances as British subjects resident abroad and residents of the United Kingdom will be entitled to the same personal allowances as Swiss citizens resident in the United Kingdom.

Where income continues to be taxable in both countries, Swiss tax on income from sources within Switzerland is to be allowed as a credit against the United Kingdom tax on that income and income (other than dividends) from United Kingdom sources is to be exempt from Swiss tax.

Provision is included for the exchange of information between the taxation authorities of the two countries.

The Convention is to take effect generally for the fiscal year 1953-54.

1955 No. 162

The Double Taxation Relief (Taxes on Income) (U.S.A.) Order, 1955

Made - - - - 1*st February*, 1955

At the Court at Buckingham Palace, the 1st day of February, 1955

Present,

The Queen's Most Excellent Majesty in Council

Whereas it is provided by subsection (1) of section three hundred and forty-seven of the Income Tax Act, 1952(a), as amended by subsection (2) of section seventy of the Finance Act, 1952(b), that if Her 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, profits tax or excess profits levy 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 as so amended:

And Whereas under certain other provisions of Part XIII of the Income Tax Act, 1952, certain other consequences ensue on the making of any such Order:

And Whereas His late Majesty King George the Sixth by the Double Taxation Relief (Taxes on Income) (U.S.A.) Order, 1946(c), in Council declared that the arrangements specified in the Convention set out in Part I of the Schedule to that Order and the Protocol set out in Part II of that Schedule had

(a) 15 & 16 Geo. 6 & 1 Eliz. 2. c. 10. (b) 15 & 16 Geo. 6 & 1 Eliz. 2. c. 33.
(c) S.R. & O. 1946/1327 (Rev. X, p. 526: 1946 I, p. 885).

been made with the Government of the United States of America with a view to affording relief from double taxation in relation to income tax, excess profits tax or the national defence contribution and taxes of a similar character imposed by the laws of the United States of America and that it was expedient that those arrangements should have effect:

And Whereas the further arrangements set out in the Schedule hereto have been agreed with the Government of the United States of America with a view to affording such relief as aforesaid by way of variation of the arrangements set out by the Schedule to the said Order:

And Whereas it is expedient that the said arrangements should have effect:

And Whereas a draft of this Order was laid before the Commons House of Parliament in accordance with the provisions of subsection (6) of section three hundred and forty-seven of the Income Tax Act, 1952, and an Address has been presented to Her Majesty by that House praying that an Order may be made in the terms of this Order:

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

1. This Order may be cited as the Double Taxation Relief (Taxes on Income) (U.S.A.) Order, 1955.

2. It is hereby declared—

(*a*) that the arrangements specified in the Supplementary Protocol set out in the Schedule to this Order have been made with the Government of the United States of America with a view to affording relief from double taxation in relation to income tax, profits tax or excess profits levy and taxes of a similar character imposed by the laws of the United States of America varying the arrangements set out in Part I of the Schedule to the Double Taxation Relief (Taxes on Income) (U.S.A.) Order, 1946; and

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

W. G. Agnew.

SCHEDULE

SUPPLEMENTARY PROTOCOL AMENDING THE CONVENTION FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME, SIGNED AT WASHINGTON ON THE 16TH APRIL, 1945, AS MODIFIED BY THE SUPPLEMENTARY PROTOCOL, SIGNED AT WASHINGTON ON THE 6TH JUNE, 1946

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America,

Desiring to conclude a further supplementary Protocol amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed at Washington on the 16th April, 1945, as modified by the Supplementary Protocol, signed at Washington on the 6th June, 1946,

Have agreed as follows:

ARTICLE I

Paragraph (1) of Article XXII of the Convention of the 16th April, 1945, for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income is hereby amended to read as follows:

"(1) Either of the Contracting Parties may, at any time while the present Convention continues in force, by a written notification given to the other Contracting Party through the diplomatic channel, declare its desire that the operation of the present Convention, either in whole or in part or with such modifications as may be found necessary for special application in a particular case, shall extend to all or any of its territories for whose international relations it is responsible, which impose taxes substantially similar in character to those which are the subject of the present Convention. When the other Contracting Party has, by a written communication through the diplomatic channel, signified to the first Contracting Party that such notification is accepted in respect of such territory or territories, the present Convention, in whole or in part or with such modifications as may be found necessary for special application in a particular case, as specified in the notification, shall apply to the territory or territories named in the notification on and after the date or dates specified therein. None of the provisions of the present Convention shall apply to any such territory in the absence of such acceptance in respect of that territory."

ARTICLE II

This supplementary Protocol, which shall be regarded as an integral part of the said Convention, shall be ratified and the instruments of ratification thereof shall be exchanged in London.

IN WITNESS WHEREOF the undersigned, being authorized thereto by their respective Governments, have signed this supplementary Protocol and have affixed thereto their seals.

DONE in duplicate at Washington this twenty-fifth day of May, 1954.

FOR THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND:

Roger Makins,
Her Majesty's
Ambassador Extraordinary and Plenipotentiary
at Washington.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

John Foster Dulles,
Secretary of State of the
United States of America.

EXPLANATORY NOTE

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

Article XXII of the Convention between the United Kingdom and the United States of America which is scheduled to the Double Taxation Relief (Taxes on Income) (U.S.A.) Order, 1946, provides for the extension of that Convention, in its entirety, to all or any of the Colonies or other dependent territories of the United Kingdom or United States. The effect of the amendment made by the Protocol contained in the Schedule to this Order will be to enable the Convention to be extended to those territories in whole or in part, or with such modification as may be necessary in any particular case.