As regards dividends, the Convention provides that dividends received by a United Kingdom company from a Norwegian subsidiary in which it controls at least 50 per cent. of the voting power are to be exempt from Norwegian tax, while the rate of Norwegian tax on other dividends received from Norway by United Kingdom residents is not generally to exceed 5 per cent. Dividends received from the United Kingdom by Norwegian residents are to be exempt from United Kingdom surtax.

Residents of Norway are to be entitled to the same personal allowances as British subjects resident abroad and corresponding arrangements are to be extended by Norway to residents of the United Kingdom.

Where income continues to be taxable in both countries, relief from double taxation is to be given by the country of the taxpayer's residence by reference to the tax payable in the country of origin of the income.

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

The Convention is to take effect for the fiscal year 1950-51.

PAY AS YOU EARN

The Income Tax (Employments) (No. 2) Regulations, 1951

1951 No. 836

Made - - - -	*9th May*, 1951
Laid before the House of Commons	*10th May*, 1951
Coming into Operation	*25th May*, 1951

The Commissioners of Inland Revenue, in exercise of the powers conferred upon them by Section 2 of the Income Tax (Employments) Act, 1943(**a**), hereby make the following Regulations:—

1. These Regulations may be cited as the Income Tax (Employments) (No. 2) Regulations, 1951, and shall come into operation on the twenty-fifth day of May, 1951.

2. Paragraph (3) of Regulation 29 of the Income Tax (Employments) Regulations, 1950(**b**), shall have effect as if for the word "employee" there were substituted the word "employer".

3. Regulation 30 of the Income Tax (Employments) Regulations, 1950, shall be rescinded.

4. Paragraph (4) of Regulation 35 of the Income Tax (Employments) Regulations, 1950, shall have effect as if the words "except any payment in respect of the first month of any such employment" were omitted.

5. Regulation 36 of the Income Tax (Employments) Regulations, 1950, shall have effect as if after the words "pay in lieu of leave" there were inserted the word "or", and as if the words "or (in the case of emoluments arising out of an agreement with the crew of a ship) overtime" were omitted, and as if the following proviso were inserted at the end thereof:—

(**a**) 6 & 7 Geo. 6. c. 45. (**b**) S.I. 1950 (No. 453) I, p. 1069.

"Provided that in the case of a seaman who has signed the agreement with the crew of a ship which provides for payment at monthly rates, tax shall be deducted on the occasion of every payment of overtime arising out of the agreement at the appropriate rate prescribed in the seamen's tables, and paragraph (2) of Regulation 35 shall not apply to any such payment".

By Order of the Commissioners of Inland Revenue.

R. Willis,
Secretary.

9th May, 1951.

EXPLANATORY NOTE

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

Regulation 2 corrects a verbal error in the Regulations governing Pay As You Earn.

Regulation 3 rescinds the Pay As You Earn Regulation governing priority in bankruptcy, winding-up, etc., which the Law Officers of the Crown have advised is *ultra vires.*

Regulations 4 and 5 amend the special Pay As You Earn system which is operated in the Merchant Navy. At present, when a seaman is employed "off Articles" on a ship in port, tax is not deducted from the pay for the first month of such employment; Regulation 4 provides for tax to be deducted in future. Regulation 5 provides for the deduction of tax from seamen's overtime pay, which at present is not subject to deduction.

INDIA

The Indian Military Service Family Pension Fund (Amendment) Rules, 1951

1951 No. 1155

Made - - - - 5th June, 1951

I, Patrick Gordon-Walker, one of His Majesty's Principal Secretaries of State, in virtue of the powers conferred upon me by sub-section (1) of Section 273 of the Government of India Act, 1935(a), and clause 14 (1) of the Government of India (Family Pension Funds) Order, 1936(b), hereby make the following amendment to the Indian Military Service Family Pension Fund Rules(c).

For that part of the Seventh Schedule to the said Rules which is designated "A" and is headed "Pensions to dependants of subscribers who were alive on 4th June, 1949", the following shall be substituted:—

"A. Pensions to dependants of subscribers who were alive on 4th June, 1949.

(a) 26 Geo. 5 & 1 Edw. 8. c. 2. (b) S.R. & O. 1936 (No. 1310) I, p. 1385.
(c) S.R. & O. 1937 (No. 1226) p. 1374.