

No. 4194

NETHERLANDS
and
EGYPT

Exchange of notes constituting an agreement for the reciprocal exemption of air transport companies from payment of certain taxes. Cairo, 15 May 1957

Official text: French.

Registered by the Netherlands on 10 March 1958.

PAYS-BAS
et
ÉGYPTE

Échange de notes constituant un accord pour les exonérations réciproques en matière de certaines impositions concernant les sociétés de transport aérien. Le Caire, 15 mai 1957

Texte officiel français.

Enregistré par les Pays-Bas le 10 mars 1958.

[TRANSLATION — TRADUCTION]

No. 4194. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE NETHERLANDS AND EGYPT FOR THE RECIPROCAL EXEMPTION OF AIR TRANSPORT COMPANIES FROM PAYMENT OF CERTAIN TAXES. CAIRO, 15 MAY 1957

I

NETHERLANDS EMBASSY

Cairo, 15 May 1957

Your Excellency,

I have the honour to inform you that the Government of the kingdom of the Netherlands is desirous of concluding with the Government of the Republic of Egypt an agreement for the reciprocal exemption of air transport companies from payment of certain taxes, in the following terms :

(1) The Government of the Kingdom of the Netherlands, acting in virtue of the powers conferred upon it, undertakes subject to reciprocity to exempt Egyptian air transport companies from the payment of income tax on the profits deriving from the operation by those companies of international air services on which their aircraft are employed.

The income from the movable capital of the said companies shall also be exempt from all taxation unless the beneficiary of the distributed income has his fiscal domicile in the Netherlands.

(2) The Government of the Republic of Egypt, acting in virtue of the powers conferred upon it by Act No. 588 of 1953 amending Legislative Decree No. 169 of 1952, undertakes subject to reciprocity to exempt Netherlands air transport companies from taxation on commercial and industrial profits and on income from movable capital deriving from the operation by those companies of international air services on which their aircraft are employed, unless the beneficiary of the distributed has his fiscal domicile in Egypt.

(3) The expression "air transport companies" in paragraph (1) means air transport companies having their centre of actual management in Egypt.

The expression "air transport companies" in paragraph (2) means air transport companies having their centre of actual management in the Netherlands.

¹ Came into force on 15 May 1957 by the exchange of the said notes.

The expression "operation of international air services" in paragraphs (1) and (2) means the transport by air of passengers, cargo and mail between the territory of one Contracting Party and that of the other Party, or of any other country.

(4) This agreement shall remain in force so long as neither of the Contracting Parties gives notice to the other party of its desire to terminate the agreement. If notice is given, the agreement shall cease to have effect six months after the receipt by one Contracting Party of the notice of termination by the other Contracting Party.

In so far as the Kingdom of the Netherlands is concerned, this agreement shall apply only to the territory in Europe.

If the Government of the Republic of Egypt agrees to the foregoing provisions, I have the honour to propose that this note and your reply in similar terms shall be deemed to constitute an agreement between the Government of the Republic of Egypt and the Government of the Kingdom of the Netherlands having effect from 1 January 1956.

I have the honour to be, etc.

(Signed) B. J. SLINGENBERG

Chargé d'Affaires, a.i.

His Excellency Mr. Abdel Fattah Hassan
Deputy Minister of Foreign Affairs
Ministry of Foreign Affairs
Cairo

II

Cairo, 15 May 1957

Your Excellency,

I have the honour to acknowledge receipt of your letter of today's date and in reply I have the honour to inform you that the Government of the Republic of Egypt is desirous of concluding with the Government of the Kingdom of the Netherlands an agreement for the reciprocal exemption of air transport companies from payment of certain taxes, in the following terms :

[See note I]

In communicating to you the agreement of the Government of the Republic of Egypt, I have the honour to confirm that the contents of your letter and this

letter constitute an agreement between the Government of the Republic of Egypt and the Government of the Kingdom of the Netherlands having effect from 1 January 1956.

I have the honour to be, etc.

(Signed) A. F. HASSAN

Deputy Minister of Foreign Affairs

The Chargé d'Affaires a.i.
Netherlands Legation
Cairo