

N° 3672.

ESTONIE ET LETTONIE

**Convention concernant la perception
des impôts et l'échange des ren-
seignements sur les contribuables.
Signée à Riga, le 28 mai 1926.**

ESTONIA AND LATVIA

**Convention concerning the Collection
of Taxes and the Exchange of
Information regarding Taxpayers.
Signed at Riga, May 28th, 1926.**

¹ TRADUCTION. — TRANSLATION.No. 3672. — CONVENTION ² BETWEEN THE REPUBLIC OF ESTONIA AND THE REPUBLIC OF LATVIA CONCERNING THE COLLECTION OF TAXES AND THE EXCHANGE OF INFORMATION REGARDING TAXPAYERS. SIGNED AT RIGA, MAY 28TH, 1926.

French official text communicated by the Estonian and Latvian Ministers for Foreign Affairs. The registration of this Convention took place June 20th, 1935.

THE GOVERNMENT OF ESTONIA and THE GOVERNMENT OF LATVIA, being desirous of assisting each other in matters relating to the collection of taxes and the exchange of information regarding taxpayers with a view to safeguarding the interests of their respective States, have decided to conclude a Convention for that purpose and have appointed as their Plenipotentiaries :

THE GOVERNMENT OF ESTONIA :

Monsieur Ants PIIP, Minister for Foreign Affairs ;

THE GOVERNMENT OF LATVIA :

Monsieur Kārlis ULMANIS, Minister for Foreign Affairs ;

Who, having communicated their full powers, found in good and due form, have agreed upon the following provisions :

Article 1.

The Republic of Estonia, of the one part, and the Republic of Latvia, of the other part, undertake to afford each other assistance in collecting State or communal taxes and in levying on taxpayers or their property within the limits of their territory — irrespective of the country of which they are nationals — the amount of the taxes fixed and leviable by the fiscal institutions of the other contracting country in accordance with the laws and ordinances regarding the recovery of the indisputable claims of the State in force in the territory of the country in which collection is to be effected. The provisions of the present Convention shall also apply to corporate bodies and firms.

Article 2.

The present Convention shall apply to all taxes, and fines imposed in respect thereof, subsequent to January 1st, 1919.

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

² The exchange of ratifications took place at Riga, June 6th, 1935.

Article 3.

The present Convention shall apply: (1) to income-tax, (2) to taxes on industrial and commercial undertakings (fixed licence duty, duty on net profits, additional tax on net profits, duty on capital, tax on percentage of profits), (3) to stamp-duty, (4) to succession duties, and also to fines imposed in respect of the above.

Article 4.

Orders concerning the amount of taxes and fines, if deemed to be enforceable under the laws of the country in which the tax or fine has been imposed, shall be enforceable.

Collection through the institutions of the contracting countries shall take place only in cases where the sum to be collected is not less than one hundred gold francs.

Article 5.

Should the taxpayer desire to appeal against a decision which has become enforceable, without having paid the sum due even provisionally, there shall be no stay of execution unless he applies therefor to the authority competent to decide the appeal, provided always that he shall at the same time produce either a banker's guarantee or a guarantee recognised as adequate in the form of a lien on movable or immovable property.

Article 6.

Ordinances concerning the collection of taxes due or the form and amount of the guarantee shall be issued in Estonia by the Central Administration of Direct Taxes and directly on behalf of the Department of Direct Taxes of Latvia, and in Latvia by the Department of Direct Taxes on behalf of the Central Administration of Direct Taxes of Estonia. Correspondence shall be conducted in the language to be agreed upon by the above-mentioned institutions, but, if another language is employed, the communication must be accompanied by a translation into Estonian or Latvian, according to whether the order is to be executed in Estonia or Latvia. Such correspondence must bear at least two signatures and an official seal.

Article 7.

The following particulars must be mentioned in summonses for arrears of tax: (1) the surname and forenames of the taxpayer and, if possible, the name of his father, his profession or occupation, the title of the corporate body or firm; (2) the full address of the debtor, if this is known, or, failing this, his approximate address (name of town or village); (3) the nature of the tax, the year or other period in respect of which it is due, its amount, the date from which interest has been charged on account of delay, and the amount of such interest; (4) the nature of the fine and its amount; (5) any other particulars likely to facilitate or expedite the collection of the debt, and any special desiderata.

Article 8.

Taxes in arrears, fines, and interest due on account of delay shall be transmitted, immediately upon collection, to the Central Administration of Direct Taxes of the applicant country; the cost of transmission shall be borne by the Administration of the collecting country. The latter is authorised to levy for its own profit, in addition to the dues payable, an additional charge of 5 % of their amount, to make good the cost of collection.

Article 9.

The administrations of the contracting countries may, in exceptional cases, refuse to collect the debt and to execute the order if this is considered inexpedient for political reasons or is likely to give rise to an inopportune dispute.

Article 10.

Summonses, orders, and other communications and notices shall be served by the Central Administration of Direct Taxes of the other contracting country. Requests for a special method of collection shall only be complied with if that method is lawful in the country to which the request is made. As a rule, requests shall be executed in accordance with the rules in force in the country applied to. The recipient's acknowledgment shall at once be forwarded to the administration of the applicant country, mention being made of the date on which the summons was served.

Article 11.

The administrations of either contracting country shall give the Central Administration of Direct Taxes of the other country, at the latter's written request, information as to the property, debts, and income of the taxpayers to whom such requests relate, and as to their guarantors.

The institutions must keep this information secret.

Should certain information be lacking, or, again, should it be considered inexpedient for political or economic reasons, or prejudicial to the interests of the State, to furnish information, this may be refused.

Article 12.

Each Contracting Party undertakes as far as possible to assist the Central Administration of Direct Taxes of the other Party in assessing the income and property of taxpayers who do not pay their taxes, collecting the charges or fines due from taxpayers who fail to pay their taxes at the proper time, and supplying information regarding any person whose credit is doubtful.

Article 13.

The present Convention shall be ratified and shall come into force on the date of the exchange of the instruments of ratification, which shall take place at Riga as soon as possible.

In faith whereof the Plenipotentiaries of the two Parties have signed the present Convention and have thereto affixed their seals.

Done in duplicate at Riga, this 28th day of May, 1926.

(Signed) A. PIIP.

(Signed) K. ULMANIS.