

N° 3902.

**ROUMANIE
ET TCHÉCOSLOVAQUIE**

Convention relative à la double imposition dans le domaine des droits de succession, et protocole final. Signés à Bucarest, le 20 juin 1934.

**ROUMANIA
AND CZECHOSLOVAKIA**

Convention concerning Double Taxation in connection with Succession Duties, and Final Protocol. Signed at Bucharest, June 20th, 1934.

¹ TRADUCTION. — TRANSLATION.

No. 3902. — CONVENTION ² BETWEEN THE KINGDOM OF ROUMANIA AND THE CZECHOSLOVAK REPUBLIC CONCERNING DOUBLE TAXATION IN CONNECTION WITH SUCCESSION DUTIES. SIGNED AT BUCHAREST, JUNE 20TH, 1934.

French official text communicated by the Roumanian Envoy Extraordinary and Minister Plenipotentiary to the League of Nations and by the Permanent Delegate of the Czechoslovak Republic to the League of Nations. The registration of this Convention took place May 26th, 1936.

THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC
and

HIS MAJESTY THE KING OF ROUMANIA,

Desirous of avoiding the inconvenience arising out of double taxation in connection with succession duties,

Have resolved to conclude a Convention for that purpose and have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC :

Monsieur Jan ŠEBA, Envoy Extraordinary and Minister Plenipotentiary of the Czechoslovak Republic at Bucharest ;

HIS MAJESTY THE KING OF ROUMANIA :

Monsieur Savel RADULESCO, Under-Secretary of State at the Royal Ministry of Foreign Affairs ;

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

Article 1.

The purpose of the present Convention is to prevent double taxation of taxpayers of the contracting States in connection with succession duties.

For the purpose of the present Convention, the expression " succession duties " shall be deemed to mean :

Such taxes as are imposed under provisions of law or regulations which take, or may hereafter take, the place of law on transfer of property at death.

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 Prague, February 26th, 1936.

Article 2.

I. Succession duties shall be assessed on all property left by deceased persons (including property in foreign countries) by the State of domicile of the deceased, and shall be collected by the same, save in the cases provided in Article 3.

II. The State of domicile of the deceased shall be deemed to be that State in which the deceased at the time of decease had taken up residence with the manifest intention of continuing such residence.

III. Where the deceased is domiciled in both States, or is not domiciled in either, within the meaning of the term "domicile" as defined in paragraph II above, the State of which the deceased was a national shall be regarded as the State of domicile.

IV. Where the deceased at the time of decease was a national of both States, and his domicile cannot for that reason be determined, the competent Administrations shall come to an agreement in the matter.

Article 3.

Real property and appurtenances forming part of the inheritance of a national of one of the two contracting States shall be liable to succession duty only in the State in which the said property is situate.

Rights to which the law of real property is applicable, rights of usufruct in relation to real property, and rights constituted by pledges of real property or charges on the same shall be deemed to be equivalent to real property.

Questions as to whether particular objects are to be regarded as real property shall be determined according to the law of the State in which the objects in question are situate.

Questions as to the meaning of appurtenances shall be settled according to the law of the State in which the real property is situate.

Article 4.

Debt charges on the property to which Article 3 relates and debts secured on the same shall be chargeable thereto.

Other debts shall be chargeable to the property to which Article 2 relates. Where the said property is situate in both States, the charge in either State shall be in proportion to the value of that part of the aggregate inheritance which is situate in the same, save only in the case of any uncovered residue remaining, which residue shall be deducted in the same manner from the property to which Article 3 relates.

Article 5.

Legacies not relating to particular objects or to rights in respect of particular objects shall be chargeable in the first instance to the property to which Article 2 relates. They shall be chargeable to the property to which Article 3 relates only in the event of the property to which Article 2 relates proving insufficient to support the charge.

Where property forming part of an inheritance within the meaning of Article 2 or Article 3 is situate in both States, legacies shall be chargeable thereon in either State in proportion to the value of that part of the aggregate inheritance which is situate in the same.

Article 6.

In the event of a dispute arising between the contracting States in regard to the interpretation or application of the provisions of the present Convention, and direct settlement between the States or other amicable settlement proving impracticable, the dispute shall be submitted to whatever technical organisation the Fiscal Committee of the League of Nations may determine.

The said technical organisation shall make its award after hearing the Parties and bringing them together as may be required. The award shall be binding on both contracting States without right of appeal.

Neither the proceedings before the said organisation nor the award which it may make shall in any case imply suspension of the action in respect of which the dispute has arisen.

Article 7.

The present Convention shall be ratified and the exchange of ratifications shall take place at Prague at the earliest possible moment.

It shall come into force three months from the date of the exchange of ratifications.

It shall cease to take effect three months after denunciation by either of the High Contracting Parties.

Done in duplicate at Bucharest, the 20th day of June, 1934.

(L. S.) (Signed) Jan ŠEBA.

(L. S.) (Signed) Savel RADULESCO.

FINAL PROTOCOL.

For the purpose of the calculation of the tax, the High Contracting Parties shall take the rates applicable to the aggregate inheritance liable to taxation under their respective laws, without regard to the question in which State the property of which the inheritance consists is situate.

The provisions of the present Convention shall apply only to deaths occurring after the exchange of ratifications of the present Convention.

(Signed) Jan ŠEBA.

(Signed) Savel RADULESCO.