

N° 4346.

ISLANDE ET SUÈDE

Accord pour éviter la double imposition du revenu et de la fortune. Signé à Stockholm, le 8 septembre 1937.

ICELAND AND SWEDEN

Agreement for the Avoidance of Double Taxation on Income and Capital. Signed at Stockholm, September 8th, 1937.

¹ TRANSLATION.

No. 4346. — AGREEMENT BETWEEN ICELAND AND SWEDEN FOR THE AVOIDANCE OF DOUBLE TAXATION ON INCOME AND CAPITAL. SIGNED AT STOCKHOLM, SEPTEMBER 8TH, 1937.

HIS MAJESTY THE KING OF SWEDEN and HIS MAJESTY THE KING OF ICELAND AND DENMARK have decided to conclude an Agreement for the avoidance of double taxation on income and capital and have for that purpose appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF SWEDEN :

Monsieur R. J. SANDLER, His Minister for Foreign Affairs; and

HIS MAJESTY THE KING OF ICELAND AND DENMARK :

Count E. REVENTLOW, His Envoy Extraordinary and Minister Plenipotentiary at Stockholm;

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

Article 1.

Should double taxation on income or capital arise between Sweden and Iceland, the supreme financial authorities of the two States shall enter into negotiations for the conclusion of agreements in the special cases in order to prevent double taxation in an equitable manner.

Article 2.

The agreements referred to in Article 1 shall be governed by the following main rules :

(a) Income from real property situate in either of the two States shall be taxed in the State where it is situate ; income from a profit-making activity carried on in one of the two States shall be taxed in the State where the activity is carried on ; other income shall be taxed in the State where the taxpayer resides.

(b) Capital shall be taxed in the State where the income obtained from the capital is taxed.

(c) Legal entities shall be regarded as domiciled in the place where the management has its seat.

Article 3.

The present Agreement shall not apply to any taxes levied at the source on income from capital.

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

Article 4.

The present Agreement shall come into force on the day after it is ratified. As far as Sweden is concerned, ratification is subject to the approval of the Riksdag. The Agreement shall not be applicable to income or capital assessed in either State before it comes into force.

The Agreement shall cease to apply eight months after denunciation. If income or capital has been assessed in either State before the Agreement is put out of force, it shall apply to the income or capital to which such assessment relates.

In faith whereof the Plenipotentiaries have signed the present Agreement and have thereto affixed their seals.

Done at Stockholm in duplicate, the 8th day of September, 1937.

(L. S.) Rickard SANDLER.

(L. S.) E. REVENTLOW.