



Treaty Series No. 2 (1951)

Exchange of Notes

between the Government of the United Kingdom
and the Greek Government

for the Reciprocal Exemption of
Air Transport Profits from Income Tax, etc.
(with application also to Cyprus)

Athens, 16th November, 1950

*Presented by the Secretary of State for Foreign Affairs to Parliament
by Command of His Majesty*

LONDON
HIS MAJESTY'S STATIONERY OFFICE
TWO PENCE NET

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM AND THE GREEK GOVERNMENT FOR THE RECIPROCAL EXEMPTION OF AIR TRANSPORT PROFITS FROM INCOME TAX, &c. (WITH APPLICATION ALSO TO CYPRUS)

Athens, 16th November, 1950

No. 1

His Majesty's Ambassador at Athens to the Greek Minister for Foreign Affairs

British Embassy,

Your Excellency,

Athens, 16th November, 1950.

I have the honour to inform your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland, being desirous that profits derived from air transport may be relieved from double taxation to the same extent as is provided in the case of profits derived from shipping by the Agreement between the Government of the United Kingdom and the Government of Greece, signed at Athens on 31st July, 1929,⁽¹⁾ are prepared to conclude an Agreement with the Government of Greece in the following terms:—

(1) The Government of the United Kingdom shall so long as the exemption specified in paragraph (2) remains effective exempt from income tax and all other taxes on profits which are chargeable in the United Kingdom all income derived from the business of air transport between the United Kingdom and other countries by Greek undertakings and shall take the necessary action under Section 51 of the Act of Parliament of the United Kingdom known as the Finance (No. 2) Act, 1945, with a view to giving the force of law to the exemption aforesaid.

(2) The Government of the Kingdom of Greece declares that so long as the exemption specified in paragraph (1) remains effective the law in force in Greece will operate to exempt from all income tax and all other taxes which are chargeable in Greece on profits any income derived from the business of air transport between Greece and other countries by United Kingdom undertakings.

(3) The expression "business of air transport" means the business carried on by an owner or charterer of aircraft.

(4) The expression "United Kingdom undertakings" means the Government of the United Kingdom, physical persons resident in the United Kingdom and not resident in Greece, and corporations and partnerships managed and controlled in the United Kingdom.

(5) The expression "Greek undertakings" means the Government of Greece, physical persons resident in Greece and not resident in the United Kingdom, and corporations and partnerships constituted under the laws of the Kingdom of Greece.

(6) This Agreement shall apply to the colony of Cyprus as if the word "Cyprus" or "Cypriot" were substituted for the words "the United Kingdom" or "United Kingdom" respectively wherever they occur, but may be separately terminated in respect of Cyprus.

⁽¹⁾ "Treaty Series No. 23 (1929)," Cmd. 3394.

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(7) The exemption provided for in paragraphs (1) and (2) above shall apply to all income earned as from 1st January, 1946.

(8) This Agreement may be terminated by either party by giving six months' notice in writing to the other party.

If the Government of Greece are prepared to accept the foregoing provisions, I have the honour to suggest that the present Note and your Excellency's reply in similar terms should be regarded as constituting an Agreement between the two Governments, which shall enter into force immediately.

I avail, &c.

(Sd.) C. J. NORTON.

No. 2

*The Greek Minister for Foreign Affairs to His Majesty's Ambassador
at Athens*

Ministère Royal des Affaires Étrangères,

Your Excellency,

Athens, 16th November, 1950.

I have the honour to acknowledge receipt of your Excellency's Note of to-day's date in which you inform me that the Government of the United Kingdom of Great Britain and Northern Ireland are desirous of concluding with the Government of Greece an Agreement in the following terms:—

[As in No. 1.]

I have the honour to inform you that the Government of Greece are prepared to accept the foregoing provisions and that your Note and the present reply shall be regarded as constituting an Agreement between the two Governments, which shall enter into force immediately.

I avail, &c.

(Sd.) S. VENIZELOS.

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