

Treaty Dept.

ARGENTINA 345



Treaty Series No. 37 (1949)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Argentine Government for the

Avoidance of Double Taxation on Income derived from Sea and Air Transport

Buenos Aires, 14th March, 1949

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

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EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE ARGENTINE GOVERNMENT FOR THE AVOIDANCE OF DOUBLE TAXATION ON INCOME DERIVED FROM SEA AND AIR TRANSPORT

Buenos Aires, 14th March, 1949

No. 1

*The Argentine Minister for Foreign Affairs to His Majesty's
Ambassador at Buenos Aires*

Ministerio de Relaciones Exteriores y Culto,

Señor Embajador:

Buenos Aires, marzo 14 de 1949.

TENGO el honor de informar a V.E. que, a fin de evitar la doble imposición sobre los beneficios provenientes del transporte marítimo o aéreo, y para promover el tráfico comercial entre el Reino Unido de la Gran Bretaña e Irlanda del Norte y la República Argentina, el Gobierno argentino está dispuesto a concluir un acuerdo con el Gobierno del Reino Unido, en los términos siguientes:

- (1) El Gobierno argentino, en ejercicio de las facultades que le han sido conferidas en virtud del Artículo 10 de la Ley No. 11,682, texto ordenado en 1947, eximirá del impuesto a los réditos y de todos los demás impuestos sobre beneficios vigentes en la República Argentina, a todos los ingresos provenientes del negocio de transporte marítimo o aéreo entre la República Argentina y otros países, efectuado por empresas del Reino Unido que se dediquen a tales operaciones.
- (2) El Gobierno del Reino Unido eximirá del impuesto a los réditos y de todos los demás impuestos a los beneficios vigentes en el Reino Unido, a todos los ingresos provenientes del negocio de transporte marítimo o aéreo entre el Reino Unido y otros países, efectuado por empresas argentinas que se dediquen a tales operaciones, y tomará las medidas necesarias, de conformidad con la Sección 51 de la Ley de Finanzas No. 2, de 1945, del Parlamento del Reino Unido, con el fin de dar fuerza de ley a la exención arriba mencionada.
- (3) La expresión "el negocio de transporte marítimo o aéreo" significa el negocio de transportar personas, mercaderías o correspondencia, efectuado por el propietario o por el fletador de los barcos o aeronaves.
- (4) La expresión "empresas del Reino Unido" significa el Gobierno del Reino Unido, las personas físicas residentes en el Reino Unido y no residentes en la República Argentina, y las compañías y sociedades constituidas de acuerdo con las leyes del Reino Unido y administradas y controladas en el Reino Unido.
- (5) La expresión "empresas argentinas" significa el Gobierno argentino, las personas físicas residentes en la República Argentina y no residentes en el Reino Unido, y las compañías y sociedades constituidas de acuerdo con las leyes de la República Argentina y administradas y controladas en la República Argentina.
- (6) La exención especificada en los párrafos (1) y (2) que preceden se aplicará a cualesquiera réditos obtenidos desde el 1° de enero de 1946.

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- (7) El presente acuerdo podrá darse por terminado por cualquiera de las Partes mediante preaviso por escrito de seis meses a la otra Parte.

Si el Gobierno del Reino Unido estuviera dispuesto a aceptar las disposiciones precedentes, tengo el honor de sugerir que la presente nota y la contestación de V.E. en términos similares, sean consideradas como registrando un acuerdo entre ambos Gobiernos, el que entrará en vigor inmediatamente.

Hago propicia, etc.

(F-do) J. BRAMUGLIA.

(Translation of No. 1)

Ministry of Foreign Affairs and Worship,

Buenos Aires, 14th March, 1949.

Sir,

I HAVE the honour to inform your Excellency that, in order to avoid the double levy on income derived from maritime and air navigation, and to encourage commercial traffic between the United Kingdom of Great Britain and Northern Ireland and the Argentine Republic, the Argentine Government is prepared to conclude an agreement with the Government of the United Kingdom in the following terms:—

- (1) The Argentine Government, in exercise of the powers conferred on them by Article 10 of Law 11,682 enacted in 1947, shall exempt all income derived from the business of sea or air transport between the Argentine Republic and other countries by United Kingdom undertakings engaged in such business from income tax and all other taxes on profits which are chargeable in the Argentine Republic.
- (2) The Government of the United Kingdom shall exempt all income derived from the business of sea or air transport between the United Kingdom and other countries by Argentine undertakings engaged in such business from income tax and all other taxes on profits which are chargeable in the United Kingdom 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.
- (3) The expression "the business of sea or air transport" means the business of transporting persons, goods or mail carried on by the owner or charterer of ships or 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 the Argentine Republic, and corporations and partnerships constituted under the laws of the United Kingdom and managed and controlled in the United Kingdom.
- (5) The expression "Argentine undertakings" means the Argentine Government, physical persons resident in the Argentine Republic and not resident in the United Kingdom, and corporations and partnerships constituted under the laws of the Argentine Republic and managed and controlled in the Argentine Republic.
- (6) The exemption provided for in paragraphs (1) and (2) above shall apply to all income earned as from the 1st January, 1946.
- (7) This agreement may be terminated by either party by giving six months' notice in writing to the other party.

Should the Government of the United Kingdom be 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 placing on record an agreement between both Governments, which shall come into force immediately.

I avail, &c.

(Sd.) J. BRAMUGLIA.

No. 2

*His Majesty's Ambassador at Buenos Aires to the Argentine
Minister for Foreign Affairs*

British Embassy,

Buenos Aires, 14th March, 1949.

Monsieur le Ministre,

I HAVE the honour to acknowledge receipt of your Note of to-day's date in which you inform me that the Argentine Government are prepared to conclude with the Government of the United Kingdom of Great Britain and Northern Ireland an agreement in the following terms:—

[As in No. 1]

I have the honour to inform you that the Government of the United Kingdom are prepared to accept the foregoing provisions and that your Note and the present reply in similar terms shall be regarded as placing on record the agreement between the two Governments, which shall take effect immediately.

I avail, &c.

(Sd.) JOHN BALFOUR.

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