



Treaty Series No. 62 (1959)

# Exchange of Notes

between the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of the United States of America

extending the provisions of the  
Double Taxation Convention of April 16,  
1945, as later modified, to certain  
Overseas Territories of the  
United Kingdom

Washington. August 19. 1957–December 3, 1958

*Presented to Parliament by the Secretary of State for Foreign Affairs  
by Command of Her Majesty  
August 1959*

LONDON

HER MAJESTY'S STATIONERY OFFICE

SIXPENCE NET

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA EXTENDING THE PROVISIONS OF THE DOUBLE TAXATION CONVENTION OF APRIL 16, 1945, AS LATER MODIFIED, TO CERTAIN OVERSEAS TERRITORIES OF THE UNITED KINGDOM**

*Washington, August 19, 1957–December 3, 1958*

No. 1

*Her Majesty's Ambassador at Washington to the United States Secretary of State for Foreign Affairs*

*British Embassy.*

Sir,

*Washington D.C., August 19, 1957.*

I have the honour, upon instructions of Her Majesty's Principal Secretary of State for Foreign Affairs, to refer to the Convention between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed at Washington on the 16th of April, 1945,<sup>(1)</sup> as modified by the Supplementary Protocols signed at Washington on the 6th of June, 1946,<sup>(1)</sup> the 25th of May, 1954,<sup>(2)</sup> and the 19th of August, 1957.<sup>(3)</sup>

In accordance with the provisions of Article XXII of the above-mentioned Convention, as amended by the Supplementary Protocol of the 25th of May, 1954, Her Majesty's Government in the United Kingdom desire that the application of the Convention should be extended to the territories named in the Annex to this Note, subject to the modifications and with effect from the dates specified therein.

If the present notification is acceptable to the Government of the United States of America, I have the honour to request that you will be so good as to *inform me accordingly and confirm that the desired application of the Convention to the territories in question shall take effect from the dates specified in the Annex to this Note.*

I avail, &c.,

HAROLD CACCIA.

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(1) "Treaty Series No. 26 (1946)," Cmd. 6902.

(2) "Treaty Series No. 18 (1955)," Cmd. 9405.

(3) "Treaty Series No. 33 (1959)," Cmnd. 721.

ANNEX

I.—TABLE OF TERRITORIES TO WHICH THE CONVENTION OF THE 16TH OF APRIL, 1945, FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME IS TO BE EXTENDED IN ACCORDANCE WITH ARTICLE XXII OF THE SAID CONVENTION AS AMENDED, SUBJECT TO THE CONDITIONS SET OUT IN PARAGRAPHS II AND III OF THIS ANNEX

<i>Column (1)</i>	<i>Column (2)</i>	<i>Column (3)</i>
Aden ... ..	Income Tax ... ..	1st April
Antigua ... ..	Income Tax ... ..	1st January
Barbados ... ..	Income Tax ... ..	1st January
British Honduras ... ..	Income Tax (including Surtax)	1st January
Cyprus ... ..	Income Tax ... ..	1st January
Dominica ... ..	Income Tax ... ..	1st January
Falkland Islands ... ..	Income Tax ... ..	1st January
Gambia ... ..	Income Tax ... ..	1st January
Grenada ... ..	Income Tax (including Surtax)	1st January
Jamaica ... ..	Income Tax (including Surtax)	1st January
Montserrat ... ..	Income Tax ... ..	1st January
Nigeria, Federation of ... ..	Income Tax ... ..	1st April
Rhodesia and Nyasaland, Federation of	Income Tax, Super Tax and Undistributed Profits Tax	1st April
St. Christopher, Nevis and Anguilla	Income Tax ... ..	1st January
St. Lucia ... ..	Income Tax ... ..	1st January
St. Vincent ... ..	Income Tax ... ..	1st January
Seychelles ... ..	Income Tax ... ..	1st January
Sierra Leone ... ..	The Income Tax, the duty on profits charged under the Concessions Ordinance, 1931, the diamond industry Profits Tax and the Iron Ore Concessions Tax ... ..	1st April
Trinidad and Tobago ... ..	Income Tax ... ..	1st January
Virgin Islands ... ..	Income Tax ... ..	1st January

II.—APPLICATION

(a) The said Convention as modified shall apply in the case of each territory mentioned in Column (1) of the above Table,

- (1) as if the Contracting Parties were the Government of the United States of America and the Government of that territory;
- (2) as if the taxes concerned in the case of each territory were those mentioned opposite the name of that territory in Column (2) of the above Table; provided that for the purposes only of the application of Article XIII(1) of the Convention to the Federation of Rhodesia and Nyasaland the taxes concerned shall include the Territorial Surcharges charged in Northern Rhodesia, Nyasaland and Southern Rhodesia;
- (3) as if references to "the date of signature of the present Convention" were references to the date of the reply from the United States Government to the note from the United Kingdom Government of the 19th of August, 1957, relating hereto; and

(4) as if reference to the 6th day of April were references to the date opposite the name of each territory in Column (3) of the above Table.

(b) When the last of those measures shall have been taken in the United States of America and in any territory named in the above Table necessary to give the present extension the force of law in the United States of America and in such territory, respectively, the present extension shall have effect,

(1) in the United States of America as respects United States tax on and after the first day of January next following the date on which the last of those measures have been taken; and

(2) in such territory as respects tax for the year of assessment beginning on the date specified opposite its name in Column (3) of the above Table, next following the date on which the last of those measures have been taken, and for subsequent years of assessment.

(c) The Government of the United States of America shall inform the Government of the United Kingdom, in writing through the diplomatic channel, when the last of the measures necessary, as indicated in paragraph (b), have been taken in the United States of America. The Government of the United Kingdom shall inform the Government of the United States of America, in writing through the diplomatic channel, when the last of the measures necessary, as indicated in paragraph (b), have been taken in all or any of the territories named in the above Table.

### III.—MODIFICATIONS

(a) The said Convention as modified shall apply with the exception that for the purposes of the extension to the Federation of Rhodesia and Nyasaland Articles XIV and XVI shall be deemed to be deleted, and for the purposes of the extension to the other territories in the above Table, Articles VII, XIV and XVI shall be deemed to be deleted.

(b) The words "shall be exempt from United Kingdom surtax" in Article VI(2) of the Convention shall be understood, for the purposes of this extension, as though they read "shall not be liable to any tax in the territory other than tax imposed with respect to the profits or earnings of the corporation out of which such dividends are paid."

(c) The words "shall be exempt from United Kingdom surtax" in Article IX(2) of the Convention shall be understood, for the purposes of this extension, as though they read "shall not be liable to tax in the territory at a rate in excess of the rate applicable to a company."

(d) For the purposes of the extension to the Federation of Rhodesia and Nyasaland the term "the laws of the United Kingdom" shall be understood as though it read "the laws of the Federation of Rhodesia and Nyasaland and the laws of its constituent Territories."

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No. 2

*The United States Acting Secretary of State for Foreign Affairs to Her Majesty's Ambassador at Washington*

*Department of State,*

Excellency,

*Washington, December 3, 1958.*

I have the honor to refer to Your Excellency's note dated August 19, 1957, in which reference is made to the Convention between the Government

of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed at Washington on the 16th of April 1945, as modified by the Supplementary Protocols signed at Washington on the 6th of June 1946, the 25th of May 1954, and the 19th of August 1957.

In the above-mentioned note the Government of the United States of America is notified, in accordance with the provisions of Article XXII of the 1945 Convention, as amended by the Supplementary Protocol of 1954, of the desire of Her Majesty's Government in the United Kingdom that the application of the Convention should be extended to the territories named in the Annex to the note, subject to the modifications and with effect from the dates specified therein.

On July 9, 1958 the Senate of the United States of America approved the proposal for extending to the territories named in the above-mentioned note, on the terms and conditions set forth therein, the 1945 Convention as modified by the Supplementary Protocols of 1946, 1954, and 1957. The Supplementary Protocol of 1957 having been brought into force by the exchange of instruments of ratification on October 15, 1958, it is now possible for the Government of the United States of America to take the action prescribed in Article XXII of the 1945 Convention, as amended, to give effect to the proposed extension.

The Government of the United States of America hereby accepts the notification embodied in the above-mentioned note. Accordingly, pursuant to the aforesaid Article XXII as amended, the Convention, as modified by the Supplementary Protocols of 1946, 1954, and 1957, shall apply to the territories named in the Annex to the above-mentioned note, subject to the modifications and with effect from the dates specified therein and subject to the completion of such legislative or other internal measures in the respective territories as will give effect to the extension in such territories.

This acceptance by the Government of the United States of America is the last of the measures necessary on its part to give the extension the force of law in the United States of America. It is understood that the Government of the United Kingdom will inform the Government of the United States of America when the last of the measures necessary have been taken in all or any of the territories named in the aforesaid Annex to give the extension the force of law in the respective territories.<sup>(4)</sup>

Accept, &c.

CHRISTIAN A. HERTER.  
Acting Secretary of State.

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<sup>(4)</sup> By notifications dated December 30, 1958, January 19, 1959, and May 8, 1959, the United Kingdom Government informed the United States Government that all territories named in the Annex had taken the last of the measures necessary to give the extension the force of law and to bring it into effect in those territories on January 1, 1959, or where applicable on April 1, 1959.

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