



Treaty Series No. 75 (1962)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of Sweden

extending to Bechuanaland Protectorate and Swaziland
the Convention of July 28, 1960, for the Avoidance
of Double Taxation and the Prevention of
Fiscal Evasion with respect to
Taxes on Income

Stockholm, November 27, 1961

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
December 1962*

LONDON

HER MAJESTY'S STATIONERY OFFICE

EIGHTPENCE NET

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE KINGDOM OF SWEDEN EXTENDING TO BECHUANALAND PROTECTORATE AND SWAZILAND THE CONVENTION OF JULY 28, 1960, FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

No. 1

Her Majesty's Ambassador at Stockholm to the Swedish Minister for Foreign Affairs

British Embassy,

Stockholm, November 27, 1961.

Your Excellency,

I am instructed by 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 Kingdom of Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed at London on the 28th of July, 1960.⁽¹⁾

I have the honour to propose on behalf of the Government of the United Kingdom that, in accordance with the provisions of Article XXVIII, the above-mentioned Convention should be extended to Bechuanaland Protectorate and to Swaziland in the manner, subject to the modifications, and with effect from the dates, specified in the annex to the present Note.

If the foregoing proposal is acceptable to the Government of Sweden, I have the honour to suggest that the present Note, together with its Annex, and Your Excellency's reply to that effect, should be regarded as constituting an Agreement between the two Governments in this matter.

I avail, &c.

J. E. COULSON.

⁽¹⁾ "Treaty Series No. 38 (1961)", Cmnd. 1378.

ANNEX

PART I

Application

(1) The said Convention as modified by the present Annex shall apply—

- (a) as if the Contracting Parties were the Government of Sweden and the Government of Bechuanaland and Swaziland respectively;
- (b) as if the taxes concerned in Bechuanaland and Swaziland were the normal tax and the supertax;
- (c) as if the date of signature of the said Convention were the date of the Exchange of Notes to which the present Annex is appended.

(2) When the last of these measures shall have been taken in Sweden and in Bechuanaland and Swaziland necessary to give the present extension the force of law in Sweden and in Bechuanaland and Swaziland respectively, the present extension shall have effect—

(a) In Sweden:

- (i) as respects State income tax and the communal income tax on income which is assessed in or after the calendar year beginning on 1st January, 1961, being income for which preliminary tax is payable during the period 1st March, 1960, to 28th February, 1961, or any succeeding period;
- (ii) as respects coupon tax on dividends payable on or after 1st January, 1960;
- (iii) as respects the tax on public entertainers which is levied on or after 1st January, 1960;
- (iv) as respects sailors tax on income payable on or after 1st January, 1960; and
- (v) as respects the State capital tax assessed in or after the calendar year beginning on 1st January, 1961.

(b) in Bechuanaland and Swaziland:

as respects tax for any year of assessment beginning on or after 1st July, 1960, and for subsequent years of assessment.

(3) The Government of Sweden 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 (2), have been taken in Sweden. The Government of the United Kingdom shall inform the Government of Sweden in writing through the diplomatic channel when the last of the measures necessary, as indicated in paragraph (2), have been taken in Bechuanaland and Swaziland respectively.⁽²⁾

⁽²⁾ By a notification dated August 8, 1962 the United Kingdom informed the Swedish Government that all the steps necessary to give the amendments the force of law in Bechuanaland Protectorate and Swaziland had been taken. On October 13, 1962 the Swedish Government informed the United Kingdom Government that the amendments were similarly in force in Sweden.

(4) The present extension shall continue in effect indefinitely but either the Government of the United Kingdom or the Government of Sweden may, on or before the 30th day of June in any calendar year not earlier than the year 1964, give to the other through the diplomatic channel written notice of termination and in such an event the present extension shall cease to have effect—

(a) in Sweden:

- (i) as respects State income tax and the communal income tax on income for which preliminary tax is payable after the last day of February in the calendar year next following that in which such notice is given;
- (ii) as respects coupon tax on dividends payable on or after 1st January in the calendar year next following that in which such notice is given;
- (iii) as respects the tax on public entertainers which is levied on or after 1st January in the calendar year next following that in which such notice is given;
- (iv) as respects sailors tax on income payable on or after 1st January in the calendar year next following that in which such notice is given;
- (v) as respects the State capital tax assessed in or after the second calendar year following that in which such notice is given.

(b) in Bechuanaland and Swaziland:

- as respects tax for any year of assessment beginning on or after 1st July in the calendar year next following that in which the notice is given.

PART II

Modifications

The said Convention shall, for the purposes of the extension to Bechuanaland and Swaziland, apply with the following modifications:—

- (a) The words "shall be exempt from United Kingdom surtax" in Article VII (1) (a) of the said Convention shall be understood, for the purposes of this extension, as though they read "shall not be liable to [United Kingdom] tax at a rate in excess of the rate of tax chargeable on the profits of a company";
- (b) Article VIII of the said Convention shall be deemed to be deleted.

*The Swedish Minister for Foreign Affairs to Her Majesty's Ambassador
at Stockholm*

Royal Ministry for Foreign Affairs,

Stockholm, November 27, 1961.

Your Excellency,

I have the honour to acknowledge receipt of your Excellency's Note of November 27, 1961 which reads as follows:

[As in No. 1]

In reply, I have the honour to state that the Government of Sweden considers that your Excellency's Note with its Annex and the present reply to which a copy of the Annex is attached constitute an Agreement between the two Governments.

I avail, &c.

ÖSTEN UNDÉN.

Printed and published by
HER MAJESTY'S STATIONERY OFFICE

To be purchased from
York House, Kingsway, London w.c.2
423 Oxford Street, London w.1
13A Castle Street, Edinburgh 2
109 St. Mary Street, Cardiff
39 King Street, Manchester 2
50 Fairfax Street, Bristol 1
35 Smallbrook, Ringway, Birmingham 5
80 Chichester Street, Belfast 1
or through any bookseller

Printed in England