Analysis: Denmark – Thailand Income Treaty

See treaty text

Type of treaty: Income

Based on the OECD Model Treaty

Thailand primarily uses the OECD Model but also integrates a portion of the UN Model that is not or no longer addressed in the OECD Model, eg Article 5 incorporates the services provision that is in the UN Model.

Signed: February 23, 1998

In force: February 11, 1999

Effective: January 1, 2000. See Article 30.

Status: In force.

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Article 1 Personal Scope

See treaty text

Convention applies to persons who are residents of one or both Contracting States.

Article 2 Taxes Covered

See treaty text

Convention is generally consistent with the OECD model. Taxes on wealth are not governed.

Convention covers taxes on income all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property as well as taxes on capital appreciation.

Denmark

The Convention covers the following Danish taxes:

• Income taxes to the state (statslig indkomstskat (bund-, topskat));
• Municipal income tax (kommunal indkomstskat);
• Church Tax (kirkeskat);
• Since 2008: labour market contribution (AM-bidrag);
• Health contribution (sundhedsbidrag);
• Share income tax (aktieindkomstskat);
• CFC tax (CFC-skat);
• Pension yield tax (pensionsafkastskat);
• Hydrocarbon Tax (kulbrinteskat); and any identical or substantially similar taxes which are subsequently imposed in addition to, or in place of, the existing taxes.

Since the Convention does not cover wealth taxes, property value tax (ejendomsværdiskat), which is considered a partial wealth tax, is not within the scope of the Convention.

Thailand

The Convention for Thailand covers The Petroleum Income Tax Act that was introduced in 1971 to impose a tax on net profits that companies derive from an interest in a petroleum concession granted by the Thai government. Net profits from petroleum operations includes revenue from production, transport or sale of oil and gas, the value of has delivered to the government as a royalty and the proceeds of a transfer of interest in a concession less ordinary and necessary business expenses. There are specific expenses which are not allowed in determining the net taxable profits, e.g. interest expense. The tax rate for most operators is not less than 50%.

Thailand does not impose income taxes at a provincial level.

Article 3 General Definitions

See treaty text

Convention is generally consistent with the OECD model, but there are some deviations.

Convention does not define "enterprise" as the OECD model does.

The term "person" includes an individual, a company, any other body of persons and any entity taxable under the taxation laws in force in either Contracting State.

"Company" is defined as any body corporate or any entity which is treated as a body corporate for tax purposes.

Convention does not define "business" as the OECD model does.

With regards to "international traffic" the Convention defines it as "any transport by a ship or aircraft, except when the ship or aircraft is operated solely between places in the other Contracting State". The Convention makes no reference to the place where the effective management is based as the OECD

model does. A criteria regarding place of effective management is, however, included in some of the subsequent articles regarding international traffic.

Denmark

The term "Denmark" includes any area outside the territorial sea of Denmark which in accordance with international law has been or may hereafter be designated under Danish laws as an area within which Denmark may exercise sovereign rights with respect to the exploration and exploitation of the natural resources of the sea-bed or its subsoil and the superjacent waters and with respect to other activities for the exploration and economic exploitation of the area.

The term does not comprise the Faroe Islands and Greenland, but the Convention can, pursuant to Article 29 be extended to cover the Faroe Islands and Greenland.

"Competent authority" is in the Convention stated to be the minister of taxation. In matters relating to international taxation, authority has been delegated to "SKAT", the Danish administrative tax authorities.

Thailand

Under the Thailand legal system there is no specific definition of the concept of enterprise.

A registered partnership in Thailand is subject to income tax so is a body of persons that is considered as a body corporate for tax purposes.

Article 4 Resident

See treaty text

Paragraph 1 of the Convention includes place of incorporation as a connecting factor.

Paragraph 1 makes no reference to any political subdivision or local authority thereof as the OECD model does.

Paragraph 3 of the Convention does not contain the usual tie-breaker rule for companies. Where a person other than an individual is considered a resident of both States the competent authorities shall, pursuant to the Convention, endeavor to settle the question by mutual agreement and determine the mode of application of the Convention to such person. As long as no such mutual agreement is in place, the person shall in each Contracting State be deemed not to be a resident of the other Contracting State. In other words, each Contracting State can for tax purposes treat these companies as if no convention had been entered into.

Denmark

INDIVIDUALS

According to section 1(1) of the Danish Tax at Source Act (kildeskatteloven), tax liability on its global income applies to (i) persons who are resident in Denmark, (ii) persons without Danish residence who stay in Denmark for at least six months, (ii) Danish nationals employed on vessels with home port in Denmark, unless it is substantiated that they are tax resident outside of Denmark, and (iv) Danish nationals, who are civil servants deployed for duty abroad. Tax liability under (ii) applies as of the initiation of the stay in Denmark. However, persons visiting Denmark as tourists or students, who remain liable to tax in their home State and are not carrying on business in Denmark will only be considered as tax residents if the stay exceeds 365 days within a two year period.

Residence in a foreign State for foreign tax purposes does not preclude residence in Denmark for Danish tax purposes. Dual residence, often resulting in double taxation of the individual's worldwide income, is generally resolved under the terms of an applicable tax treaty. When a Danish tax resident individual moves out of Denmark, the individual will generally still under Danish domestic law be considered tax resident in Denmark as long as he/she or his/her family still has a house suitable for year-round residence. A house owned by the Danish emigrant will generally be considered as being available unless it is let out on a lease which is not terminable for at least three years.

COMPANIES

All companies taxable under section 1 of the Danish Corporate Income Tax Act (CITA)(selskabsskatteloven) are considered Danish taxable corporate entities. This list primarily includes, "aktieselskaber" (A/S) and "anpartselskaber" (ApS), which are required to be registered in the Danish Commerce and Companies Agency (Erhvervs- og Selskabsstyrelsen). Further, companies and cooperatives with similar corporate characteristics as the above company types, which have a Danish tax resident management, will be considered taxable in Denmark. The management will normally be considered resident in Denmark, if Denmark is the seat of the daily management. This would generally be the seat of management rather than the board of directors. However, if the board of directors takes very active part in the daily management decisions, the venue of the board may, depending on the circumstances, be considered the seat of management for tax purposes. In all other cases than aktieselskaber and anpartselskaber, it is recommendable to obtain local advice.

As a noticeable potential exception to the rule that the above entities are considered to be taxable entities, section 2A of the CITA provides that if any of the above entities are considered to be tax transparent under foreign tax law to the effect that income in such Danish entity is taken into account in foreign income, then the otherwise taxable corporate entity is for Danish tax purposes considered tax transparent and potentially not protected by the tax treaty. This reclassification rule is an anti-abuse rule aimed at the US check-the-box rules to avoid creating a possibility of double-dip of primarily financing expenses in both Denmark and the US, but it applies equally to other rules with the same effect.

PARTNERSHIPS AND FISCALLY TRANSPARENT ENTERPRISES

Partnerships are not comprised by section 1 of the Danish CITA and are therefore generally not recognised as separate taxable entities.

A partnership is either a general partnership (interessentskab (I/S), a limited partnership (kommanditselskab (K/S) or a partnerselskab / kommanditaktieselskab (P/S)). The general partnership is the ordinary form of commercial partnership, all partners being jointly and severally liable for the partnerships' debts and obligations. Under current Danish law, a partnership is not a separate legal entity, but is transparent with respect to its (tax) liability. A general partnership is normally not subject to taxation; instead, the individual partners are taxable on their share of the partnership's profits.

With respect to a K/S, separate rules for the tax treatment (transparent or non-transparent) apply. A K/S generally has partners with limited liability (limited partners) and one or more partners with unlimited liability (general partners).

A limited partner (kommanditist or stille deltager) is liable only to the extent of his capital contributions or commitments. Under Danish corporate law, it is a requirement that the general partner (komplementaren) has both administrative and economical rights in the K/S.

A P/S is a limited partnership where all limited shares are divided into actual shares. The affairs of the P/S are, however, governed by the Danish Corporate Act, despite being transparent for tax purposes.

As a noticeable exception to the rule that the above entities are considered to be tax transparent, section 2C of the CITA provides that if there are participants in an otherwise tax transparent entity (or a permanent establishment in Denmark) which are resident in a state that considers the entity to be a taxable entity or in a state that does not have a tax treaty or information exchange treaty with Demark, and such participants hold more than 50 per cent of the votes or the capital in the entity/permanent establishment, the entity/permanent establishment will be considered a separate taxable entity for Danish tax purposes. This reclassification rule is an anti-abuse rule aimed at the US check-the-box rules to avoid creating a “reverse hybrid" and thereby the possibility of double non-taxation in a situation where Denmark would (without this rule) consider income to be earned by the partnership participants, while the jurisdiction where the partners are resident would consider the same income as earned by the partnership.

With respect to foreign entities, whether or not they are treated as taxable or transparent depends on how closely they correspond to the abovementioned Danish partnership forms. If they are significantly different the general test is that an entity will be considered taxable if none of the participants have unlimited liability for the debts and obligations of the enterprise. In practice, another significant criteria has been whether or not the entity has its own corporate bodies (board of directors or management).

Article 5 Permanent Establishment

See treaty text

For a Permanent Establishment (PE) to exist there must be a fixed place of business where business wholly or partly is carried on.

The Convention is generally consistent with the OECD model except as noted below.

In paragraph 2(g) the Convention includes a farm or plantation. This is not included in the OECD model.

In paragraph 2(h) of the Convention a “warehouse" in relation to a person providing storage facilities for others” is included. Such warehouses are not included in the OECD model.

Pursuant to paragraph 2(i) of the Convention a building site, construction or assembly project or supervisory activities in connection therewith, which lasts for a period of more than six months constitutes a PE. The OECD model provides for a period of over 12 months in this instance.

In paragraph 2(j) the Convention states that the furnishing of services, including consultancy services, by an enterprise through employees or other personnel, for the same or connected projects, within a Contracting State that lasts for a period or periods of more than six months within any given 12 month period is a PE. This is not addressed in the OECD model but is contained in the UN model.

Through the protocol to the Convention, with reference to paragraph 3 of Article 5, it is determined that if a person who is a resident of a Contracting State provides a warehouse or any facilities in one of the Contracting States for other persons to store goods or merchandise, he shall be deemed to be carrying on a business in that Contracting State through a PE. With reference to paragraphs 3(a) and (b) of Article 5, it is specified in the protocol that the use of such facilities for delivery shall be deemed to constitute a PE if they are used as a sales outlet.
Paragraph 4 in the Convention extends the risk of a PE to a person that does not have the authority to contractually sign on behalf of the enterprise but habitually maintains in the first-mentioned State a stock of goods or merchandise belonging to the enterprise from which he regularly fills orders or makes deliveries on behalf of the enterprise; or habitually secures orders in the first-mentioned State wholly or almost wholly for the enterprise or for the enterprise and other enterprises which are controlled by it or have a controlling interest in it. The OECD only cites a person that has the authority to conclude contracts.
In paragraph 5 of the Convention, pursuant to which independent agents are not as a starting point deemed to be a PE, there is an exception when the activities of such an agent are devoted wholly or almost wholly on behalf of that enterprise or on behalf of that enterprise and other enterprises, which are controlled by it or have a controlling interest in it, he will not be considered an agent of independent status within the meaning of this paragraph. This carve-out is not in the OECD model.

Denmark

The Danish domestic law definition of a permanent establishment is more or less identical to the definition under art. 5 of the OECD Model Tax Convention. A number of decisions have been made by the Danish tax authorities and Danish courts considering the existence of a Danish permanent establishment. In sec. 2(5) of the CITA and sec. 2(9) of the Danish Source Tax Act (kildeskatteloven), however, a specific provision excluding the existence of a permanent establishment in the event of "distance selling". Hereunder, a permanent establishment in Denmark shall not be deemed to exist for a foreign principal, even if a Danish tax resident representative as such has power of attorney to bind the foreign principal, when carrying out distance selling. Distance selling shall, for the purpose of these provisions, mean the passive receipt of orders from Danish or foreign customers via telephone, telefax, telex, EDI, internet, mail or similar. However, it is further a condition that (i) the representative is not employed with the principal and that (ii) neither the foreign principal, nor any of his/her close relatives or a group related entity of the principal, carry out business activities which have ties to the activities of the representative.

Thailand

Thailand tax law has no defined period of time where a person can carry on business in Thailand through an employee, agent or go-between where the net profits derived from such activity would not be subject to income tax. In effect, carrying on business for even one day can result in any net profits derived being taxable in Thailand.

Article 6 Income from Immovable Property

See treaty text

The general rule in the Convention is that income derived by a resident of a Contracting State from immovable property in the other Contracting State may be taxed in that other State. This general rule is consistent with the OECD model.
Article 6 of the Convention is, with the exception of paragraph 4, in line with the OECD model.
The Convention states in paragraph 4 that where an immovable property is owned by a company or another corporate entity, and the ownership of shares or other corporate rights in this company entitles the owner of such shares or corporate rights to the enjoyment of immovable property held by the company, the income from the direct use, letting, or use in any other form of such right to enjoyment may be taxed in the Contracting State in which the immovable property is situated. This is not addressed in the OECD model.

Denmark

Under Danish domestic law, profits from sale of real estate specifically comprise capital gains under the Danish Capital Gains on Property Tax Act (ejendomsavancebeskatningsloven) and recaptured tax depreciation under the Danish Tax Depreciation Act.
Danish tax law generally provides for foreign owners of property/real estate the same possibilities of deducting financing costs related to the real estate/property in income and profit thereon as Danish owners of property/real estate have.
However, in administrative practice it has been determined that for tax purposes it is only possible to allocate financing costs corresponding to debt financing of 80 per cent of the value of the real estate to the Danish real estate for Danish tax purposes. Further, foreign currency exchange gains and losses

on real estate financing are not deemed to be allocable to the Danish real estate for Danish tax purposes.
When Denmark is the source state, which it is when the immovable property is located in Denmark, there is legal basis in national tax law for taxing operating profits relating to the property in the Danish Tax at Source Act (kildeskatteloven), section 1, (1), (5) and in the CITA section 2, (1), (b).
Since the Convention does not cover wealth taxes, property value tax (ejendomsværdiskat), which is considered a partial wealth tax, is not within the scope of the Convention.

Article 7 Business Profits

See treaty text

The Convention rules that apply are generally consistent with the OECD model. The key exceptions are noted below.
Paragraph 3 of this Article allows for deductions of expenses which the enterprise has defrayed for the purpose of the PE including executive and administrative expenses relating to the PE. This is in line with the UN model and not specifically mentioned in the OECD model.
Paragraph 4 allows a Contracting State to determine the profits attributable to the PE based on an apportionment as may be customary in that Contracting State. The apportionment must, however, still be in accordance with the principles contained in this Article.
In addition, the protocol to the Convention with reference to Article 7 states that it is understood that nothing in the Article shall affect the application of any tax law of a Contracting State relating to the tax assessment of a person in cases where the information available to the tax authorities of that State is inadequate to determine the taxable profits of that person, provided that the result shall be in accordance with the principles contained in the Article.
The Protocol also states that the term “profit" in Article 7 shall refer to income or profit.
Paragraph 5 states that no profits shall be attributable to the PE, if the PE has merely purchased goods or merchandise on use in the enterprise.
It is set out in paragraph 6 that the method used for attributing profits to the PE, must be the same year by year, unless there is good and sufficient reason to change the method.
The Convention does not have a provision corresponding to the OECD Model Article 7, section 3, whereby in the situation where one Contracting State makes an adjustment to the profits that are attributable to a PE of an enterprise of one of the Contracting States and thereby accordingly taxes profits of the enterprise that have also been charged to tax in the other State, the other state shall provide a corresponding adjustment to avoid double taxation of that enterprise. This means that the enterprise pursuing a corresponding adjustment would have to follow the mutual agreement article of the Convention.

Denmark

The definition of a PE for Danish domestic law purposes as well as the allocation of profits thereto generally follows that of the OECD Tax Model Convention. A number of decisions consider the existence of a PE and allocation of profits thereto for Danish tax purposes, most of which are based on actual circumstances. Section 2 of the Danish Corporate Income Tax Act (selskabsskatteloven) specifically states (i) that permanent establishment building and construction sites which constitute a permanent establishment are considered as established on the first day thereof (ii) that shares can be allocated to a permanent establishment if such shares constitute a part of the core capital of the PE (iii) that profits and losses as well as recaptured depreciation on the sale of goods allocable to the PE is taxable in Denmark. As a significant exception to the main rule that a PE is from a Danish tax perspective considered to be a separate entity, a Danish Supreme Court ruling from 1993 determined that “interest" payments from a Danish PE to its head office on a “loan” granted to the PE would not be tax deductible for the PE.
Section 8 of the Danish Corporate Income Tax Act lies down a territorial principle for certain corporate activities as it states that if a Danish enterprise has a permanent establishment abroad, Denmark will exempt income allocable to such permanent establishment abroad, unless (i) the state in which the PE is located waive its right of taxation under a tax treaty with Denmark or other international agreement, (ii) income in the PE would have been taxable under Danish CFC tax rules if the PE had been a company, or (iii) the income in the PE is income from the operation of ships or aircraft in international traffic.

Thailand

A party that is considered to have a PE in Thailand must also be in a position to provide books and records for the applicable tax period which are used to produce Financial Statements that must be audited by an independent certified public accountant in Thailand. The audited Financial Statement must accompany the tax return being filed by the PE for the applicable tax period. If no books and

records to substantiate the profits attributable to the PE are available then the representative of the PE can seek to apply a provision of the Thai tax law that allows the computation of tax for the PE based on 5% of the gross revenues attributable to the PE.

Article 8 Shipping and Air Transport

See treaty text

Pursuant to paragraph 1 income or profit from the operation of air transport in international traffic can only be taxed in the Contracting State where it is resident.

Paragraph 2 of the Convention states that income or profits derived by an enterprise of a Contracting State from the operation of ships in international traffic may be taxed in the other Contracting State, but the tax imposed in that other State (the source state) shall be reduced by an amount equal to 50% thereof. The OECD model only allows the Contracting State where the effective management is situated to tax such profits in this instance.

The Protocol to the Convention contains a so called more-favorable provision, whereby it is understood that the lesser of the tax rates applied by Thailand on income derived by an enterprise of any other country from the operation of ships in international traffic shall apply to this Convention.

The Convention states in paragraph 3 that income or profits of an enterprise of a Contracting State from the use, demurrage or rental of containers (including trailers, barges, and related equipment for the transport of containers) that are incidental to income from the operation of ships or aircraft in international traffic shall be treated for the purpose of paragraphs 1 and 2 as income from the operation of ships or aircrafts in international traffic. This is not in the OECD model.

Paragraph 5 makes specific reference to profits derived by the Danish, Norwegian and Swedish air transport consortium known as Scandinavian Airlines System (SAS). Denmark can only impose taxes on the share of the profits in SAS derived by SAS Denmark A/S, the Danish partner of SAS. The Convention makes no reference to a situation involving inland waterways as does the OECD model. Such income is instead taxed under Clause 7.

The Convention does not include article 8, paragraph 3 of the OECD model. Accordingly, if the effective management of a shipping enterprise is seated on board a ship, the profits are taxable under provisions regulating other income types, see Article 23.

Thailand

Thailand tax law imposes income tax on gross revenues resulting from foreign enterprises operating ships in Thai territorial waters.

Article 9 Associated Enterprises

See treaty text

Convention is consistent with the OECD Model.

Denmark

Under Danish domestic law, transfers pricing rules as well as transfer pricing documentation rules provide that Danish taxable persons and PE's in Denmark which carry out business transactions with group related entities are treated for tax purposes as if such transactions are carried out at arm's length. The definition of group related transactions is relatively wide under Danish tax law as it applies to transactions with a party, which controls or is controlled by another party. “Control” means direct or indirect legal ownership of more than 50% of the shares or legal control over more than 50% of the voting rights. Ownership or control has not been conferred from a pledger to a pledgee solely as a result of a pledge over shares.

When determining whether a party controls the Danish borrower (or vice versa), votes and shares held by group-related entities are considered. Votes and shares held by non-related shareholders may also be considered if an agreement has been made between a party and non-related shareholders for the purpose of “exercising a common controlling influence” over the Danish borrower. A shareholders agreement may in this context constitute an agreement to “exercise common controlling influence” over the other party.

Not only taxable legal entities are considered as entities for purposes of control; also fiscally transparent entities may be considered if they are “governed by rules of corporate law, a corporate law agreement or articles of association”.

“Group related” means two or more entities which (i) directly or indirectly are controlled by the same group of shareholders or (ii) which are under common management.

Two parties may be considered to be group related by virtue of common management if they have the same manager or if they have different managers that have entered into an agreement providing for a common management of the lender and the borrower.

In determining an arm's length price the approach taken in the OECD transfer pricing guidelines is generally applied.

Thailand

In compliance with the Arm's Length Principle, as defined under the OECD Guidelines and the principle of market value specified in the Thailand Revenue Code, the Thailand Revenue Department formerly launched Paw 113 in 2002 as a guideline for the enforcement of Transfer Pricing. Thailand has subsequently introduced an Advance Pricing Ruling process in 2011.

Article 10 Dividends

See treaty text

The Convention is generally consistent with the OECD model with the exceptions noted below.

Paragraph 2 does not have any ownership requirements between the company making the distribution of dividends and the company receiving such dividends. Accordingly, the source state can tax outbound dividends by maximum 10% of the gross dividends regardless of the recipient percentage of shares in the distributing company. Such a requirement is included in the OECD model.

Paragraph 3 that defines dividends is narrower than the definition in the OECD model.

Paragraph 4 makes reference to a PE and a fixed base whereas the OECD model only makes reference to a PE.

Paragraph 5 has an exception whereby "nothing in this paragraph shall be construed as preventing a Contracting State from imposing income tax, according to the laws of that State, on the disposal of profits made by a permanent establishment situated therein".

The Protocol contains a most-favorable clause with reference to paragraph 5 of Article 10. If after the signature of this Convention Thailand concludes a Convention for the avoidance of double taxation with a third State, in which tax on disposal of profits as referred to in the said paragraph is not provided for, or is provided for at a lower rate than in this Convention, then such exemption or lower tax rate shall apply to this Convention.

Denmark

INDIVIDUALS

The distribution of dividends from a Danish company to a non-resident individual is generally subject to withholding tax at the rate of 27%. The shareholder may seek a refund from the Danish tax authorities of the tax withheld in excess of 10%. In practise this is done by completing and filing ready print reclaim form 06.003 (available online at www.skat.dk) with the Danish tax authorities (Skattecenter Høje Taastrup), which must contain a statement from the Indian tax authorities that the beneficial owner of the payment is resident in India.

In addition it is possible for the Danish Securities Centre or the dividend distributing company to enter into an arrangement with the Danish tax authorities according to which the obligation to withhold tax is reduced to the tax rate stipulated in the double taxation treaty with the relevant State.

COMPANIES, ETC.

Dividends from subsidiary shares (i.e. shares which constitute at least 10% of the share capital in the issuing company) are exempt from Danish withholding tax provided the taxation of dividends is to be waived or reduced in accordance with the Parent-Subsidiary Directive (90/435/EEC) or in accordance with the Treaty. Further, dividends from Group Shares (i.e. share in a company in which the shareholder of the company and the issuing company are subject to Danish tax consolidation or fulfill the requirements for international tax consolidation under Danish law) are exempt from Danish withholding tax provided the company investor is a resident of the European Union or the European Economic Area and provided the taxation of dividends should have been waived or reduced in accordance with the Parent-Subsidiary Directive (90/435/EEC) or in accordance with a tax treaty with the State in which the company investor is resident had the shares been Subsidiary Shares.

Dividends from Portfolio Shares (i.e. shares which are not Group Shares or Subsidiary Shares) will be subject to taxation irrespective of ownership period.

Dividend payments on Portfolio Shares will be subject to a withholding tax of 28 % (27% as of 2012) irrespective of ownership period. The final tax may be reduced pursuant to the Treaty. In practise reclaim of Danish withholding tax is done by completing and filing ready print reclaim form 06.003 (available online at www.skat.dk) with the Danish tax authorities (Skattecenter Høje Taastrup), which must contain statement from the Thai tax authorities that the beneficial owner of the payment is resident in Thailand.

According to a statement from the Danish ministry of taxation in 2000 the Danish tax authorities will confirm that also pension funds and investment funds are considered as tax residents in Denmark, irrespective of the fact that they do not pay corporate tax on their income.

BENEFICIAL OWNERSHIP

Until recently, the requirement of beneficial ownership (and the content of this term) - although formally existing under the Danish withholding tax rules - has not been subject to real attention from the Danish tax authorities and still no clear guidance on the application thereof by the Danish tax authorities currently exist. However, the Danish Supreme Court has confirmed that specific provisions of Danish tax treaties should generally be interpreted in accordance with the OECD Commentary (to the extent applicable). The tax authorities have also referred to the OECD Commentary whenever (vaguely) commenting on the concept of beneficial ownership.

Thailand

On the distribution of dividends made by Thailand resident companies out of profits generated are subject to a withholding tax of 10% under Thai domestic tax law which is consistent with the rate of tax indicated in the Convention.

Thailand company profits generated by a business activity promoted by the Thailand Board of Investment during the tax holiday period are exempt from any withholding tax if paid to the shareholder in the form of a dividend prior to the expiration of the tax holiday period. An exemption also applies in regards to designated profits generated by qualified Regional Operating Headquarters paid in the form of dividends to shareholders.

Profits paid by a PE in Thailand to the head office in the other Contracting State are subject to a profit remittance tax of 10%. This is specifically addressed in paragraph 5 of this Article in the Convention.

Article 11 Interest

See treaty text

Convention is generally consistent with the OECD model but the Convention has varying tax limits. Interest can be taxed in both Contracting States. Treaty rate is 10% on gross interest income when the recipient is a financial institution (including an insurance company) and 15% in all other cases. The Convention provides for an exemption of tax on interest paid in respect of a loan made by or guaranteed or insured by the Government of the other Contracting State, the central bank of that other State or any agency or instrumentality (including a financial institution) which is wholly owned or is controlled by that Government.

Paragraph 4 of the Convention does not mention penalty charges. Such interests are specifically excluded in the OECD model.

Paragraphs 5 and 6 of the Convention refer to both permanent establishments and fixed bases.

It is stated in the Protocol with reference to paragraph 4 of Article 11 that the term "interest" includes interest paid in connection with sales on credit as well as fees and commissions paid in connection with the granting of loans. In witness whereof, the undersigned, duly authorized thereto, have signed this Protocol.

Denmark

No withholding tax applies to interest paid to individuals whether resident inside or outside EU/EEA.

No Danish withholding tax will apply on interest paid from a Danish corporate entity to a person or entity which does not qualify as a controlling or group related entity foreign lender (subject to definition, cf. below).

Interest paid from a Danish corporate entity to a controlling or group related entity foreign lender will be subject to 25% Danish withholding tax, unless:

A. the foreign controlling or group related lender has a permanent establishment in Denmark to which such interest income is attributed (in this case the interest is subject to normal corporate tax in Denmark also at 25%) or

B. the foreign controlling or group related lender is entitled to claim reduction or elimination of Danish withholding tax under the Interest and Royalty Directive (no tax is levied and no withholding tax applies) and the relationship with the Danish borrower is upheld for an minimum period of 1 year, or

C. the foreign controlling or group related lender is protected under a tax treaty with Denmark (irrespective of treaty rate) and the relationship with the Danish borrower is upheld for an minimum period of 1 year, or

D. the foreign controlling or group related lender is controlled (as defined under the Danish tax consolidation rules) by a Danish entity, or

E. the foreign controlling or group related lender is controlled by a party resident in a State that has concluded a tax treaty with Denmark, and further that such State may tax the related foreign lender (specifically defined) on such interest payments pursuant to CFC taxation rules of that State, or

F. the foreign controlling or group related lender can demonstrate that it has paid foreign income tax on the interest received at a rate of at least 18.75% (2013) and further provided that it has not entered into a back-to-back loan with an entity that has paid foreign income tax on the interest received at a rate of less than 18.75% (2013).

In order to qualify for reduction or elimination of withholding tax under a tax treaty or the Interest and Royalties Directive, it is a general requirement that the recipient qualifies as beneficial owner of the interest. Reference is made to the specific comments made on the Danish interpretation of this term under article 10 above.
For purposes of the Danish interest withholding tax rules, "control" means direct or indirect legal ownership of more than 50% of the shares or legal control over more than 50% of the voting rights. Ownership or control has not been conferred from a pledger to a pledgee solely as a result of a pledge over shares.
When determining whether the lender controls the Danish borrower (or vice versa), votes and shares held by group-related entities are considered. Votes and shares held by non-related shareholders may also be considered if an agreement has been made between the lender and the non-related shareholders for the purpose of "exercising a common controlling influence" over the Danish borrower. A shareholders agreement may constitute an agreement to "exercise common controlling influence" over the Danish borrower.
Not only taxable legal entities are considered as entities for purposes of control; also fiscally transparent entities may be considered if they are "are governed by rules of corporate law, a corporate law agreement or articles of association".
"Group related" means two or more entities which (i) directly or indirectly are controlled by the same group of shareholders or (ii) which are under common management.
The lender and the Danish borrower may be considered to be group related by virtue of common management if they have the same manager or if they have different managers that have entered into an agreement providing for a common management of the lender and the borrower.
Not only taxable legal entities are considered as entities for purposes of group relation; also fiscally transparent entities may be considered if they are "are governed by rules of corporate law, a corporate law agreement or articles of association".
In practice, no filing claims apply to be exempt from withholding tax if the recipient is not group related with the borrower or if the recipient can claim exemption pursuant to B) or C), above. In the cases D)-F) a 25 per cent tax is to be withheld at source and the recipient will need to reclaim the withholding tax by completing reclaim form 06.026 with the tax authorities enclosed with such documentation which substantiates eligibility for exemption under the relevant exception. According to a statement from the Danish ministry of taxation in 2000 the Danish tax authorities will confirm that also pension funds and investment funds are considered as tax residents in Denmark, irrespective of the fact that they do not pay corporate tax on their income.

Thailand

On the payment from or in Thailand of gross interest to a non-resident person a withholding tax of 15% applies under Thai domestic tax law.

Article 12 Royalties

See treaty text

Both Contracting States may tax royalty payments, but the tax in the source state shall not exceed 5% of the gross amount of royalties if they are made as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work. The source state's tax shall not exceed 15% of the gross amount of other royalties.
The definition of "royalties" in paragraph 3 of the Convention includes payments for the use of, or the right to use (leasing), industrial, commercial or scientific equipment which is not referred to in the OECD model. Furthermore, it includes films and tapes for television or radio broadcasting.
Paragraph 4 includes reference to performers of "independent personal services from a fixed base situated therein" which is not included in the OECD model.
The Convention has in paragraph 5 a reference to royalties paid by the Contracting State itself, which is not mentioned in the OECD model. It is stated that such royalties shall be deemed to arise in the Contracting State paying the royalties or where a local authority or the person paying the royalties is resident. If there is a PE or a fixed base in a Contracting State the royalties will be deemed to arise in that Contracting State.

Denmark

Danish withholding tax applies to payments (i) qualifying as royalties for Danish tax purposes, (ii) which are not exempt under the EU interest/royalty directive or a tax treaty. If applicable, royalties paid from a Danish company to a foreign company is subject to 25% withholding tax. The tax is withheld at source by the Danish company and settled with the tax authorities.
In relation to (i), it is noticeable that the term "royalties" according to Danish law is narrower than the definition applied in both art. 12 of the OECD Model Tax Convention and the Interest and Royalties

Directive. Indeed, the Danish royalty definition only includes industrial and commercial royalties (i.e. mainly payments for use or right to use patents, trademarks, patterns or models, drawings, secret formulas or production methods information on industrial, commercial or scientific knowhow) and does not include "artistic" royalties. Artistic royalties are described as payments for using or buying the right to use copyrights to literary work, artistic work or scientific work, e.g. author royalties or royalties for the use of music, films, etc.
In relation to (ii) in order to qualify for reduction or elimination of withholding tax under a tax treaty or the Interest and Royalties Directive, it is a general requirement that the recipient qualifies as beneficial owner of the royalty. Reference is made to the specific comments made on the Danish interpretation of this term under art. 10 above.
In practice, if the payment is a royalty, a 25 per cent tax is to be withheld at source and the recipient will need to reclaim the withholding tax by completing reclaim form 06.015 with the tax authorities including a statement from the tax authorities that the beneficial owner of the payment is resident in Thailand. According to a statement from the Danish ministry of taxation in 2000 the Danish tax authorities will confirm that also pension funds and investment funds are considered as tax residents in Denmark, irrespective of the fact that they do not pay corporate tax on their income.

Thailand

On the payment from or in Thailand of gross royalty income to a non-resident party a withholding tax of 15% applies under Thai domestic tax law.

Article 13 Capital Gains

See treaty text

Convention is generally consistent with OECD model with exceptions noted below.
In paragraph 2 the Convention also makes reference to gains on the alienation of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services. This reference is not contained in the OECD model.
Pursuant to paragraph 3 of the Convention gains on alienation of ships or aircraft operated by an enterprise of a Contracting State in international traffic and movable property pertaining to the operation of such ships or aircraft, shall be taxable only in the Contracting State where the enterprise is resident. Under the OECD model the gain is taxable where the effective management is situated. Gains on boats engaged in inland waterway transport are not mentioned in Paragraph 3. Such gains are therefore governed by Paragraph 5 instead.
In paragraph 4 gains derived by an enterprise of a Contracting State from the alienation of containers (including trailers, barges and related equipment for the transport of containers), as mentioned in paragraph 3 of Article 8, shall be taxable only in the State where the enterprise is resident. No similar provision is contained in the OECD model.
The Convention does not have a provision corresponding to article 13, paragraph 4 of the OECD model, regarding source state taxation of capital gains on shares in companies, where 50% or more of the value is made up of immovable property. Such gains are therefore governed by Paragraph 5 instead.
Paragraph 6 makes specific reference to gains derived by the Danish, Norwegian and Swedish air transport consortium known as Scandinavian Airlines System (SAS). Such gains shall only be taxable in Denmark, with regards to the proportion thereof attributable to SAS Denmark A/S, the Danish partner of SAS.

Denmark

Under Danish law, only alienation of real estate and assets or liabilities attributable to a permanent establishment in Denmark is subject to Danish taxation in the situation where the alienator is not a Danish tax resident person.
Shares, receivables and intellectual property rights are generally exempted from Danish capital gains tax under Danish domestic law when not attributable to a permanent establishment in Denmark (as Denmark would normally also be prevented from taxing such income under its tax treaties). However, as a very narrow definition of interest applies under Danish domestic law, a specific provision applies according to which any capital gains on receivables in the form of a difference between the nominal amount of the receivable and the amount actually borrowed which is agreed in advance between the debtor and the borrower, will be subject to tax in the hands of a non-Danish creditor, if such payment would also be taxable in Denmark to the creditor if it had been an interest.

Thailand

On the payment from or in Thailand of capital gains to a non-resident party a withholding tax of 15% applies under Thai domestic tax law.

Article 14 Independent Personal Services

See treaty text

Income derived by a resident of a Contracting State in respect of professional services or other activities of an independent character shall be taxable only in that State except if he has a fixed base available to him in the other Contracting State for the purpose of performing his activities, for a period or periods amounting to or exceeding in the aggregate 90 days within any 12-month period or if his stay in the other Contracting State is for a period or periods amounting to or exceeding in the aggregate 90 days within any 12-month period. The income taxable in the other Contracting State is limited to the income attributable to the fixed base in the other Contracting State or for the services performed in the other Contracting State.

This Convention is based on the former OECD model. Accordingly, it includes the former Article 14 of the OECD model regulating independent personal services, which were not yet included in Article 7.

Denmark

Reference is generally made to Article 7 above.

Thailand

The manner in which Thailand taxes the remuneration would likely depend on the actual profession of the individual providing the independent personal services considered taxable in Thailand since the allowed expenses may vary or have limitations and the tax will be imposed at the individual income tax rates.

Article 15 Dependent Personal Services

See treaty text

Convention is generally consistent OECD Model, but there are some deviations mentioned below. Pursuant to paragraph 3, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Contracting State shall be taxable only in the Contracting State where the enterprise is resident. This provision deviates from the OECD model, where such remuneration is taxable in the state, where the place of effective management of the enterprise is situated. The Convention does not include boats engaged in inland waterway transport as the OECD model does.

Where a resident of Denmark derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Denmark.

Remuneration derived by a managing director is governed by article 16 of the Convention, regarding directors' fees.

Denmark

Under Danish domestic rules, Denmark can tax non-resident employees on income from employment when work is carried out in Denmark. The Danish domestic rules apply to all forms of payment and irrespective of when payment is made. The provision specifically includes severance payments and payment during a termination period when such payments attributable to employment in Denmark. Further, the Danish domestic law provides for a 30 per cent tax on hiring out of labour when work is carried out in Denmark.

In a ruling from 2006 by the Danish Tax Council (Skatterådet) the Danish tax authorities confirms that it considers stock options granted as remuneration for employment to be comprised by Article 15 of the Denmark-UK tax treaty, which in this respect is similar to Article 15 of the Convention.

When taxable in Denmark, a person will generally be taxable pursuant to the same rules as a Danish tax resident employee. When only working in Denmark for part of the income year (normally the calendar year for individuals), specific calculation rules apply to ensure that the progressive Danish tax system applies to the income from Denmark. In very general terms, the marginal tax rate, including labour market contributions (AM-bidrag) of 8%, applicable to personal income (such as salaries, etc.), is in 2013 approx. 56%. This rate applies to annual income in excess of DKK 421,000 (about. EUR 56,440) per income year. Salary income lower than this amount is taxable between 0-44%. Specific rules on aggregate taxation of income apply to married couples.

Denmark offers a special tax regime to highly paid inbound expatriates and researchers recruited from abroad (subject to criteria). Employees may elect to be taxed at a rate of 26% in up to 60 months. All other income, including benefits-in-kind other than company car and free telephone, are taxed at the ordinary rates. Such income includes any private income received by the expatriate from outside Denmark. In addition to the 26% tax, AM-contribution of 8% must be paid Outbound expatriates are generally not taxed by Denmark on the salary, when the expatriation extends to more than six months.

Article 16 Directors' Fee

See treaty text

General rule applies whereby Directors' fee paid by a company resident in one Contracting State to a resident of the other Contracting State may be taxed by the first Contracting State, where the paying company is resident.

Article 16, paragraph 1 of the Convention is consistent with the OECD model. In addition, the Convention also has paragraph 2 stipulating that salaries, wages and other similar remuneration derived by a resident of a one Contracting State in his capacity as an official in a top-level managerial position of a company which is a resident of the other Contracting State may be taxed in that other State.

Denmark

Under Danish domestic rules, Denmark can tax fees paid for membership a board of directors, a commission, a committee, a council or similar when payment is made from a Danish company or entity. The payment is taxable as personal income, cf. in further detail Article 15, above.

Article 17 Artistes and Sportsmen

See treaty text

Under the Convention income derived by entertainers or sportsmen from their personal activities, or such income derived by an enterprise that employs or contracts the entertainer or sportsman, may be taxed in the Contracting State where the activities are performed. This is consistent with the OECD model.

The Convention includes an additional provision in paragraph 3, whereby the Convention exempts the income derived by an entertainer or a sportsman, or by an enterprise of a Contracting State representing the entertainer or sportsman, from tax in a Contracting State, if the visit to that Contracting State is substantially supported by public funds of the other Contracting State, including any political subdivision or local authority thereof. This exemption is not in the OECD model.

Denmark

Denmark has - in practice - limited access to tax such income as Danish domestic tax law does not have specific provisions on this type of income and therefore only allows taxation when the nature of the payment is payment from employment in Denmark, cf. also Article 15 above.

Article 18 Pensions and Annuities

See treaty text

The Convention allows both Contracting States the right to tax pensions and similar remuneration arising in a Contracting State and paid to a resident of the other Contracting State, any payments made under the social security legislation (or any public scheme organized) of a Contracting State for social welfare and any annuity arising in a Contracting State and paid to a resident of the other Contracting State.

The Convention defines annuities as “stated sums payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth (other than services rendered).”

The Convention allows both Contracting States to tax pensions, payments for social welfare purposes and any annuity whereas the OECD model allows only the Contracting State where the recipient is a resident the right to tax such amounts paid in consideration for past employment.

Denmark

Under Danish domestic law, Denmark is entitled to tax payments from Danish pension schemes to non-resident persons. The Danish pension tax system is relatively complex and a detailed description thereof is not made herein. Generally, tax deductibility for pension contributions is allowed irrespective of whether the pension scheme is established in Denmark or elsewhere in the EU when certain criteria are met. The deductible annual amount depends on the type of pension scheme. During the life of the pension scheme, an annual mark-to-market pension yield tax of 15 per cent applies. When the pension is ultimately paid to the pensioner (or beneficiaries) such payments are taxable as personal income (cf. Article 15, above).

However, payments from a capital pension scheme are taxable at a flat rate of 40 per cent.

In 1998, the Danish ministry of taxation issued a statement regarding the application of the Danish tax treaties to payments under the Danish social legislation, which contains guidance on how to apply the Danish tax treaty to various types of payments under the Danish social legislation.

Article 19 Government Service

See treaty text

The Convention is consistent with the OECD model.

Remuneration to artists and sportsmen, who are employed by the government in either of the Contracting States, is governed by this article instead of Article 17.

Article 20 Students

See treaty text

The Convention covers students and exempts from tax the remittances of income from outside the Contracting State that are solely for the purpose of the students maintenance, education, study, research or training; grants, allowances or awards; and income from personal services rendered in that State for a period not exceeding five years, provided the income constitutes earnings reasonably necessary for his maintenance and education. The exemption is consistent with the OECD model.

In addition, the Convention includes such persons, who are studying or carrying out research as a recipient of a grant, allowance or award from a governmental, religious, charitable, scientific, literary or educational organization.

Denmark

The student allowance, which is the amount deemed by the tax authorities to be necessary for the maintenance and education of the foreign student, is fixed at DKK 42,000 in 2013.

Article 21 Professors, Teachers and Researchers

See treaty text

The Convention has a specific exemption from tax in a Contracting State regarding remuneration derived solely for the purpose of teaching or engaging in research at a university, college, school or other similar educational institution in the other Contracting State, when the teaching or research is performed for a period not to exceed two years. No similar article is contained in the OECD model.

Paragraph 2 of the Convention excludes from the tax exemption remuneration derived from research undertaken by the individual primarily for the private benefit of a specific person or persons.

Article 22 Activities in Connection With Preliminary Surveys, Exploration or Extraction of Hydrocarbons

See treaty text

The Convention in paragraph 1 provides that, notwithstanding the provisions of Article5 and 14, a resident of a Contracting State who carries on activities in connection with preliminary surveys, exploration or extraction of hydrocarbons situated in the other Contracting State shall be deemed to carry on in respect of such activities a business in that other Contracting State through a permanent establishment or fixed base situated therein.

Paragraph 2 provides an exception to paragraph 1, whereby as long as the activities are carried on for a period or periods not exceeding 30 days in aggregate in any 12 month period, no PE of fixed base shall be deemed to arise under paragraph 1. However, for the purpose of this paragraph, activities carried on by an enterprise associated with another enterprise within the meaning of Article 9 shall be regarded as carried on by the enterprise with which it is associated if the activities in question are substantially the same as those carried on by the last-mentioned enterprise.

Paragraph 3 provides that drilling rig activities carried on offshore shall constitute a PE only if the activities are carried on for a period or periods exceeding 183 days in aggregate in any twelve month period. This paragraph shall also include activities carried on by associated enterprises as defined in Article 9 if the activities in question are substantially the same.

There is no similar provision for these activities in the OECD model.

Article 23 Other Income

See treaty text

The Convention in paragraph 1 is consistent with the OECD model in that a resident of a Contracting State that derives income not dealt with in the foregoing articles of the Convention is taxable only in that State.

The Convention also has provision that deals with other income where the recipient has a fixed base in the other Contracting State and the income is effectively connected to that income then the provisions of Article 14 (Independent Personal Services) shall apply. Not in the OECD model.

The Convention has another provision in paragraph 3 that allows the other Contracting State to tax that other income if it in fact arises from that other Contracting State. Not in the OECD model.

Denmark

The provision is deemed to have only very little practical impact. Taxation hereunder requires - similar as the other provisions of the Treaty - that Danish domestic law contains a right to tax income hereunder. This would only exceptionally be the case.

Article 24 Elimination of Double Taxation

See treaty text

The Convention provides each Contracting State the right of allowing for a tax credit for taxes paid on certain elements of income also subject to tax in the other Contracting State. Generally, the credit provided is limited to the tax payable in the Contracting State granting the credit on the same element of income tax in the other Contracting State.
In providing a tax credit Denmark has a number of variables to consider as it relates to various elements of income set forth in the Convention. In providing an exemption of income from tax Denmark has a number of variables to consider as it relates to various elements of income set forth in the Convention.
Article 23 of the OECD Model presents the two leading principles for elimination of double taxation by the State of which the taxpayer is a resident: the principle of exemption and the principle of credit. When negotiating their particular double taxation conventions, Contracting States may adopt one or the other principle, or even a hybrid system which applies in the case of this Convention.
The Convention has adopted the principles of credit (Thailand and Denmark) and exemption (Denmark).

Denmark

Denmark generally applies the tax credit method under its domestic rules, unless another method follows from a tax treaty or is specifically provided for under domestic law. However, the exemption method applies on income included by Article 18 (new rule). Matching credit is given: at the rate of 10% in the case of dividends, to which the provisions of paragraph 2 of Article 10 apply; and at the rate of 10% in the case of interest to which the provisions of paragraph 2 of Article 11 apply; and at the rate of 20% in the case of royalties to which the provisions of paragraph 2 of Article 12 apply.
The credit is the lesser of either (a) the foreign tax actually paid on the income, and (b) the proportionate amount of the overall Danish tax payable which can be allocated to the foreign income. However, according to the Danish Tax Assessment Act (ligningsloven), a net income calculation principle applies in internal Danish law when determining the amount of tax credit available. Under this principle any expenses directly relating to foreign source income initially eligible for a tax credit ("related expenses") should be deducted from such income when computing the Danish tax credit. Further, when calculating the Danish tax credit any expenses which are not immediately allocable either to the taxpayer's foreign source income or Danish source income (unallocated expenses) should be allocated proportionally (pro rata) to the foreign and Danish source income (i.e. in proportion to the foreign and Danish gross income). To which extent an expense is a related expense or a general expense must be determined on a case by case basis.
As regards participants in partnerships, Denmark allows Danish partners therein a tax credit, also for tax levied on the partnership as such when the partnership is considered tax transparent in Denmark.
An exemption method applies pursuant to sec. 33A of the Danish Tax Assessment Act to income from employment abroad when the employment exceeds 6 months and the employee only has limited stays in Denmark during the foreign employment period as further specified therein.
Further, section 8 of the Danish Corporate Income Tax Act lies down a territorial principle for certain corporate activities as it states that if a Danish enterprise has a permanent establishment abroad Denmark will exempt income allocable to such permanent establishment abroad, unless (i) the state in which the PE is located waive its right of taxation under a tax treaty with Denmark or other international agreement, (ii) income in the PE would have been taxable under Danish CFC tax rules if the PE had been a company, or (iii) the income in the PE is income from the operation of ships or aircraft in international traffic.

Article 25 Non-Discrimination

See treaty text

The Convention is generally consistent with the OECD model.
The Convention has a separate paragraph in that the provisions of this Article shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents in respect to its own residents. The OECD model limits this to the provision in paragraph 3 of the Article.
The Convention defines in this Article the term "taxation" as taxes which are the subject of this Convention while the OECD model applies to taxes of every kind and description.

Article 26 Mutual Agreement Procedure

See treaty text

Convention is generally consistent with the OECD model.

Convention does not make reference to any agreement being reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States as does the OECD model. The Convention does indicate that the case must be presented within the time limits in the domestic law of the Contracting State of which the taxpayer is a resident.
Convention does not refer to how to deal with any unresolved issues between the competent authorities of the Contracting States as the OECD model does (i.e. arbitration) in paragraph 5.

Denmark

The competent authority in Denmark on matters of tax treaties is SKAT (Legal Center), which is resident on Østbanegade 123, DK-2100 Copenhagen. On issues relating to transfer pricing and the EU Arbitration Convention, the competent authority is SKAT (Store selskaber), which is resident on the same address.

Article 27 Exchange of Information

See treaty text

General rules apply.
The Convention is more restrictive that the OECD model covering only the taxes which are subject to the Convention, i.e. does not make reference to include taxes of every kind and description imposed on behalf of the Contracting States including those imposed by political subdivisions and local authorities thereof as contained in the OECD model.

Article 28 Members of Diplomatic Missions and Consular Posts

See treaty text

Convention is consistent with the OECD model.

Article 29 Territorial Extension

See treaty text

Convention is consistent with the OECD model.

Denmark

For Denmark, this would only be relevant if it were decided to include Greenland and/or the Faroe Islands hereunder.

Article 30 Entry Into Force

See treaty text

This Article contains the rules for bringing the Convention into force and giving effect to its provisions. The Convention entered into force as per 1 January 2000.

Article 31 Termination

See treaty text

This Convention shall remain in force so long as it is not terminated by one of the two Contracting States.