

## **AGREEMENT OF 5<sup>TH</sup> NOVEMBER, 1969 AS AMENDED BY PROTOCOL OF 29<sup>TH</sup> JANUARY, 2013**

### **AGREEMENT BETWEEN THE PRINCIPALITY OF LIECHTENSTEIN AND THE REPUBLIC OF AUSTRIA FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL**

#### **Article 1**

##### **Personal Scope**

This Agreement shall apply to persons who in accordance with Article 4 are residents of one or both of the Contracting States.

#### **Article 2**

##### **Taxes Covered**

1) This Agreement shall apply to taxes on income and on capital imposed on behalf of a Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.

2) There shall be regarded as taxes on income and on capital all ordinary and extraordinary taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property and taxes on capital appreciation.

3) The existing taxes to which the Agreement shall apply are in particular:

*a)* in Liechtenstein:

- I)** die Erbwertssteuer (income tax);
- II)** die Gesellschaftssteuern (company taxes);
- III)** die Grundstücksgewinnsteuer (tax on gains from landed property);
- IV)** die Vermögenssteuer (capital tax); and
- V)** die Couponsteuer (coupon tax)

*b)* in Austria:

- I)** die Einkommensteuer (income tax);
- II)** die Körperschaftsteuer (corporation tax);
- III)** die Vermögensteuer (capital tax);
- IV)** der Beitrag vom Einkommen zur Förderung des Wohnbaues und für Zwecke des Familienlastenausgleiches (contribution from income for the promotion of housing construction and for the equalization of family burdens);
- V)** der Beitrag vom Einkommen zum Katastrophenfonds (contribution from income to the catastrophe fund);
- VI)** die Sonderabgabe vom Einkommen (special tax on income);
- VII)** der Beitrag vom Vermögen zum Katastrophenfonds (contribution from capital to the catastrophe fund);

- VIII)** die Sonderabgabe vom Vermögen (special tax on capital);
- IX)** die Aufsichtsratsabgabe (directors' tax);
- X)** die Gewerbesteuer einschliesslich der Lohnsummensteuer (tax on commercial and industrial enterprises, including the tax levied on the sum of wages);
- XI)** die Grundsteuer (land tax);
- XII)** die Abgabe von land- und forstwirtschaftlichen Betrieben (tax on agricultural and forestry enterprises);
- XIII)** die Abgabe vom Bodenwert bei unbebauten Grundstücken (tax on the value of vacant plots);
- XIV)** die Abgabe von Vermögen, die der Erbschaftssteuer entzogen sind (tax on property eluding death duties); and
- XV)** die Beiträge von land- und forstwirtschaftlichen Betrieben zum Ausgleichfonds für Familienbeihilfen (contributions from agricultural and forestry enterprises to the fund for the equalization of family burdens).

4) The Agreement shall also apply to any identical or substantially similar taxes which are imposed in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other at the end of each year of changes which have been made in their respective taxation laws.

### **Article 3 General Definitions**

- 1) For the purposes of this Agreement, unless the context otherwise requires:
- a) the term "person" includes an individual, a company, and any other body of persons;
  - b) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
  - c) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
  - d) the term "competent authority" means:
    - 1. in Liechtenstein: the government of the Principality of Liechtenstein;
    - 2. in Austria: the Federal Minister of Finance.
- 2) As regards the application of the Agreement by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that State concerning the taxes to which the Agreement applies.

### **Article 4 Resident**

- 1) For the purposes of this Agreement, the term "resident of a Contracting State" means:

- a) an individual who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management, or any other criterion of a similar nature; and
- b) a body corporate which has its corporate domicile and place of effective management in that State.

2) Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, the following shall apply:

- a) he shall be deemed to be a resident of the State in which he has a permanent home available to him. If he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (center of vital interests);
- b) if the State in which he has his center of vital interests cannot be determined, or if he does not have a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
- c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
- d) if he is a national of both States or of neither State, the competent authorities of the Contracting States shall proceed in accordance with Article 25.

3) An permanent home maintained in a Contracting State shall constitute a residence in the sense of this Article only when the occupier of the home fulfills the alien registration requirements for permanent residency.

4) A partnership shall be deemed to be a resident of a Contracting State only insofar as the partners participating in it are residents of that State in accordance with the provisions of this Article.

**Article 5  
Permanent Establishment**

1) For the purposes of this Agreement, the term “permanent establishment” means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2) The term “permanent establishment” includes especially:

- a) a place of management;
- b) a branch;
- c) an office;
- d) a factory;
- e) a workshop;
- f) a mine, a quarry, or any other place of extraction of natural resources; and
- g) a construction or assembly project lasting more than 12 months.

3) The term “permanent establishment” shall be deemed not to include:

- a) the use of facilities solely for the purpose of storage, display, or delivery of goods or merchandise belonging to the enterprise;

- b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display, or delivery;
- c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
- d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise for the enterprise or of collecting information for the enterprise.

4) Where a person – other than an agent of an independent status referred to in paragraph 5 – is acting in a Contracting State on behalf of an enterprise of the other Contracting State, that enterprise shall be deemed to have a permanent establishment in the first-mentioned State if such person has and habitually exercises in that State an authority to conclude contracts on behalf of the enterprise, unless the activities of such person are limited to the purchase of goods or merchandise for the enterprise.

5) An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent, or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

6) The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise) shall not of itself constitute either company a permanent establishment of the other.

## **Article 6**

### **Income From Immovable Property**

1) Income derived from immovable property may be taxed in the Contracting State in which such property is situated.

2) The term “immovable property” shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property, and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources, and other natural resources.

3) The provisions of paragraph 1 shall apply to income derived from the direct use, letting and leasing, or use in any other form of immovable property.

4) The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

## **Article 7**

### **Business Profits**

1) The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State, but only so much of them as is attributable to that permanent establishment.

2) Where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged

in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3) In determining the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere.

4) Insofar as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.

5) For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

6) Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

7) The provisions of this Article shall also apply to income accruing to a silent partner (stiller Gesellschafter) in respect of his holding in an enterprise.

## **Article 8 Rail Companies**

Profits from the operation of rail companies of a Contracting State which extend their operation to the territory of the other State may be taxed in the first-mentioned State only.

## **Article 9 Associated Enterprises**

Where:

- a) an enterprise of a Contracting State participates directly or indirectly in the management, control, or capital of an enterprise of the other Contracting State, or
- b) the same persons participate directly or indirectly in the management, control, or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

## **Article 10 Dividends**

1) Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed:

- a) 0 percent of the gross amount of the dividends if the beneficial owner is a company (other than a partnership) which at the time of the payment of the dividends has directly held for an uninterrupted period of at least 12 months at least 10 percent of the capital of the company paying the dividends;
- b) 15 percent of the gross amount of the dividends in all other cases.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3) The term “dividends” as used in this Article means income from shares, “jouissance” shares or “jouissance” rights, mining shares, founders’ shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident.

4) The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident through a permanent establishment situated therein and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

5) Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, unless such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment situated in that other State, nor subject the company’s undistributed profits to a tax on the company’s undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

## **Article 11**

### **Interest**

1) Interest arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, provided that the beneficial owner of the interest is a resident of the other Contracting State.

2) The term “interest” as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor’s profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds, or debentures. Penalty charges for late payment shall not be regarded as interest for the purposes of this Article.

3) The provisions of paragraph 1 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises through a permanent establishment situated therein and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

4) Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

**Article 12**  
**Royalties**

- 1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
- 2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but the tax so charged shall not exceed:
  - a) 5 percent of the gross amount of the royalties if they are derived from an enterprise of the other Contracting State which has an industrial production facility in that other State, whether or not the royalties are paid directly or through a patent exploitation company which is a resident of that other State;
  - b) 10 percent of the gross amount of the royalties in all other cases.
- 3) The term “royalties” as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including cinematograph films, any patent, trademark, design, or model, plan, secret formula, or process, or for the use of, or the right to use, industrial, commercial, or scientific equipment, or for information concerning industrial, commercial, or scientific experience.
- 4) The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise a permanent establishment, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 shall apply.
- 5) Where by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.
- 6) Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority, or a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the State in which the permanent establishment is situated.

**Article 13**  
**Capital Gains**

- 1) Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 paragraph 2 may be taxed in the Contracting State in which such property is situated.
- 2) Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or 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, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.
- 3) Gains from the alienation of any property other than that referred to in paragraphs 1 and 2 shall be taxable only in the Contracting State of which the alienator is a resident.

**Article 14**  
**Independent Personal Services**

1) 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 when such person has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that other Contracting State.

2) The term “professional services” includes especially independent scientific, literary, artistic, educational, or teaching activities, as well as the independent activities of physicians, lawyers, engineers, architects, dentists, and business trustees.

**Article 15**  
**Dependent Personal Services**

1) Subject to the provisions of Articles 16, 18, 19, and 20 paragraph 2, salaries, wages, and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.

2) Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if:

- a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days during the fiscal year concerned; and
- b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other State; and
- c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the other State.

3) Regularly recurring income or benefits granted by the Austrian Federal Rail to Liechtenstein nationals who are residents of Liechtenstein in respect of their present or former services or work (salaries, wages, pension and support benefits, and the like) shall be taxable only in Liechtenstein.

4) The income from employment of a person who resides near the border of a Contracting State and has his place of employment near the border in the other State and who customarily goes to that place of employment on every working day (frontier worker) shall be taxed only in the State of which he is a resident. However, the State in which the place of employment is situated shall be entitled to levy on the mentioned income a tax of no more than four percent by way of deduction at the source.

**Article 16**  
**Directors' Fees**

Directors' fees and other similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors of a company which is a resident of the other State may be taxed in that other State.

**Article 17**  
**Artistes and Athletes**

- 1) Notwithstanding the provisions of Articles 14 and 15, income derived by a professional entertainer, such as a theater, motion picture, radio, or television artiste, or a musician, or by an athlete, from his personal activities as such, may be taxed in the Contracting State in which such activities are exercised.
- 2) Where income in respect of personal activities of the persons named in paragraph 1 accrues not to such persons but to another person, that income may, notwithstanding the provisions of Articles 7, 14, and 15, be taxed in the Contracting State in which the activities of that person are exercised.

**Article 18**  
**Pensions**

Subject to the provisions of paragraph 1 of Article 19, pensions and other similar remuneration paid to a resident of a Contracting State in consideration of past employment shall be taxable only in that State.

**Article 19**  
**Government Service**

- 1) Remuneration, including pensions, paid by a Contracting State or by a political subdivision or local authority thereof directly out of a special fund established by that Contracting State, political subdivision, or local authority to an individual in respect of government service exercised for that Contracting State, political subdivision, or local authority, shall be taxable only in that State.
- 2) The provisions of Articles 15, 16, and 18 shall apply to remuneration paid in connection with a commercial or industrial activity of a Contracting State or a political subdivision or local authority thereof.

**Article 20**  
**Students**

- 1) Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of his education or training receives for the purpose of his maintenance, education, or training shall not be taxed in that other State, provided that such payments arise from sources outside that State.
- 2) Remuneration derived by persons referred to in paragraph 1 in respect of an employment exercised in the other State exclusively for the purpose of gaining practical professional experience for a period or periods not exceeding in the aggregate 183 days during the fiscal year concerned shall not be taxable in that State.

**Article 21**  
**Other Income**

Items of income of a resident of a Contracting State not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.

**Article 22**  
**Taxation of Capital**

- 1) Capital represented by immovable property referred to in Article 6 paragraph 2 shall be taxable only in the Contracting State in which such property is situated.
- 2) Capital represented by movable property forming part of the business property of a permanent establishment of an enterprise or by movable property pertaining to a fixed base available for the purpose of performing independent personal services shall be taxable only in the Contracting State in which such permanent establishment or fixed base is situated. The same shall apply to holdings as a silent partner (stiller Gesellschaft) in an enterprise.
- 3) Capital of rail companies of a Contracting State which extend their operation to the territory of the other State may be taxed in the first-mentioned State only.
- 4) All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

**Article 23**  
**Methods for Elimination of Double Taxation**

- 1) Where a resident of Austria derives income or owns capital which, in accordance with the provisions of this Agreement, may be taxed in Liechtenstein, Austria shall, subject to the provisions of paragraph 2, exempt such income or capital from tax; however, in determining the tax for the remaining income or the remaining capital of such person, Austria may employ the tax rate which would apply if the income or capital in question were not exempt from taxation.
- 2) Where a resident of Austria derives items of income which, in accordance with the provisions of Articles 7, 10, 11, 12, 13 paragraphs 2, 15, and 16 may be taxed in Liechtenstein, Austria shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in Liechtenstein. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from Liechtenstein.
- 3) Where a resident of Liechtenstein derives income or owns capital which, in accordance with the provisions of this Agreement, may be taxed in Austria, Liechtenstein shall, subject to the provisions of paragraph 4, exempt such income or capital from tax; however, in determining the tax for the remaining income or the remaining capital of such person, Liechtenstein may employ the tax rate which would apply if the income or capital in question were not exempt from taxation.
- 4) Where a resident of Liechtenstein derives items of income which, in accordance with the provisions of Articles 10, 11, 12, and 15 paragraph 4 may be taxed in Austria, Liechtenstein shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in Austria. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from Austria.

**Article 24**  
**Non-Discrimination**

- 1) Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.
- 2) The term "national" means:
  - a) any individual possessing the nationality of a Contracting State;

b) any legal person, partnership, or association deriving its status as such from the laws in force in a Contracting State.

3) The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favorably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs, or reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

4) Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.

## **Article 25**

### **Mutual Agreement Procedure**

1) Where a resident of a Contracting State considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the Contracting State of which he is a resident.

2) The competent authority shall endeavor, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement. In such instances, the competent authorities shall exchange any information which is or may be of importance for the evaluation of the case.

3) The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.

4) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a Commission consisting of representatives of the competent authorities of the Contracting States.

## **Article 25A**

### **Exchange of Information**

1) The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Articles 1 and 2.

2) Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to, the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying State authorizes such use.

3) In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligation:

- a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
- c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

4) If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

5) In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, credit institution or other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

#### **Article 25B**

##### **Assistance in the Collection of Taxes**

1) The Contracting States shall lend assistance to each other in the collection of revenue claims. This assistance is not restricted by Articles 1 and 2. The competent authorities of the Contracting States may by mutual agreement settle the mode of application of this Article.

2) The term “revenue claim” as used in this Article means an amount owed in respect of taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to this Agreement or any other instrument to which the Contracting States are parties, as well as interest, administrative penalties and costs of collection or conservancy related to such amount.

3) When a revenue claim of a Contracting State is enforceable under the laws of that State and is owed by a person who, at that time, cannot, under the laws of that State, prevent its collection, that revenue claim shall, at the request of the competent authority of that State, be accepted for purposes of collection by the competent authority of the other Contracting State. That revenue claim shall be collected by that other State in accordance with the provisions of its laws applicable to the enforcement and collection of its own taxes as if the revenue claim were a revenue claim of that other State.

4) When a revenue claim of a Contracting State is a claim in respect of which that State may, under its law, take measures of conservancy with a view to ensure its collection, that revenue claim shall, at the request of the competent authority of that State, be accepted for purposes of taking measures of conservancy by the competent authority of the other Contracting State. That other State shall take measures of conservancy in respect of that revenue claim in accordance with the provisions of its laws as if the revenue claim were a revenue claim of that other State even if, at the time when such measures are applied, the revenue claim is not enforceable in the first-mentioned State or is owed by a person who has a right to prevent its collection.

5) Notwithstanding the provisions of paragraphs 3 and 4, a revenue claim accepted by a Contracting State for purposes of paragraph 3 or 4 shall not, in that State, be subject to the time limits or accorded any priority applicable to a revenue claim under the laws of that State by reason of its nature as such. In addition, a revenue claim accepted by a Contracting State for the purposes of paragraph 3 or 4 shall not, in that State, have any priority applicable to that revenue claim under the laws of the other Contracting State.

6) Proceedings with respect to the existence, validity or the amount of a revenue claim of a Contracting State shall not be brought before the courts or administrative bodies of the other Contracting State.

7) Where, at any time after a request has been made by a Contracting State under paragraph 3 or 4 and before the other Contracting State has collected and remitted the relevant revenue claim to the first-mentioned State, the relevant revenue claim ceases to be:

- a) in the case of a request under paragraph 3, a revenue claim of the first-mentioned State that is enforceable under the laws of that State and is owed by a person who, at that time, cannot, under the laws of that State, prevent its collection, or
- b) in the case of a request under paragraph 4, a revenue claim of the first-mentioned State in respect of which that State may, under its laws, take measures of conservancy with a view to ensure its collection,

the competent authority of the first-mentioned State shall promptly notify the competent authority of the other State of that fact and, at the option of the other State, the first-mentioned State shall either suspend or withdraw its request.

8) In no case shall the provisions of this Article be construed so as to impose on a Contracting State the obligation:

- a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- b) to carry out measures which would be contrary to public policy (ordre public);
- c) to provide assistance if the other Contracting State has not pursued all reasonable measures of collection or conservancy, as the case may be, available under its laws or administrative practice;
- d) to provide assistance in those cases where the administrative burden for that State is clearly disproportionate to the benefit to be derived by the other Contracting State.

## **Article 26**

### **Restriction of Scope**

This Agreement shall apply to companies and trusts which in accordance with Liechtenstein tax law are exempt from taxes on capital, income, and earnings (on the basis of Articles 83 and 84 of the Tax Law as amended on January 30, 1961) only insofar as individuals who are residents of Liechtenstein or corporations, foundations, and institutions organized under the general laws of Liechtenstein directly participate in such companies or trusts or benefit from same.

## **Article 27**

### **Entry Into Force**

1) This Agreement shall be ratified. The instruments of ratification shall be exchanged at Vienna as soon as possible.

2) The Agreement shall enter into force upon the exchange of the instruments of ratification and its provisions shall apply to the taxes on income and on capital which are levied for the period beginning after December 31, 1968.

**Article 28**  
**Termination**

This Agreement shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Agreement in writing, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect for the taxes levied for the period after the end of the calendar year in which the termination was pronounced.