

Act (1994:281) on the double taxation treaty between Sweden and Gambia

SFS : 1994:281 **Ministry / Authority** : Ministry of Finance S3 **Issued** : 1994-04-28 **Modified** SFS 2011:1362 **Other text** : Only the Swedish text in the Annex. **Amendment Record** : [SFSR \(Lagrummet\)](#) **Source** : Cabinet Office / Lagrummet

1 § The agreement for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income Sweden and Gambia, signed on 8 December 1993, together with the Protocol annexed thereto and forming part thereof, apply as law in this country .

Content of the agreement set out in Annex to this Act.

2 § Agreement taxation rules apply only to the extent that these entail reduction of the charge in Sweden that would otherwise exist.

3 § Repealed by *Act (2011:1362)* .

Appendix (Only the Swedish text)

AGREEMENT BETWEEN THE KINGDOM OF SWEDEN AND THE GAMBIA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Kingdom of Sweden and the Republic of the Gambia, desiring to conclude an Agreement for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income, have agreed as follows:

CHAPTER 1

SCOPE OF THE CONVENTION

Article 1

Persons to whom this Agreement applies

This Agreement shall apply to persons who are residents of a Contracting State or of both Contracting States.

Arikel 2

Taxes covered by the Agreement

1. The taxes to which this Convention shall apply are

a) in The Gambia:

- 1) income tax (corporate and fyssksa people), and
- 2) the capital gains tax (hereinafter referred to as "the Gambian tax");

b) in Sweden:

- 1) the state income tax, the sailors' tax and coupon tax included,
- 2) the income tax on non-residents,
- 3) the income tax on non-resident artists and others,
- 4) property tax, and
- 5) the tax; (Hereinafter referred to as "Swedish tax").

second The Agreement shall also apply to any identical or substantially similar taxes imposed after the date of signature of this Agreement in addition to, or in place of, the taxes referred to in paragraph 1. Competent authorities of the Contracting States shall notify each other of important changes which have been in their respective taxation laws.

CHAPTER II

DEFINITIONS

Article 3

General Definitions

1. Unless the context otherwise requires, the purposes of this Agreement, the following terms as defined below:

a) "The Gambia" means the Republic of Gambia and, when used in a geographical sense, Gambia's territory, Gambia's territorial sea and other maritime areas over which the Gambia, in accordance with international law exercises sovereign rights or jurisdiction;

b) the term "Sweden" means the Kingdom of Sweden and, when used in a geographical sense, means the territory of Sweden, the Swedish territorial and other maritime areas over which Sweden in accordance with international law, has sovereignty or jurisdiction;

c) the terms "a Contracting State" and "the other Contracting State" mean the Gambia or Sweden, as the context requires;

d) the term "person" includes an individual, corporation or association;

- e) a company "means any body corporate or any entity which is treated as a legal person;
- f) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" påsyftar enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- g) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
- h) "national" means:
 - 1) a natural person who is a national of a Contracting State,
 - 2) any legal person, partnership or association incorporated under the laws in force in a Contracting State;
- i) the term "competent authority" means:
 - 1) in The Gambia, "the Minister of Finance and Economic Affairs, his befullmäktige representative or the authority which is designated as a competent authority for the purposes of this Agreement;
 - 2) in Sweden, the Minister of Finance, his befullmäktige representative or the authority which is designated as a competent authority for the purposes of this Agreement.

2nd Where a Contracting State shall apply the Agreement shall, unless the context otherwise requires, any term not defined therein shall have the meaning which it has under the law concerning the taxes to which the Convention applies.

Arikel 4

Resident

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who under the law of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other similar circumstance. The term does not include any person who is liable to tax in that State in respect only of income from sources in that State. However, with respect to the Gambia, the term "resident of a Contracting State" shall include any person who is resident in the Gambia under Gambian law.

Regarding partnerships and estates, this term such person only to the extent that the income is subject to tax in that State in the same manner as the income of a resident, either in hands or with its shareholders.

2nd Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his status as follows:

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 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 it can not be determined State in which he has his center of vital interests or if he is not in either State has a permanent home available to him, he is deemed to be a resident of the State where he usually resides;

c) if he has an habitual abode in both States or if he does not reside permanently in any of them, he shall be deemed a resident of the State of which he is a national;

d) if he is a national of both States or if he is not a citizen of any of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.

third Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the State in which its place of effective management.

Article 5

Permanent establishment

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

2nd The term "permanent establishment" includes especially:

a) a place of management,

b) branch,

c) an office,

d) a factory,

e) a workshop;

f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.

third The term "permanent establishment" likewise encompasses a building site, construction, assembly and installation project or supervisory activities in connection therewith, but only if it lasts for a period exceeding six months.

4th Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall not include:

a) the use of facilities solely for the storage or display of goods or merchandise belonging,

b) the maintenance of a company belonging varlulager exclusively for storage or display,

c) the maintenance of a company belonging to the inventory exclusively for purpose of processing by another enterprise,

d) the maintenance of a fixed place of business solely for the purchase of merchandise or of collecting information, for the enterprise,

e) inehavet of a fixed place of business solely for the enterprise, any other activity of a preparatory or auxiliary character,

f) the maintenance of a fixed place of business solely for the combination of activities mentioned in subparagraphs a) to e), provided that all the activities of the fixed place

of business resulting from this combination is of a preparatory or auxiliary character.

5th If a person (who is not an independent status to whom paragraph 6 applies) is acting in a Contracting State on behalf of an enterprise of the other Contracting State, is this company - notwithstanding the provisions of paragraphs 1 and 2 - have a permanent establishment in the first-mentioned Contracting State in respect of any activities which that person undertakes for the enterprise, if he has, and in this state habitually exercises an authority to conclude contracts in the name unless the operations are limited to those mentioned in paragraph 4 which - if exercised through a fixed place of business a permanent establishment under the provisions of that paragraph.

6. Enterprises of a Contracting State is considered to have a permanent establishment in the other Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of independent status, provided that such persons are acting in the ordinary course of business. When such an agent are devoted wholly or almost wholly for the enterprise in question, he is considered not as an independent representative referred to in this paragraph in the event that it appears that the terms agreed between representaten and the company is not such as would have been made between independent parties. In such case the provisions of paragraph 5 of this Article.

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

CHAPTER III

BESKATTNNG OF INCOME

Article 6

Income from immovable property

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other State.

2nd The words "immovable property" shall have the meaning which words have under the law of the Contracting State in which the property is located. The term includes accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, buildings, 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. Ships, boats and aircraft shall

not be immovable property.

third The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or other use of real property.

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

Article 7

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 company carries on business as aforesaid, the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.

2nd An enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, provision, unless the provisions of paragraph 3 to the contrary, in each Contracting State to that permanent establishment the profits which it can be assumed that the establishment would have acquired, 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.

third In determining the permanent establishment shall be allowed as deductions expenses which are incurred for the permanent establishment, including costs for executive and general administrative expenses, whether incurred in the State in which the permanent establishment is belägte or elsewhere. Deductions are allowed, however, for amounts that permanent establishment may have paid to company headquarters or any of its other offices (otherwise than towards reimbursement of actual expenses) by way of royalties, fees or other similar payments for the use of patents or other rights, or by way of commission for specific services performed or for management, or - except in the case of banking companies - in the form of interest on moneys lent to the permanent establishment. Similarly, in determining permanent establishment income not taken into account amounts that permanent establishment deviterat company headquarters or any of its other offices (otherwise than towards reimbursement of actual expenses) by way of royalties, fees or other similar payments for the use of patents or other rights, or by way of commission for specific services performed or for management, or - except in the case of banking companies - in the form of interest on any capital lent to the head office or any of its other offices.

4th To the extent that income attributable to the permanent establishment has been customary in a Contracting State shall be determined on the basis of an apportionment of the company's total profits of the various parts, nothing in paragraph 2 shall preclude that Contracting State from the taxable income is determined by such a

procedure. The method of apportionment adopted shall, however, be such that the result is consistent with the principles in this article.

5th Profits shall be attributed to a permanent establishment by reason of the goods purchase by that permanent establishment or merchandise for the enterprise.

6. For the purposes of the preceding paragraphs, the profits attributable to the permanent establishment by the same method year by year unless there is good and sufficient reason to the contrary.

7. Included in capital operating income which are dealt with separately in other Articles of this Convention, then the provisions of those articles of the rules in this article.

Article 8

Sea and air transport

1. Profits derived by an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that State.

2nd Profits from the operation of a boat or ship that operates exclusively in inland waters or by the use of luftfaryg only between locations within a State may be taxed in the Contracting State in which business is conducted.

third The provisions of paragraph 1 shall apply in respect of income apply to profits derived by the air transport consortium Scandinavian Airlines System (SAS) in respect only of that part of the profits as corresponds to the participation held in that consortium by AB Aero Transport (ABA), the Swedish partner of Scandinavian Airlines System (SAS).

4th The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

Article 9

Associated enterprises

1. Where

a) an enterprise of a Contracting State participates directly or indirectly share in the management or control of an enterprise of the other Contracting State, or takes part in this company's capital, 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, or takes part in both their capital, observed the following. Between the two enterprises in their commercial or financial relations made or imposed conditions, which differ from those which would be made between independent enterprises, then any income which, 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 this enterprise and taxed In compliance therewith.

2nd Where a Contracting State includes in the profits of an enterprise of that State - and taxes accordingly - profits on which an enterprise of the other Contracting State to tax in that other State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the enterprises had been those which would be made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of taxes levied on the income there. In determining such adjustment, due to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.

Article 10

Dividends

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

2nd 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 recipient of the dividends the tax so charged shall not exceed:

- a) 5 percent of the gross dividends if the beneficial owner of the dividends is a company (other than a partnership) that owns at least 15 percent of the distributing company's voting equity,
- b) 15 per cent of the gross amount of other cases.

Such dividends shall - notwithstanding the provisions in a) and b) above - is not taxed in the Contracting State of which the company paying the dividends is a resident if the beneficial owner is a company (other than a partnership) that owns at least 80 percent of the paying company's share capital.

third The term "dividends" as used in this Article means income from shares, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights in a company under the laws of the State in which the distributing company resident for tax purposes be treated the same as income from shares.

4th The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends is 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, or performs in that other State fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or statigvarande device. In such case the provisions of Article 7 or Article 14.

5th Where a company which is a resident of a Contracting State derives income from the other Contracting State, that other State may not tax the dividends paid by the company, except insofar as 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 or a fixed base situated in that 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 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 may be taxed in that other State.

2nd Such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner of the interest the tax so charged shall not exceed 15 per cent of the gross amount. However, if the interest is paid by an enterprise of a Contracting State to an enterprise of the other Contracting State relating to credit sales of goods or industrial, commercial or scientific equipment, the tax in the given case, notwithstanding the preceding sentence shall not exceed 5 percent of the gross amount Except in cases where the sale occurs or claim arising between related persons.

third Notwithstanding the provisions of paragraph 2, interest referred to in paragraph 1 shall be taxable only in the Contracting State in which the recipient of the interest is a resident of

a) the recipient of the interest is the Government of a Contracting State, the Central Bank of a Contracting State or a political subdivision or a local authority of such State or

b) the interest is paid by a person referred to in paragraph a), or

c) the interest is paid in respect of loans made or guaranteed for a minimum period of three years by a financial institution of a public nature for the purpose of export promotion and development provided that the grant or guaranteed loan contains an element of subsidy.

4th Of paragraph 3 of this Article, it is agreed that the term "financial institution of a public nature" as regards Sweden, covers SWEDECORP (Swedish International business assistance) and Swedfund like every Swedish institution which may be established by the Swedish government to fulfill the same purposes as specified institutions.

5th The term "interest" as used in this Article means income from any kind of claim, whether secured by mortgage on immovable property or not, and either carrying a right to participate in the debtor or not. Profits, and in particular capital securities issued by the state, and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges of senbetalning is not considered as interest for the purposes of this article.

6. The provisions of paragraphs 1, 2 and 3 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, or performs independent personal services in that other State from which the fixed base situated therein, and the debt for which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14.

7. Interest 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. If, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid, and such interest is borne by such permanent establishment or fixed arrangement, interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

8. Where by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, with respect to the claim for which it is paid, exceeds the amount which would have been agreed between the payer and the beneficial owner if such relationship existed, the provisions of this Article shall apply only to the last mentioned amount. In such case, the excess amount under lagstiftenge of each Contracting State, due to the other provisions of this Agreement.

9. If Gambia into a future agreement on avoidance of double taxation and prevention of fiscal evasion with a State other than Sweden, which is a member of the Organization for Economic Cooperation and Development (OECD), in the article on rate agrees a lower rate than those specified in paragraph 2 for the different types of rate specified therein shall apply this lower rate as if it had been imposed in paragraph 2 of this kind of interest.

Article 12

Royalty

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2nd Royalties may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient of the royalties, the tax so charged shall not exceed 12.5 percent of gross royalties. If royalties are paid on the basis of patents, secret formula or process, or for information concerning industrial, commercial or sciences and nature, the tax may, notwithstanding the preceding sentence, shall not exceed 5 percent of gross royalties.

third The term "royalties" 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 and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific

experience.

4th The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties is a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State where fixed base situated therein, 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 or Article 14.

5th 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. If, 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 or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, is considered to arise in the State in which the permanent establishment or fixed base is situated.

6. Where by reason of a special relationship between the payer and the beneficial owner of the royalties, or between both of them and some other person, with respect 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 of the royalties, if such relationship existed, the provisions of this Article shall apply only to the last mentioned amount. In such case, the excess amount under the laws of each Contracting State, due to the other provisions of this Agreement.

7. If Gambia into a future agreement on avoidance of double taxation and prevention of fiscal evasion with a State other than Sweden, which is a member of the Organization for Economic Cooperation and Development (OECD), in the article on royalty agrees a lower rate than those specified in paragraph 2 for the different types of royalties specified therein shall apply this lower rate as if it had been imposed in paragraph 2 of this kind of royalty.

Article 13

Capital gains

1. Gains derived by a resident of a Contracting State has in a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in the State where the property is located.

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 for the purpose of performing independent personal services, with resident of a Contracting State has in the other Contracting State may be taxed in that other State. The same applies to profits from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base.

third Gains derived by a resident of a Contracting State from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft shall be taxable only in that State.

Gains derived by a resident of a Contracting State from the alienation of boat or ship that operates exclusively in inland waters or aircraft only between locations within a State may be taxed in the Contracting State in which business is conducted.

The provisions of this paragraph shall apply to gains derived by the air transport consortium Scandinavian Airlines System (SAS), but only in respect of the portion of the gain that corresponds to the participation held in that consortium by AB Aero Transport (ABA), the Swedish partner of Scandinavian Airlines System (SAS).

4th Gains from the alienation of any property other than that referred to in paragraphs 1 to 3 shall be taxable only in the Contracting State of which the alienator is a resident.

5th Gains from the alienation of shares or other rights in a company is acquired by an individual who was resident in a Contracting State and received a resident of the other Contracting State may - notwithstanding the provisions of paragraph 4 - taxed in the first-mentioned Contracting State of the sale of the shares or rights occur at any time during the ten years immediately following the individual has ceased to be a resident of the first-mentioned State.

Article 14

Independent personal

1. Income derived by an individual resident of a Contracting State from the performance of professional services or other independent activities shall be taxable only in that State. Such income may also be taxed in the other Contracting State if

- a) the natural person in that other Contracting State has a fixed base regularly available to him in order to practice, but only so much of them as is attributable to that fixed base, or

- b) the natural person is present in the other Contracting State for a period or periods exceeding in the aggregate 183 days in any twelve month period, but only so much of them as is attributable to the performance of business in this state.

2nd The words "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 accountants.

Article 15

Individual business

1. Subject to the provisions of Articles 16, 18 and 19, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of employment only in that State unless the employment is exercised in the other Contracting State. If

services are rendered in that other State, such remuneration as is derived therefrom may be taxed there.

2nd 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, only in the first-mentioned State if:

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

third Notwithstanding the preceding provisions of this Article, remuneration for employment exercised aboard a ship or aircraft operated in international traffic by an enterprise resident in a Contracting State may be taxed in that State. Where a resident of Sweden derives income of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Sweden.

Article 16

Directors' fees

Directors' fees and other similar remuneration derived by a resident of a Contracting State in his capacity as a member of the board of directors or similar body of a company resident in the other Contracting 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 resident of a Contracting State from his personal activities in the other Contracting State as an entertainer, such as theater, motion picture, radio or television artiste, or a musician, or of be taxed in that other State.

2nd Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself 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 artist or athlete are exercised.

third Notwithstanding the provisions of paragraphs 1 and 2, income entertainer or athlete in that capacity acquired through his personal activities, shall be exempt from tax in the Contracting State in which these activities are exercised if this is done within the framework of a visit that will essentially financed by the other Contracting State, a political subdivision, a local authority or public institution in that other State.

Article 18

Pensions, annuities and similar payments

1. Subject to the provisions of Article 19, paragraph 2, salaries pensions and other similar remuneration paid under the social security legislation and annuities arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in the first-mentioned Contracting State.

2nd The term "annuity" means a stated sum payable periodically at stated times during life or during a specified or ascertainable period of time and paid on the basis of obligation to make the payments in return for adequate and full consideration in money or money.

Article 19

Government service

1. a) Remuneration (other than a pension) paid by a Contracting State or a political subdivision or local authority thereof to an individual in respect of services rendered to that State or a political subdivision or local authority shall be taxable only in that State.

b) However, such remuneration shall be taxable only in the other Contracting State if the services are rendered in that other State and the individual is a resident of that State and

1) is a citizen of this State, or

2) is not a resident of that State solely for the work.

2nd a) Any pension paid by, or out of funds created by, a Contracting State or a political subdivision or local authority thereof to an individual in respect of services rendered to that State or a political subdivision or local authority shall be taxable only in that State .

b) However, such pension shall be taxable only in the other Contracting State if the individual is a resident and a national of that State.

third The provisions of Articles 15, 16 and 18 shall apply to remuneration and pensions in respect of services rendered in connection with a business carried on by a Contracting State or a political subdivision or local authority.

Article 20

Students

1. Student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who appears in the first-mentioned State solely for the purpose of his education or training shall not be taxed in that State for the amount he receives for his maintenance, education or training, provided that such payments arise from sources outside that State.

2nd As regards grants, scholarships and income from employment not covered by the provisions of paragraph 1, a student or business apprentice who avvses in that paragraph during the teaching or utbildningen going to be entitled to the same exemptions, reliefs and benefits of the taxation applicable to a person resident of the Contracting State of which he is staying in. The third Paragraph 2 shall apply only if the student or business trainee staying for more than six months in the Contracting State in which he is staying for his education or training.

Article 21

Other income

1. Income derived by a resident of a Contracting State not dealt with in the foregoing Articles of this Convention shall be taxable only in that State, regardless of where the income arises.

2nd Bestämelserna in paragraph 1 shall not apply to income, other than income from immovable property as defined in Article 6, paragraph 2, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14.

CHAPTER IV

METHODS FOR ELIMINATION OF DOUBLE

Article 22

Elimination of double taxation

1. Regarding Gambia must double avoided as follows:

a) Where a resident in Gambia derives income which, in accordance with Swedish law and in accordance with the provisions of this Agreement may be taxed in Sweden, the Gambia - having regard to the provisions of Gambian laws concerning taxation of income earned abroad - from the tax on such income an amount equivalent to the Swedish tax paid on the income.

b) Where a person resident in Gambia derives income which, under the provisions of this Agreement shall be taxable only in Sweden, the Gambia in the determination of the tax rate for Gambian progressive account of the income shall be taxable only in Sweden.

2nd Regarding Sweden, double taxation shall be avoided as follows:

a) Where a resident of Sweden derives income which under Gambian law and in accordance with the provisions of this Agreement may be taxed in the Gambia, the Sweden - having regard to the provisions of Swedish legislation concerning credit for foreign tax (as the version they may hereafter get through to change without changing the general principle hereof) - from the Swedish tax on such income, an amount equal to the tax paid in the Gambia for income.

b) Where a resident of Sweden derives income which, under the provisions of this Agreement shall be taxable only in the Gambia, Sweden may, when determining the rate of Swedish tax into account the income to be taxed within the Gambia.

c) Notwithstanding bestämelserna a) above, dividends paid by a company resident in the Gambia to companies resident in Sweden may be exempt from Swedish tax under the provisions of Swedish law on tax exemption for dividends received by Swedish company from subsidiaries abroad.

d) application of 3 a) of this paragraph as "the tax paid in the Gambia" include the Gambian tax that would have been paid if not time-limited exemption from or reduction of tax granted under the tax relief provisions of Gambian laws intended to promote economic development as far as befriselsen or deduction is given for profits from industrial or manufacturing activities from agriculture (including livestock farming), forestry, fisheries, tourism (including hotel and restaurant operations), mining and quarrying fee, provided that those activities were undertaken in The Gambia. In applying c) of this paragraph, a tax of 15 percent on a basis calculated by Swedish rules are deemed to have been paid on such activities under the conditions specified in the preceding sentence.

e) The provisions id) of this paragraph applies only during the first five years during which this Agreement applies. The competent authorities may by mutual agreement extend that date.

CHAPTER V

SPECIAL PROVISIONS

Article 23

Limitation of benefits

In cases where the person receives income, other than in Article 10 treated dividends from sources in another state than Gambia and such income is exempt from tax in the Gambia under Gambian law and also exempt from tax in Sweden under this Agreement, Sweden may nevertheless taxing such income according to their internal law notwithstanding this agreement.

Article 24

Prohibition of discrimination

1. Nationals of a Contracting State shall not 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. Notwithstanding the provisions of Article 1 shall apply this provision also apply to persons who are not domiciled in a Contracting State or of both Contracting States.

2nd Taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall, in that other State may not be less favorable than the taxation levied on enterprises of that other State carrying on the same activities.

third Except where the provisions of Article 9, paragraph 1, Article 11, paragraph 8 of Article 12, paragraph 6 apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall be deductible in determining the taxable profits of such companies on the same basis as paid to a resident of the first-mentioned State. Similarly, any debts of an enterprise of a Contracting State to a resident of the other Contracting State deductible in determining the taxable capital of such an undertaking on the same terms as contracted to a resident of the first-mentioned State.

4th Enterprises of a Contracting State, the capital wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not 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.

5th Nothing in this Article shall be construed as obliging a Contracting State to grant to individuals not resident in that State any personal allowances, reliefs and reductions for tax purposes which are granted to individuals who have such a resident.

6. Notwithstanding the provisions of Article 2, the provisions of this article to taxes of every kind and description.

Article 25

Mutual Agreement Procedure

1. If a person believes that a Contracting State or both Contracting States made arrangements for him in result or will result in taxation not in accordance with the provisions of this Agreement, he may, without prejudice to his right to avail themselves of the remedies provided in these States' domestic legal system, present his case to the competent authority of the Contracting State of which he is a resident or, if his case comes under Article 24, paragraph 1, of the Contracting State of which he is a national. The case must be presented within three years from the time the person first notification of the action resulting in taxation not in accordance with the

provisions of the Agreement.

2nd If the competent authority finds the complaint 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 for the purpose of avoiding taxation not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic laws of the Contracting States.

third The competent authorities of the Contracting States shall 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 covered by the agreement.

4th The competent authorities of the Contracting states can communicate directly with each other in order to reach an agreement in the sense of the preceding paragraphs.

Article 26

Exchange of Information

1. The competent authorities of the Contracting States shall exchange such information as is necessary to implement the provisions of this Agreement or of the domestic laws of the Contracting States concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Article 1. Notices received 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) involved sets, or collection of the taxes covered by the Agreement or prosecution or complaint regarding these taxes. 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.

2nd The provisions of paragraph 1 be construed so as to impose on a Contracting State the

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

Article 27

Diplomatic agents and consular officers

The provisions of this Agreement shall affect the fiscal privileges which, under international law or under the provisions of special agreements diplomatic agents or consular officers.

CHAPTER VI

FINAL PROVISIONS

Arikel 28

Entry into force

1. This Agreement shall be ratified and the instruments of ratification shall be exchanged at London as soon as possible.

2nd The Agreement shall enter into force upon the exchange of instruments of ratification and its provisions shall apply:

a) In the Gambia, regarding income tax and capital gains tax, the tax year beginning January 1 of the calendar year next following that in which the Agreement enters into force, or later, and in the following year.

b) in Sweden, regarding income tax, on income derived on or after 1 January in the year next following that on which the Agreement enters into force.

Arikel 29

Cessation

This Agreement shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Convention, in writing terminate the contract by giving notice of termination at least six months before the end of any calendar year following a period of five years from the date of its entry into force. In such event, the Agreement shall cease to have effect:

a) In the Gambia, regarding income tax and relaisationsvinstskatt, the year beginning on 1 January of the calendar year next following that in which the notice is given.

b) in Sweden, regarding income tax, on income derived on or after 1 January of the year following nämast after the notice is given or later.

In witness whereof the undersigned, being duly authorized thereto, have signed this Agreement

Done at London on 8 December 1993 in duplicate in the English language.

For the Kingdom of Sweden

Lennart Eckerberg

For the Republic of The Gambia

Mohammadou N. Bobb

MINUTES

At the signing of the Agreement between the Kingdom of Sweden and the Republic of The Gambia to avoid double taxation and prevent fiscal evasion with respect to taxes on income, the undersigned have agreed that the following determines shall constitute an integral part thereof.

About The Gambia in the future will introduce the "offshore" legislation, the competent authorities shall by mutual agreement, the agreement shall apply in relation to companies benefiting from the law.

In witness whereof the undersigned, being duly authorized thereto, have signed this Protocol.

Done at London on 8 December 1993 in duplicate in the English language.

For the Kingdom of Sweden

Lennart Eckerberg

For the Republic of The Gambia

Mohammadou N. Bobb