

Ordinance (1993:1391) on the double taxation treaty between Sweden and Lithuania ;

issued 9 December 1993. Government prescribes the following .

1 § Act (1993:1274) on double taxation agreement between Sweden and Lithuania shall enter into force on 1 January 1994 and applied) in respect of taxes withheld at source , to income derived on or after 1 Janu -

ri in 1994 or later and

b) in respect of other taxes on income , to taxes chargeable for any tax year beginning January 1 , 1994 or later .

The Agreement shall enter into force on 31 December 1993.

2 § Ordinance (1982:1227) on double taxation treaties between Sweden and the Soviet Union will cease to apply with respect to the relationship between Sweden and Lithuania.

1st This Regulation shall enter into force on 1 January 1994.

2nd Ordinance (1982:1227) on the double taxation treaty between Sweden and the Soviet Union , however, together with the Act (1982:708) on the double taxation treaty between Sweden and the Soviet Union , the Proclamation (1971:130) on the application of the protocol between Sweden and the Soviet Union on mutual tax exemp - emption for aviation companies and their employees, and the Proclamation (1973:563) on the application of the protocol between Sweden and the Soviet Union concerning the reciprocal exemption of shipping companies still apply with respect to the relationship between Sweden and Lithuania

a) in respect of withholding taxes on income earned in 1993 or previously ,

b) in respect of other taxes on income , to taxes chargeable for any tax year beginning before January 1, 1994 and

c) in respect of taxes on capital, to taxes imposed by 1994 or earlier tax year.

On behalf of the Government

BO LUNDGREN

Stefan Ersson
(Ministry of Finance)

Act (1993:1274) on the double taxation treaty between Sweden and Lithuania ;

issued 25 November 1993.

According to the Parliamentary decision¹ states .

1 § The agreement to avoid double taxation and prevent fiscal evasion with respect to taxes on income and on capital as Sweden and Lithuania signed on 27 September 1993 , together with the Protocol annexed thereto and forming part thereof, apply the law here in the country.

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

Applicable only in 2 § Agreement taxation rules apply only to the extent that restricting these causes restriction of the charge in Sweden which direction would otherwise exist .

Not progressions -3 § If a person resident of Sweden derives income which upward adjustment pursuant to the Agreement shall be taxable only in Lithuania, is such income is not included in its tax assessment in Sweden .

Reduction of 4 § The specified limitation in Article 24 paragraph 1 d concerning species . 23 p 1 d income derived from non-Member State shall not apply .

5 § The following regulations shall no longer apply with respect to the relationship between Sweden and Lithuania , namely

Act (1982:708) on the double taxation treaty between Sweden and the USSR,

Ordinance (1971:130) on the application of the protocol between Sweden and the Soviet Union on mutual exemption of aviation companies and their employees ,

Ordinance (1973:563) on the application of the protocol between Sweden and the Soviet Union concerning the reciprocal exemption of shipping companies.

This Act comes into force on the day the Government. On behalf of the Government

Carl Bildt

BO LUNDGREN (Ministry of Finance)

appendix 1

AGREEMENT BETWEEN THE KINGDOM OF SWEDEN AND THE REPUBLIC OF LITHUANIA TO AVOID
DOUBLE TAXATION AND THE PREVENTION OF FISCAL ESCAPE WITH RESPECT TO TAXES ON INCOME AND
ON CAPITAL

Government of Sweden and the Republic of Lithuania , desiring to conclude an agreement to avoid
double taxation and prevent fiscal evasion with respect to taxes on income and wealth tax propensity ,
have agreed as follows :

Article 1

Persons to whom this Agreement applies

Def . in nature . 4 p 1 This Convention shall apply to persons who are residents of a Contracting
Cf species . 25 and 27 tions of one or both of the Contracting States.

Article 2

Taxes covered by the Agreement

See Art . 25 p 6 and the first The existing taxes to which this Agreement shall apply

28 paragraph 8 are:

Sweden a) in Sweden :

- 1) the State income tax and the tax on wealth ,
 - 2) the state property tax ,
 - 3) the income tax on non-residents ,
 - 4) the income tax on non-resident artists and
 - 5) the tax
- (hereinafter referred to as " Swedish tax");

Lithuania b) in Lithuania :

- 1) the profit tax for legal entities ,
 - 2) the individual income tax , and
 - 3) the special tax for businesses that are financed with state funds
- (hereinafter called " Lithuanian tax").

1.The English text found in SFS 1993:1274 .

new taxes

2nd Agreement shall also apply to new taxes on income and on capital imposed after the signing of this contract is introduced in a Contracting State . The competent authorities of the Contracting

Mutual over - ing States shall by mutual agreement decide

agreement whether a tax is introduced in one of the Contracting States are tax such as the Agreement shall apply in accordance with what is stated in the previous sentence.

New taxes third Agreement shall also apply to any identical or substantially similar magnificent kind, after the signature of this Agreement in addition to, or in place of, the taxes referred to in paragraphs 1 and 21. Competent authorities of the Contracting States shall notify each other of any significant changes that have made in their respective taxation laws .

Article 3

Terms and definitions

First , unless the context otherwise requires , the purposes of this Agreement the following terms as defined below :

Def . of Sweden a) the term "Sweden" means the Kingdom of Sweden , and, when used in a geographical sense, the Swedish territory , the Swedish territorial and other maritime areas over which Sweden in accordance with international law , exercises sovereign rights or jurisdiction;

Def . of Lithuania b) " Lithuania " means the Republic of Lithuania and, when the pressure is used in a geographical sense , the Republic of Lithuania's territory and any other contiguous areas of the Republic of Lithuania 's territorial waters over which Lithuania , in accordance with Lithuanian law and international law , taking exercise their rights with respect to the seabed and subsoil and natural resources ;

Def . of personal c) "person" includes an individual, a company and any other personal associations ;

Def . of company d) "company" means any body corporate or any entity which is described the estimate as juridical persons ;

Def . of businesses ie) "enterprise of a Contracting State" 2 and " enterprise of the other Contracting Contracting State" mean respectively an enterprise carried on by state residents of a Contracting State and an enterprise carried on by a resident of the other Contracting

State ;

1. Se RAW 1986 ref . 74 and Govt. 1990/91: 54 p 288.

2. Se RAW 1991 note 228.

Def . of with -f) " national" means:

Freeman 1) any individual possessing the nationality of a Contracting tan

the state,

2) any legal person , partnership or association deriving its status as the laws in force in a Contracting State;

Def . interracial g) the term "international traffic" means any transport by a ship or air - national traffic of vessels 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) "competent authority" means:

1) in Sweden , the Minister of Finance , his authorized if the bid or the authority which is to be authorized authority in the application of this Agreement;

2) in Lithuania , the Minister of Finance or his authorize - the agents .

Interpretation Rule second Then one Contracting State applies 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.

Article 4

domicile

Def . the person first For the purposes of this Convention, the term " resident ... 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 ,

Cf species . One place of management, place of incorporation, or other similar circumstances. It also includes the state itself,

See def . in prot.p. One political subdivision, local authority and public law. 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 or capital situated therein.

Dual residence, second Where by reason of the provisions of paragraph 1 an individual is

natural person is a resident of both Contracting states¹ , 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 strongest (center of vital interests);

1.Se RAW 1987 note 309.

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

habitual abode in either 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 .

Dual residency, 3rd Where by reason of the provisions of paragraph 1 a person other than an individual other than an individual is a resident of both Contracting States , the competent person the authorities to resolve the case by mutual agreement and determine the applicability of this Agreement to such person. IN

the absence of agreement between the competent authorities

be such a person, for the purposes of the agreement , not by any of the Contracting States shall be deemed to be a resident of the other Contracting State.

Article 5

Permanent establishment

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

Exemplified second 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.

Buildings 3. A building site , a construction , assembly or installation operations , etc. tion activity or activities consisting of monitoring or advising in connection therewith constitutes a permanent establishment only if

activities continue for a period of more than six months.

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

- a) the use of facilities solely for storage, exhibition or delivery of goods or merchandise belonging ,
- b) the maintenance of a company belonging to the inventory exclusively for storage, display or delivery;
- c) the maintenance of one belonging to the enterprise solely for the inventory 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) the maintenance of a fixed place of business out -
conclusion for the enterprise, any other activity of a preparatory or auxiliary character;
- f) the maintenance of a fixed place of business solely for any combination of activities mentioned in paragraphs ae , provided that the overall activity of the fixed place of business activity because of this combination is of a preparatory or auxiliary character.

Depending rep- fifth , if a person who is not an independent status to whom paragraph 6 tentative application works for a company and of a Contracting State has , and habitually exercises an authority to conclude contracts in the name , this is considered business notwithstanding

provisions of paragraphs 1 and 2 have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise. This does not apply if the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business operations would not make this fixed place of business operations to a permanent establishment under the provisions of that point .

Independent rep- 6. Companies are considered not to have a permanent establishment in a Contracting State tive merely because it carries on business in that State through a broker, general commission agent or any other

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; considered he will not be such an independent status within the meaning of this paragraph.

Closely 7th 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 itself constitute either company a permanent establishment of the other .

Article 6

Income from real property

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

Def . of the second term "immovable property" shall have the meaning which it has property under the law of the Contracting State in which the property is located. The term includes accessory to immovable property

judgment , livestock and equipment used in agriculture and forestry, rights -

to which the provisions of general law respecting landed property apply, buildings , option or similar right to acquire immovable property , usufruct of immovable property and rights to for - changeable 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.

Rental etc. 3rd provisions of paragraph 1 shall apply to income derived from the direct use, letting, or other use

Sales, of immovable property and income from the sale of immovable property

cf. Art. 13 p 1 judgment .

4th provisions of paragraphs 1 and 3 shall also apply to Property in immovable property of an enterprise and to income from immovable property nutrition activities they used for independent personal services.

hot

Article 7

The profits

Def . in nature . 3 p 1 e 1. Profits of an enterprise of a Contracting State , be taxable only in that State unless the enterprise carries on busi - ness 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:

- a) that permanent establishment ; or
- b) sales in that other State of goods of the same or similar kind as those sold through that permanent establishment; or
- c) other business in that other State of the same or similar kind as those effected through that permanent site.

Exceptions to the provisions in b and c do not apply if the company shows that

p 1 b and c such sales or activities not reasonably have been undertaken by the permanent establishment .

Income Calculation second enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein assigned , unless the provisions of paragraph 3 to the contrary , in each Contracting State to that permanent establishment the profits which it might be assumed that 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 .

Deductions 3rd In determining the permanent establishment shall be allowed as deductions expenses which are incurred for the permanent establishment , below

Note prot.p. 2 included expenses for executive and general management;

whether incurred in the State in which the permanent establishment is situated or elsewhere.

4th To the extent that income attributable to the permanent establishment has been customary in a Contracting State to determine , on the basis of a distribution of the company's total profits of the various parts of the company, does bes - tämmelserna in paragraph 2 shall preclude that Contracting State from the taxed 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 of the rea-son that the goods purchase by that permanent establishment or merchandise for the enterprise.

6th 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 .

Paper to - 7. Included in income by operating revenue which are dealt with separately in the suitability of other Articles of this Convention, then the provisions of those articles of the rules in this article.

Article 8

Sea and air transport

Def . in nature . 3 p 1 e 1. Profits derived by an enterprise of a Contracting State

and g, see prot.p. 3 the operation of ships or aircraft in international traffic shall be taxable only in that State .

Participation in the pool 2nd provisions of paragraph 1 shall also apply to income derived from -
etc. vase from the participation in a pool, a joint business or an international operating agency.

Consortium , 3rd When companies from different countries have agreed to conduct such as SAS international aviation consortium, the provisions of paragraphs 1 and 2 in respect of income derived by the air transport con-

consortium only in respect of the portion of income that corresponds to the
share in the consortium held by a company resident in a Contracting State.

Article 9

Associated Enterprises

Cf § 43 subsection 1 . 1. Where

KL a) an enterprise of a Contracting State participates directly or indirectly 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 or

control of an enterprise of a Contracting State and an enterprise of the other Contracting State, or owns part of both their capital , observed the following .

Between the two enterprises in their commercial or financial fixed connections are made or imposed conditions, 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 conditions, have not so accrued , may be included in that enterprise and taxed accordingly .

2nd Where a Contracting State includes in the profits of a pre -

hold of that State and taxes accordingly income on which an enterprise of the other Contracting State to tax in that other State and the profits so included under the former State 's profits which would have accrued to the enterprise of that State if the conditions made between the enterprises had been those which would be made between independent companies , that other State shall , if it considers that it is legitimate to income have been included in the specified manner , shall make an appropriate adjustment of the amount of taxes levied on the income of that State. 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

dividend

See Art . 24 p 1 ce 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.

Company 5/15 % 2. Dividends may also be taxed in the Contracting Natural person 15% state in which the company paying the dividends is a resident and according to the legislation 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 handelsbo - law) which holds directly at least 25 percent of the company making the payment ,
- b) 15 per cent of the gross amount of other cases.

The competent authorities of the Contracting States may by mutual agreement settle the mode of application of these limitations .

The provisions of this paragraph shall not affect the company's taxation of the profits out of which dividends are paid.

Def . of dividend third term "dividends " as used in this Article means income from acc. species . 10 shares or other rights, not being debt-claims, participating in profits , as well as income from other corporate rights in a company , which, according

law of the State in which the distributing company is resident at

taxation is treated the same as income from shares .

Exceptions to the fourth Paragraphs 1 and 2 shall not apply if the beneficial p. 1 and 2 of the dividends is a resident of a Contracting State and ask - ness 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 through a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base . In such case the provisions of Article 7 or Article 14.

Prohibition of extra -

5th If a company resident in a Contracting State derives income

Territorial described from the other Contracting State , that other State may not estimate taxing dividends paid by the company , except insofar as such dividends are paid to a resident of that other State or insofar

the holding in respect of which the dividends are paid is effectively co-

band with a permanent establishment or a fixed base in that other State , nor subject 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 rate

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

Withholding 10 % 2. 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 10 per cent of the gross amount .

The competent authorities of the Contracting States may by mutual agreement settle the mode of application of this limitation .

Exceptions third Notwithstanding the provisions of paragraphs 1 and 2,

- Interest from Lithuania a) interest arising in Lithuania Lithuanian exempt from tax if

the interest is paid to :

1) the Swedish state, political subdivision , local authority or statutory body ;

Def . in prot.p. 1:02 a.m.) Sveriges Riksbank ;

3) SWEDECORP ; or

4) other institution like the set for 3) that the Contracting States' competent authorities from time to time agree ;

- Interest from b) interest arising in Sweden shall be exempt from Swedish

Sweden tax if the interest is paid to:

1) Lithuanian State , a political subdivision ,

Def . in prot.p. 1 local authority or a statutory body ;

2) The Lithuanian Central Bank ;

3) another organization after the signing of this agreement formed in Lithuania and that is similar to such organization formed in Sweden and referred to in subparagraph 3) (the competent authorities of the Contracting States

shall by mutual agreement determine whether such organization is similar); or

4) other institution like any of those referred for a 4) that the Contracting States' competent authorities from time to time agree ;

- Interest on loans c) interest arising in a Contracting State and paid guaranteed in to a resident of the other Contracting State ab specified bodies as having a loan guaranteed by the agencies listed

in a or b shall be taxable only in that other State;

d) interest arising in a Contracting State shall be taxable only in the other Contracting State if :

1) the recipient is a resident of the other Con -

component; and

2) the recipient is an enterprise of the other Contracting State in which the interest ; and

- Interest on debt 3) the interest is paid with respect to indebtedness incurred

incurred in this company's credit sales of goods or the sale of industrial , commercial or scientific equipment on credit to a company in the first-mentioned State except in cases where the sale takes place between related persons or

See def . in prot.p. 4 claim arising between related persons .

Def . of interest 4th term "interest " as used in this Article means income from each according to art. 11 types of debt , whether secured by mortgage or not. In particular, income of value -

paper, issued by the state, and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures . Penalty charges for late payment is not considered as interest for the purposes of this Article .

Exemptions from 5th provisions of paragraphs 1 and 2 shall not apply if the p 1 and 2 have 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 or performs professional activities in that other State independent personal services from a fixed base -ment , and the claim for which the interest is paid is effectively connection with such permanent establishment or fixed base . In such case the regula-tions of Article 7 or Article

14.

Sixth Interest shall be deemed to arise in a Contracting State when the payer is 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 -

emission device in connection with which the indebtedness arose for which it is paid , and such interest is borne by such permanent establishment or fixed base , interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

Intressegemens - seventh Where by reason of a special relationship between the payer and the chap who has the interest, or between both of them and some other person , with respect to the claim for which the interest rate beta

las , exceeds the amount which would have been agreed upon by the payer

and the beneficial owner of the interest of such relationship not förele sets, the provisions of this Article only on the latter amount . In such case, the excess amount under the laws of each Contracting State, the Presi-dent of the other provisions of this Agreement.

Article 12

Royalty

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

Withholding tax , 5/10 % 2. Royalties may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if

Note prot.p. 5 recipient of the royalties , the tax so charged shall not exceed:

- a) 5 per cent of gross royalties if the royalties relate to ask - payment for the use of industrial, commercial or scientific equipment ;
- b) 10 percent of gross royalties in all other cases.

The competent authorities of the Contracting States may by mutual agreement settle the mode of application of these limitations .

Def . of royalty third term "royalties " as used in this Article means described under Art. 12 payment received as a consideration for the use of or the right to use, any copyright of literary, artistic or scientific

alright work including cinematograph films and films or tapes for

radio or television broadcasting, any patent , trade mark, design or model, plan, secret formula or method of manufacture

Lease payments for the use of , or the right to use industrial, commer- part , see also leases or scientific equipment or for information concerning experience prot.p. 6 hetsrön industrial, commercial or scientific experience.

Exceptions to the 4th provisions of paragraphs 1 and 2 shall not apply if the p 1 and 2 of the royalties is a resident of a Contracting State and conducts business in the other Contracting State in which the royalties

arise, 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 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 pay - clean is 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 stable 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, deemed to arise in the State in which the permanent establishment or fixed base is situated.

Intressegemens - 6. Where by reason of a special relationship between the payer and the chap who is entitled to 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 other provisions of this Agreement.

Most -favored- 7. If Lithuania in an agreement to avoid double taxation with the nation 'clause third State, which at the time of signing of this Agreement is a member of the Organization for Economic Cooperation and Development

opment (OECD), the later would agree to exclude any right or asset from the definition in paragraph 3 of this Article or to exempt royalties arising from Lithuania from li - tauisk tax or to limit the rates specified in paragraph 2, this definition of royalty , this exemption or lower rate is automatically applied as if it had been specified in paragraph 3 or 2.

Article 13

Capital gain

Realty 1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article

Cf species . 6 , item 3 of 6, Section 2, which is situated in the other Contracting State, or a gain on the transfer of shares in a company whose assets consist principally of such property may be taxed in that other State.

Movable property in the second , gains from the alienation of movable property forming part of the establishment , etc. business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property

judgment pertaining to a fixed base for exercising autonomous profession, as a 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.

Ships , aircraft 3rd Win an enterprise of a Contracting State from the alienation of ships or aircraft operated in international

See p 5 traffic or movable property pertaining to the operation of such ships or aircraft shall be taxable only in that State .

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

Air trans - fifth respect to gains derived by the air transport consortium be lasting lithium , eg SAS those of companies from different countries , the provisions of paragraph 3 in respect only of that part of the gain equal to the proportion of

Consortium held by a company resident in a Contracting State .

Divestment by 6. Notwithstanding the provisions of paragraph 4, gains , as physical relocation person who has been domiciled in a Contracting State and received a resident of the other Contracting State acquires the

Cf § 53 subsection 1 . a result of transfer of property taxed in the first-mentioned

KL and 6 § 1 subsection . State of the transfer of the property occurs at any time during

a SIL ten years after the date on which the individual ceased to be a resident of the first-mentioned State.

Article 14

independent personal

1st of income of an individual who is a resident of a Contracting State from the performance of professional services or other independent activities shall be taxable only in that State unless he in the other

Habitual Contracting State has a fixed base regularly

device in terms available to him in order to pursue the activity . If he has such a fixed base, the income may be taxed

in the other State but only so much of them as is attributable or to that fixed base . Individual who is a resident of a Contracting State and who is present in the other Contracting

State for a period or periods aggregating more than

183 days 183 days in any twelve month period commencing or ending in the fiscal year concerned , shall be considered to have a fixed base regularly available to him in that other State and the income derived from activities exercised in the other State shall be attributed to the permanent the device.

Examples of free second term "professional services " includes especially independent scien - professional Plig , literary, artistic , educational or teaching activities as well as the independent activities of

doctors, lawyers, engineers, architects, dentists and accountants.

Article 15

individual business

First 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.

Exceptions to the second Notwithstanding the provisions of paragraph 1, remuneration , p 1; as a resident of a Contracting State in respect of an employment exercised in the other Contracting State , only in the first -

Note prot.p. 7 mentioned State if:

183 -day rule 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 commencing or ending in the tax year in question, 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.

Exemptions from third Notwithstanding the preceding provisions of this Article may p. 1 and 2; compensation for work performed aboard a ship or aircraft operated in international traffic by a resident of a

Crews of a Contracting State may be taxed in that State.

4th Where a resident of a Contracting State derives income Onboard Employees of an employment exercised aboard an aircraft operated in the air trans - border services of an aviation consortium of companies from the consortium , eg SAS various countries including company resident in that State shall be taxable

such compensation only in that State .

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 a similar organ of a company resident in the other Contracting State may be taxed in that other State.

Article 17

Artistes and Athletes

First Notwithstanding the provisions of Articles 14 and 15, in income, as a resident of a Contracting State from his personal activities in the other Contracting the State as an entertainer , such as theater , motion picture, radio or television artiste, or a musician, or be taxed in that other State.

2nd Where income in respect of personal activities of 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 where the entertainer or athlete are exercised operations.

Exemptions from third provisions of paragraphs 1 and 2 shall not apply to in- p 1 and 2, income derived on account of activities exercised in a Contracting State by an entertainer or a sportsman if the visit to that State

exclusively or predominantly funded through general

funds of the other Contracting State or a political subdivision or local authority . In such case, the income shall be taxable in accordance with Articles 7, 14 or 15.

Article 18

Pensions, annuities and similar payments

Private pension 1. Pensions and other similar remuneration in consideration of past etc. private services and annuities paid to a resident of a Contracting State shall be taxable only in that State. If, however, the tax in that State in the pension, compensation or annuities tax is not significant , however, the pension, compensation and annuity taxed in the Contracting State in which it arises .

Public pension 2nd Notwithstanding the provisions of paragraph 1, pensions paid etc. and other benefits, whether paid periodically or as a lump-sum payment under the social security legislation or other publicly-run organized arrangement of a Contracting State for welfare purposes or because of prior public service, may be taxed in that State.

Def . of annuity third term "annuity " as used in this Article means a stated asking amount , payable periodically at stated times during life or during a specified or ascertainable period of time that out - going because of the obligation to make the payments in return for adequate and full consideration in money or money ningars value (except for services rendered) .

Article 19

public service

Salary etc. First a) compensation (excluding pension) paid by a Contracting State or a political subdivision

Def . in prot.p. 1 , local authority or statutory body thereof to an individual in respect of services rendered to that State or political subdivision or local authority or a statutory body shall be taxable only in that State.

Exemptions from b) such remuneration shall be taxable only in the Contracting

p 1 a; tracting State in which the individual is a resident if the services are rendered in that State and the individual is :

Local staff 1) is a citizen of this State , or

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

Exemptions from

2nd provisions of Articles 15 , 16 and Article 18, paragraph 1 applied

p 1 pas 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

Def . in prot.p. 1 or governmental body .

Article 20

students

Support from the student , trainee or business apprentice who is or was immediately another state before visiting a Contracting State a resident of the other Contracting State and who is present in the first State

exclusively for his education or training shall not be taxed in that State for the amount he receives for his maintenance, teaching or training, provided that such payments arise from sources outside that State .

Article 21

Offshore activities

Paper to 1. Provisions of this Article shall apply notwithstanding any other suitability provisions of this Agreement.

Permanent establishment 2. Unless otherwise specified in paragraphs 3 and 4, the person with permanent resident of a Contracting State carries on business outside the device coast in the other Contracting State in connection with utforskan - it or exploitation of the seabed and subsoil and their natural resources, with respect to such activity be deemed to be business in that other State through a permanent establishment or a fixed base .

Time Calculation 3rd provisions of paragraph 2 shall not apply if the activity is carried out for a period or periods not exceeding 30 days during any twelve month period . For the purposes of this paragraph , the following applies .

a) In cases where business is conducted by a person who has associ fellowship with another person, is considered operations conducted by such other person on the activities in question are substantially the same as those carried out by the first-mentioned person .

b) A person shall be deemed to be associated with another person if he directly or indirectly controlled by them, or if both are controlled directly or indirectly by a third person.

transport of

4th Gains derived by a resident of a Contracting

equipment or state due to the transport of equipment or personnel to a location staff etc. or between places in a Contracting State in which business is conducted in connection with the exploration or exploitation of the seabed

tion and subsoil and their natural resources or gain of

due to the operation of tugs and other support vessels in connection with such activities shall be taxable only in that State .

Salary etc. 5. A) Unless otherwise specified in paragraph b receive wages and similar remuneration derived by a resident of a Contracting State acquires due to employment related to out - conduct of research or exploitation of the seabed and its sub- - Teams and their natural resources in the other Contracting State is taxed there , to the extent the work is performed offshore in that other State. Such remuneration shall be taxable one - only in the first-mentioned State if the offshore out - performed for an employer who is not a resident of the other State and continues for a period or periods totaling not more than 30 days in any twelve month period.

b) Salaries, wages and similar remuneration derived by a resident of a Contracting State in respect of work carried out on board a ship or aircraft for the transport of equipment , necessities and staff to place or between places in a Contracting State where it operates as associated with the exploration or exploitation of the seabed and subsoil and their natural resources or work on board tug boats and other support vessels in connection with such activities may be taxed in the Contracting State where he is domiciled .

Gain on for - 6. Gains derived by a resident of a Contracting

selling state due to the sale of

a) rights to explore or exploit , or

b) property situated in the other Contracting State and used in connection with the exploration or utilization of the seabed and subsoil and their natural resources situated in that other State , or

c) shares and other who obtained their value or principal

objective value of such rights or property, or the rights and property together , may be taxed in that other State.

In this paragraph, " the rights to explore and exploit ' rights to assets produced during the exploration and exploitation of the seabed and subsoil and their natural resources in the other Contracting State , including rights to interests in or income from such assets .

Article 22

other income

1st of income of a resident of a Contracting State acquires and not dealt with in the foregoing Articles of this Convention shall be taxable only in that State . Income from the other Contracting State may also be taxed in that other State.

Exceptions second Paragraph 1 shall not apply to income, except for 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.

The article not to , Article 23

appropriate , see Art. 2 Wealth

1st Capital represented by immovable property referred to in Article 6, paragraph 2 , which is a resident of a Contracting State and situated in the other Contracting State , or capital consisting of shares in companies whose assets consist mainly of such property; may be taxed in that other State.

2nd Capital represented by 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 resident of a Contracting State has in the other Contracting State may be taxed in that other State.

3rd Capital represented by ships and aircraft operated in international traffic by an enterprise of a Contracting State and by movable

The article not to - property pertaining to the operation of such ships and appropriate , see Art. 2 aircraft shall be taxable only in that State .

4th All other elements of capital of a resident of a Contracting State shall be taxable only in that State .

5th Notwithstanding the provisions of paragraph 4, capital consisting of shares in companies resident in a Contracting State which is held by a natural person who has been domiciled in this state and received a resident of the other Contracting State may be taxed in the first - mentioned State during the first five years following the date on which the individual ceased to be a resident of the first-mentioned State.

6th respect to capital owned by an air trans - consortium consisting of companies from different countries , the provisions of paragraphs 3 and 4 only in respect of such assets which are the proportion of the consortium held by a company resident in a Contracting State .

Method Obsolete Elimination of double taxation

Sweden first case of Sweden , double taxation shall be avoided in foals Jan the way :

Settlement from a) Where a resident of Sweden derives income as income tax under Lithuanian law and in accordance with the regula-tions of this Agreement may be taxed in Lithuania, is Sweden with

See def . in item 1 d to the provisions of Swedish legislation WITH REGARD

fande credit for foreign tax (as amended or supplemented in future can get by altered without changing the general principle hereof) from the Swedish tax on such income , an amount equal to the Lithuanian tax paid on the income.

Progressions - b) Where a resident of Sweden derives income which, subject to the provisions of Article 19 shall be taxable only in Lithuania , Note 3 § Act, Sweden in determining the Swedish tax

into account the income .

Exemption of c) Notwithstanding the provisions of paragraph a is the dividend from dividend companies established in Lithuania to companies resident in Sweden give exempt from Swedish tax to the extent the dividend liabilities

See def . in item 1 d le have been exempt under Swedish legislation if both companies had been Swedish . Such tax exemption shall not apply unless

Alternative conditions 1) the profits out of which dividends are paid undergone the dividend for the normal corporate tax rate in Lithuania or an income tax exemption comparable thereto , or

2) the dividends paid by companies established in Lithuania exclusively or almost exclusively composed of dividends by that company during the year or in previous years received on shares held in a company resident in a third State, the dividends would have been exempt from tax in Sweden on the shares for which dividends are paid were held directly by the company resident in Sweden .

Matching Credit / d) For the purposes of paragraphs a and c , the terms " exempt the Lithuanian tax paid" and " the normal corporate tax rate in Lithuania or an income tax comparable thereby" include

Lithuanian income tax that would have been paid , but because of time-limited provisions of Lithuanian law intended to promote economic development has not been paid or

Limitations paid a lower amount . It stated , however, only in the event that the exemption granted or lower tax paid in respect of revenue other than those arising from the financial sector , and not more than 25 per cent of incomes derived from interest income or capital gains from the sale of shares, other interests or bonds or consists of income derived from non-Member State .

NOTE 4 § Act

Matching Credit / e) The provisions of paragraph d applies only in respect of the ten exempt even first years during which this Agreement applies. the competent

2003-12-31 authorities shall consult each other to determine whether these rules will apply after this time point.

Not applicable , f) If a person resident in Sweden owns capital cf. art . 2 and 23 in accordance with the provisions of this Agreement may be taxed in Lithuania, is Sweden from the tax on the

assets an amount equal to the capital tax paid in Lithuania. Avräkningsbe - run shall not exceed the proportion of wealth tax, as computed before the deduction is given, which is attributable to the capital which may be taxed in Lithuania.

Lithuania 2nd Regarding Lithuania , double taxation shall be avoided in foals Jan the way :

Settlement a) Where a resident of Lithuania derives income or owns capital which, under this Agreement may be taxed in

See item 2 b Sweden , Lithuania , unless more favorable treatment provided under domestic law ,

- From income -1) from the Lithuanian tax on such income an

tax amount equal to the income tax paid in

Sweden 's income ;

Not applicable ;

cf. Art. 2 and 23 2) from the Lithuanian tax on wealth , an amount equal to the capital tax paid thereon in Sweden .

Barring amount of deduction shall not, however, in either case, exceed that part of income or wealth tax in Lithuania , as computed before the deduction is given, which is attributable to the income or förmög device which may be taxed in Sweden .

Settlement for b) For the purposes of sub-paragraph a following . When companies backed resident of Lithuania receives dividends from a company resident corporation in Sweden in which it owns at least 10 percent of the shares have full voting rights , the tax paid in Sweden in-

clude not only the tax paid on the dividend without

also the tax paid at the company's underlying profits out of which dividends are paid.

Not applicable c) For the purposes of paragraphs 1 and f 2 a , the terms cf. art . 2 and 23, " the capital tax paid in Lithuania " and "the wealth tax paid in Sweden " does not include förmög -

unit tax levied under the provisions of Article

23, paragraph 5.

Article 25

Prohibition of discrimination

Citizenship, 1st Nationals of a Contracting State shall not in the other , see def . in nature . 3 Contracting State to any taxation or any p 1 f connected therewith which is other or more burdensome than the taxation and connected requirements to which citi -

re in that other State in the same circumstances, in particular with respect to residence , are or may be underkastad¹ . Notwithstanding the

Article 1 This provision applies also to persons who are not domiciled in a Contracting State or of both Contracting States .

Stateless person, the second Stateless persons who are residents of a Contracting State shall not in either Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to

1.Se RAW 1986 note 785 and RAW 1988 ref . 154.

as nationals of the State concerned in the same circumstances, in particular with respect to residence, are or may be subjected.

Permanent establishment 3rd taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall, in that other State

See § 6 subsection 1 . not be less favorable than the taxation levied on enterprises of that

1 pc. c SFL 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 so - same personal allowances , reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to residents of the own state.

This deduction fourth Except where the provisions of Article 9, paragraph 1 , Article 11, paragraph 7 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 under determination of offenders , the taxable profits of such enterprise 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 the determination of such firm's taxable property on the same terms as contracted to a resident of the first -mentioned State .

Lithuanian ownership fifth Enterprises of a Contracting State, the capital wholly or partly owned by the Swedish company , or controlled, directly or indirectly, by one or more persons (and vice versa), a resident of the other Contracting State shall not in the first- mentioned State to any taxation or any requirement con -

nected 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 subjected¹ .

The article applies 6. Notwithstanding the provisions of Article 2, apply the provi-

All taxes provisions of the present article to taxes of every kind and description -ness .

Article 26

Mutual Agreement Procedure

Taxation in battle first , if a person believes that a Contracting State or both contractual agreement with the Contracting States made arrangements for him in result or will result in taxation not in accordance with the provisions

1. Se eg RAW 1987 ref . 158.

of this Agreement , he may, without prejudice to his right to make use of the remedies available under the domestic legal order ,

Def . in nature . 3 p 1 hour, present his case to the competent authority of the Contracting State of which he is a resident or , if his case comes under Article

25, 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.

Understanding the second case the competent authority finds the objection founded but in individual cases is not itself able to arrive at a satisfactory solution , the authority to resolve the case by mutual agreement - see

with the competent authority of the other Contracting State

in order to avoid taxation not in accordance with the Agreement. If the agreement is reached between the competent authorities shall refund or credit of tax granted under this agreement . Any agreement reached shall be implemented notwithstanding any time limits in the Contracting States - their internal legislation.

General agree - third the competent authorities of the Contracting States shall meet 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

double taxation in cases not covered by the agreement.

4th The competent authorities of the Contracting States may communicate directly with each other in order to reach agreement in the sense of the preceding paragraphs . If oral exchanges of facilitating an agreement , such exchange may take place through a Commission consisting of representatives of the competent authorities of the Contracting States - na .

Article 27

Exchange of information

RSV authorized first by the competent authorities of the Contracting States shall be the authority charge such information as is necessary to implement the provisions of this Agreement or of the Contracting States

Cf Act (1990:314) laws concerning taxes covered by the Agreement , to the extent of mutual taxation thereunder is not contrary to the Agreement . assistance in exchange of information is not restricted by Article 1. Disclosures tax matters , as a Contracting State shall be treated as secret govt. 1989/90 : 14 in the same manner as information obtained under the domestic

authorities (including courts and administrative authorities) setting , or collection or prosecution or appeal concerning taxes covered by the Agreement . 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.

Integrity 2nd 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 legislation 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

contrary, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public) .

Article 28

Assistance in recovery

Cf Law on mutual 1st The Contracting States undertake to provide each other with bi - yourself assistance in a position with the recovery of a taxpayer's tax liabilities to the extent of tax cases the amount has been finally determined under the law of the Contracting State making .

2nd After preparation of a Contracting State for the collection of taxes which has been approved for the recovery of the other Contracting State , such taxes shall be collected by that other State in accordance with the law applicable to the collection of its own taxes .

3rd Request for recovery of a Contracting State shall be accompanied by such evidence as required under the law of that State to prove that the taxpayer's tax liability is finally determined.

Provisional 4th If a tax claim of a Contracting State may not finally have a hedge down because of an appeal or other proceeding may be the state to protect its interests require that the other Con -

tracting State to take such interim hedging activities that are available in the other State under its law . If
a

such a request is approved by the other State , such interim measures taken by the other state that if the tax owed to the first -mentioned State were the own taxes.

Conditions for forward - fifth Requests pursuant to paragraph 3 or 4 shall only be done by a ställan Contracting State to the extent that the taxpayer has tax debt does not have enough assets in that State for recovery

of tax liability .

6th The Contracting State in which taxes are collected under the provisions of this article shall forthwith remit the tax to the Contracting State on behalf of which the recovery occurred with the settle-ment of , where appropriate , such extraordinary costs identified in paragraph 7 b .

Distribution of 7. Unless the competent authorities of the Contracting States

costs at agree otherwise be ,

assistance a) normal costs a Contracting State incurs for providing assistance shall be borne by that State ,

b) extraordinary expenses as a Contracting State incurs

in providing assistance shall be borne by the other state regardless of the amount collected .

As soon as a Contracting State anticipates that extraordinary costs will be incurred , the other Contracting State shall be so well informed of the estimated amount of such costs.

Def . taxes 8th In this article , the term " taxes " taxes covered

acc. species . 28 of this Agreement, including interest and penalties related to such taxes.

Article 29

Exempt companies

Reduction in off- Notwithstanding any other provision of this Agreement shall , except century applicable exception of cases where the application is made by the method of avoiding hot , cf art . 1 double taxation normally followed by the State of residence, Article

24 paragraph 1 d and the other provisions of this Agreement which permits

See page 66 ff . exemption from or reduction of tax does not apply to income that a company resident in a Contracting State and to the dividends paid by the company such as ,

a) the company derives its income mainly from other states

1) from activities such as banking , shipping , finance or insurance or

a similar device that provides administrative and other services to a group of companies that conduct business primarily in other states, and

b) such income is taxed significantly lower under their laws than the income of similar activities undertaken in this state or income from operations headquarters ordination center or a similar device that provides administrative and other services to a group of companies that conduct business in this state.

Article 30

A member of the diplomatic mission or consular

See the Act (1976:661) The provisions of this Agreement shall affect the fiscal privileges - on privileges and statement as under international law or under the provisions privileges in some of the special agreements member of the diplomatic mission or case of consulates.

Article 31

Entry into force

First governments of the Contracting States shall notify each other when the constitutional measures necessary to this Agreement shall enter into force have been taken.

The agreement came in second agreement will enter into force thirty days after the date on which the last of

force 1993-12-31 these notifications under paragraph 1 is received and contract provisions apply in both Contracting States :

a) in respect of withholding taxes , on income derived on or after 1

January of the calendar year next following the year in which the Agreement enters into force;

b) in respect of other taxes on income and taxes on assets under management , to taxes chargeable for any tax year beginning January 1 of the calendar year next following the year in which the Agreement enters into force.

Article 32

cessation

The agreement may be , this Agreement shall remain in force until terminated by a Contracting - up no earlier than the Contracting Government . Either Contracting State may terminate the Convention , in 1994, in writing to terminate the Agreement by giving notice of termination at least six

months before the end of each calendar year. In such event, the Agreement shall cease to have effect in both Contracting States a) in respect of withholding taxes , on income derived on or after 1 January in the calendar year next following the year in

which the notice is given;

b) in respect of other taxes on income , and taxes on assets under management , to taxes chargeable for any tax year beginning January 1 of the calendar year next following the year in which the notice is given.

IN WITNESS WHEREOF the undersigned, being duly - authorized the signed this Agreement.

Done at Washington, D. C. September 27, 1993 , in two copies in Swedish, Lithuanian and English languages . All three texts being equally authentic. In the event of divergence of interpretation , however, the English text shall prevail.

For the Kingdom of Sweden The Republic of Lithuania Government

Anne Wibble Eduardas Vilkelis

MINUTES

At the signing of the agreement today between the Kingdom of Sweden and the Republic of Lithuania to avoid double taxation and prevent fiscal evasion with respect to taxes on income and on capital (the " Agreement ") , the undersigned have agreed that the following provisions shall form part of the agreement .

1st For all agreement

Def . of public- When the term " public body " occurs does judicial bodies that each legal entity of public nature established under the laws of a Contracting State, in which no other than

State itself , a political subdivision or local authority has no influence .

2nd On Article 7 paragraph 3

Deductible Deductible expenses include only expenses that are tax -
expenditure deductible in accordance with the domestic laws of each Contracting State.

3rd On Article 8

Def . of income ... " Profits of an enterprise of a Contracting State from the use , operation of ships in international traffic" shall be construed accordingly tion of ships with paragraphs 7 14 of the Commentary to Article 8 of the OECD Model

... Tax Convention on Income and Capital

(1992). The term includes, in no case, income from operations See page 54 ff . not relating to ownership of ports , warehouses, terminal device -ar , loading or unloading equipment or other similar self -

judgment on land , except for cases where the income is directly

attributable to the company's use of such ships .