Vedlegg

Convention between the Kingdom of Norway and the Kingdom of the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital.

The Government of the Kingdom of Norway and the Government of the Kingdom of the Netherlands desiring to conclude a new Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income and on capital, have agreed as follows:

CHAPTER I
Scope of the convention

Article I
PERSONAL SCOPE

This Convention shall apply to persons who are residents of one or both of the States.

Article 2
TAXES COVERED

1. This Convention shall apply to taxes on income and on capital imposed on behalf of one of the States or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.
3. The existing taxes to which the Convention shall apply are in particular:
   a) in Norway:
      — the national tax on income (inntektsskatt til staten),
      — the county municipal tax on income (inntektsskatt til fylkeskommunen),
      — the municipal tax on income (inntektsskatt til kommunen),
      — the national contributions to the Tax Equalisation Fund (fellesskatt til Skattefordelingsfondet),
      — the national tax on capital (formuesskatt til staten),
      — the municipal tax on capital (formuesskatt til kommunen),
      — the national tax relating to income and capital from the exploration for and the exploitation of submarine petroleum resources and from activities and work relating thereto, including pipeline transport of petroleum produced (skatt til staten vedrørende inntekt og formue i forbindelse med undersøkelse etter og utnyttelse av undersjøiske petroleumsforekomster og dertil knyttet virksomhet og arbeid, herunder rørledningstransport av utvunnet petroleum),

— the national dues on remuneration to non-resident artistes (avgift til staten av honorarer som tilfaller kunstnere bosatt i utlandet),
— the seamen's tax (sjømannsskatt),
(hereinafter referred to as «Norwegian tax»);

b) in the Netherlands:
— the income tax (inkomstenbelasting),
— the wages tax (loonbelasting),
— the company tax (vennootschapsbelasting) including the Government share in the net profits of the exploitation of natural resources levied pursuant to the Mijnwet 1810 (the Mining Act of 1810) with respect to concessions issued from 1967, or pursuant to the Mijnwet Contientaal Plat 1965 (the Netherlands Continental Shelf Mining Act of 1965),
— the dividend tax (dividendbelasting),
— the capital tax (vermogensbelasting),
(hereinafter referred to as «Netherlands tax»)

4. The Convention shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes. The competent authorities of the States shall notify each other of any substantial changes which have been made in their respective taxation laws.

CHAPTER II
Definitions

Article 3
GENERAL DEFINITIONS

1. For the purposes of this Convention, unless the context otherwise requires:

a) the term «State» means Norway or the Netherlands, as the context requires; the term «States» means Norway and the Netherlands;

b) the term «Norway» means the Kingdom of Norway, including any area outside the territorial waters of the Kingdom of Norway where the Kingdom of Norway, according to Norwegian legislation and in accordance with international law, may exercise its rights with respect to the sea bed and sub-soil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies («biland»);

c) the term «the Netherlands» means the part of the Kingdom of the Netherlands that is situated in Europe including the part of the sea bed and its sub-soil under the North Sea, to the extent that that area in accordance with international law has been or may hereafter be designated under Netherlands laws as an area within which the Netherlands may exercise certain rights with respect to the exploration and exploitation of the natural resources of the sea bed or its sub-soil;

d) the term «national» means:
1. any individual possessing the nationality of one of the States;
2. any legal person, partnership and association deriving its status as such from the laws in force in one of the States;

e) the term «person» includes an individual, a company and any other body of persons;

f) the term «company» means any body corporate or any entity which is treated as a body corporate for tax purposes;

g) the terms «enterprise of one of the States» and »enterprise of the other State» mean respectively an enterprise carried on by a resident of one of the States and an enterprise carried on by a resident of the other State;
h) the term «international traffic» means any transport by a ship or aircraft operated by an enterprise which has its place of effective management in one of the States, except when the ship or aircraft is operated solely between places in the other State;
i) the term «competent authority» means:
1. in Norway the Minister of Finance and Customs or his duly authorized representative;
2. in the Netherlands the Minister of Finance or his duly authorized representative.

2. As regards the application of the Convention by one of the States any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that State concerning the taxes to which the Convention applies.

Article 4

RESIDENT

1. For the purposes of this Convention, the term «resident of one of the States» means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature. But this 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.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both States, then his status shall be determined 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 to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
d) if he is a national of both States or of neither of them, the competent authorities of the States shall settle the question by mutual agreement.

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

Article 5

PERMANENT ESTABLISHMENT

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

2. The term «permanent establishment» includes especially:
   a) a place of management;
   b) a branch;
   c) an office;
   d) a factory;
   e) a workshop, and
   f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.

3. A building site, a construction, assembly or installation project or supervisory or consultancy activities connected therewith constitute a permanent establishment only if such site, project or activities are continued for a period of more than 12 months.

4. Notwithstanding the preceding provisions of this Article, the term «permanent establishment» shall be deemed not to include:
   a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
   b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
   c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
   d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
   e) the maintenance of a fixed place of business solely for the purpose of carrying on, 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 sub-paragraphs a) to e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.

5. Notwithstanding the provisions of paragraphs 1 and 2, where a person — other than an agent of an independent status to whom paragraph 6 applies — is acting on behalf of an enterprise and has, and habitually exercises, in one of the States an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.

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

7. The fact that a company which is a resident of one of the States controls or is controlled by a company which is a resident of the other 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.

CHAPTER III

Taxation of income

Article 6

INCOME FROM IMMOVABLE PROPERTY

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

2. The term «immovable property» shall have the meaning which it has under the law of the State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payment 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 regarded as immovable property.

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

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

Article 7

BUSINESS PROFITS

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

2. Subject to the provisions of paragraph 3, where an enterprise of one of the States carries on business in the other State through a permanent establishment situated therein, there shall in each State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

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

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

5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.
7. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

Article 8

SHIPPING AND AIR TRANSPORT

1. Profits derived by a resident of one of the States from the operation of ships or aircraft in international traffic shall be taxable only in that State.
2. However, such profits may also be taxed in the other State, if the place of effective management of the enterprise is situated in that other State.
3. For the purposes of paragraphs 1 and 2, profits derived from the operation in international traffic of ships or aircraft include profits incidental thereto, such as profits derived by a domestic or international carrier from the lease of ships or aircraft, attributable to temporary capacity on a bareboat basis.
4. If the place of effective mangement of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the State in which the home harbour of the ship is situated or, if there is no such home harbour, in the State of which the operator of the ship is a resident.
5. The provisions of paragraphs 1 to 4 shall likewise apply to profits derived from the operation of vessels engaged in fishing activities on the high seas.
6. The provisions of paragraphs 1, 2, 3 and 5 shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

Article 9

ASSOCIATED ENTERPRISES

Where

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

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

It is understood, however, that the fact that associated enterprises have concluded arrangements, such as costsharing arrangements or general services agreements, for or based on the allocation of executive, general administrative, technical and commercial expences, research and development expenses and other similar expenses, is not in itself a condition as meant in the preceding sentence.

Article 10

DIVIDENDS

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

2. However, such dividends may also be taxed in the State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends the tax so charged shall not exceed 15 percent of the gross amount of the dividends.

3. Notwithstanding the provisions of paragraph 2 the State of which the company paying the dividends is a resident shall not levy a tax on dividends, if the dividends are beneficially owned by a company (other than a partnership) which is a resident of the other State and holds directly at least 25 per cent of the capital of the company paying the dividends.

4. Notwithstanding paragraph 3, if and as long as in one of the States the rate of tax imposed on distributed company profits is lower than the rate of tax imposed on undistributed company profits and the difference between both rates amounts to 10 percentage points or more, each of the States may levy a tax on dividends, paid by a company which is a resident of one of the States to a company (other than a partnership) which is a resident of the other State and holds directly at least 25 per cent of the capital of the company paying the dividends, but the tax so charged shall not exceed:
   a) 5 per cent of their gross amount, if the above-mentioned difference amounts to 15 percentage points or less;
   b) 10 per cent of their gross amount, if the above-mentioned difference amounts to more than 15 percentage points.

   Where, however, in one of the States the above-mentioned difference amounts to more than 20 percentage points, that State may levy a tax on the dividends, which may not exceed 15 per cent of their gross amount.

5. The provisions of paragraphs 2, 3 and 4 shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

6. The term «dividends» as used in this Article means income from shares, «jouissance» shares or «jouissance» rights, mining shares, founders' shares or other rights participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident. In the case of the Netherlands the term includes also income from profit sharing bonds.

7. The provisions of paragraphs 1, 2, 3 and 4 shall not apply if the beneficial owner of the dividends, being a resident of one of the States, carries on business in the other State of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other State independent personal services from 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, as the case may be, shall apply.

8. Where a company which is a resident of one of the States derives profits or income from the other State, that other State may not impose any tax on the dividends paid by the company, except inso-

far 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 other State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

Article 11

INTEREST

1. Interest arising in one of the States and paid to a resident of the other State shall be taxable only in that other State if such resident is the beneficial owner of the interest.

2. The term «interest» as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. However, this term does not include income dealt with in Article 10. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.
3. The provisions of paragraph 1 shall not apply if the beneficial owner of the interest, being a resident of one of the States, carries on business in the other State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein and the debt-claim in respect of 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, as the case may be, shall apply.
4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each State, due regard being had to the other provisions of this Convention.

Article 12

ROYALTIES

1. Royalties arising in one of the States and paid to a resident of the other State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.

2. The term «royalties» as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of one of the States, carries on busi-

ness in the other 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 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, as the case may be, shall apply.

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

Article 13

CAPITAL GAINS

1. Gains derived by a resident of one of the States from the alienation of immovable property referred to in Article 6 and situated in the other State may be taxed in that other State.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of one of the States has in the other State or of movable property pertaining to a fixed base available to a resident of one of the States in the other State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.

3. Notwithstanding the provisions of paragraph 2:
   a) gains derived by a resident of one of the States from the alienation of ships and aircraft operated in international traffic as well as vessels engaged in fishing activities on the high seas, and movable property pertaining to the operation of such ships, aircraft and vessels, shall be taxable only in that State;
   b) however, such gains may also be taxed in the other State, if the place of effective management of the enterprise is situated in that other State. For the purposes of this sub-paragraph the provisions of paragraph 4 of Article 8 shall apply.

4. Gains from the alienation of any property other than those referred to in paragraphs 1, 2 and 3 shall be taxable only in the State of which the alienator is a resident.

5. The provisions of paragraph 4 shall not affect the right of each of the States to levy according to its own law a tax on gains from the alienation of shares or «jouissance» rights forming part of a substantial interest in a company, the capital of which is wholly or partly divided into shares and which is a resident of that State, provided that:
   a) the company's assets consist wholly or mainly of immovable property situated in that State, or
   b) the gains are derived by an individual who is a resident of the other State and has been a resident of the first-mentioned State in the course of the last five years preceding the alienation of the shares or «jouissance» rights.

Article 14

INDEPENDENT PERSONAL SERVICES

1. Income derived by a person, not being a company, who is a resident of one of the States in respect of professional services or other activities of an independent character shall be taxable only in that State unless he has a fixed base regularly available to him in the other State for the purpose of performing his activities. If he has such a fixed base, the income may be taxed in the other State but only so much of it as is attributable to that fixed base.
   A resident of one of the States performing such professional services or other activities of an independent character in the other State shall be deemed to have such a fixed base available to him in that other State if he is present in that other State for a period or periods exceeding in the aggregate 183 days in any 12 months' period.
2. The term «professional services» includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

Article 15

DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of Articles 16, 17, 18 and 19, salaries, wages and other similar remuneration derived by a resident of one of the States in respect of an employment shall be taxable only in that State unless the employment is exercised in the other State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.
2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of one of the States in respect of an employment exercised in the other State shall be taxable only in the first-mentioned State if:
   a) the recipient is present in that other State for a period or periods not exceeding in the aggregate 183 days in any 12 months' period; and
   b) the remuneration is paid by, or on behalf of, an employer who is a resident of the State of which the recipient is a resident, and whose business activities do not wholly or almost wholly consist of hiring out of labour; and
   c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in that other State.
3. Notwithstanding the preceding provisions of this Article, remuneration derived by a resident of one of the States in respect of an employment exercised aboard a ship or aircraft in international traffic or aboard vessels engaged in fishing activities on the high seas shall be taxable only in that State.

Article 16

DIRECTORS' FEES

1. Directors' fees or similar remuneration derived by a resident of the Netherlands in his capacity as a member of the board of directors or of a similar organ of a company which is a resident of Norway may be taxed in Norway.
2. Directors' fees or other remuneration derived by a resident of Norway in his capacity as a «bestuurder» or a «commissaris» of a company which is a resident of the Netherlands may be taxed in the Netherlands.

3. Where the remuneration mentioned in paragraphs 1 or 2 is derived by a person who exercises activities of a regular and substantial character in a permanent establishment situated in the State other than the State of which the company is a resident and the remuneration is deductible in determining the taxable profits of that permanent establishment, then, notwithstanding the provisions of paragraphs 1 or 2 of this Article, the remuneration, to the extent to which it is so deductible, shall be taxable only in the State in which the permanent establishment is situated.

Article 17

ARTISTES AND ATHLETES

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of one of the States as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as an athlete, from his personal activities as such exercised in the other State, may be taxed in that other State.
2. 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 State in which the activities of the entertainer or athlete are exercised.
3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities performed in one of the States by entertainers or athletes if the visit to that State is substantially supported by public funds of the other State or a political subdivision or a local authority thereof. In such a case the income shall be taxable only in the State of which the entertainer or athlete is a resident.

Article 18

PENSIONS AND ANNUITIES

1. Subject to the provisions of paragraph 2 of Article 19, any pension or other similar remuneration in consideration of past employment and any annuity paid to a resident of one of the States shall be taxable only in that State.
2. However, where such remuneration is not of a periodical nature and it is paid in consideration of past employment in the other State, it may be taxed in that other State.
3. The term «annuity» means a stated sum payable periodically at stated times during life or during a specified or ascertainable period of time under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

4. Any pension paid out under the provisions of a public social security system of one of the States to a resident of the other State shall be taxable only in the last-mentioned State.

Article 19

GOVERNMENT SERVICE

1. a) Remuneration, other than pension, paid by one of the States or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or subdivision or authority in the discharge of functions of a governmental nature may be taxed in that State.

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

1. is a national of that State; or
2. did not become a resident of that State solely for the purpose of rendering the services.

2. a) Any pension paid by, or out of funds created by, one of the States or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or subdivision or authority in the discharge of functions of a governmental nature may be taxed in that State.

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

3. 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 one of the States or a political subdivision or a local authority thereof.

Article 20

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting one of the States a resident of the other State and who is present in the first-mentioned State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that State provided that such payments arise from sources outside that State.

Article 21

OTHER INCOME

1. Items of income of a resident of one of the States, wherever arising, not dealt with in the foregoing Articles of this Convention shall be taxable only in that State.

2. The provisions of paragraph 1 shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6, if the recipient of such income, being a resident of one of the States, carries on business in the other State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, 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, as the case may be, shall apply.

CHAPTER IV

Taxation of capital

Article 22

CAPITAL

1. Capital represented by immovable property referred to in Article 6, owned by a resident of one of the States and situated in the other State, may be taxed in that other State.
2. Capital represented by movable property forming part of the business property of a permanent establishment which an enterprise of

one of the States has in the other State or by movable property pertaining to a fixed base available to a resident of one of the States in the other State for the purpose of performing independent personal services, may be taxed in that other State.

3. Notwithstanding the provisions of paragraph 2:
   a) ships and aircraft operated in international traffic as well as vessels engaged in fishing activities on the high seas, and movable property pertaining to the operation of such ships, aircraft and vessels shall be taxable only in the State of which the operator is a resident;
   b) however, such ships, aircraft and vessels and movable property may also be taxed in the other State if the place of effective management of the enterprise is situated in that other State. For the purposes of this sub-paragraph the provisions of paragraph 4 of Article 8 shall apply.

4. All other elements of capital of a resident of one of the States shall be taxable only in that State.

CHAPTER V
Elimination of double taxation

Article 23

1. Each of the States, when imposing tax on its residents, may include in the basis upon which such taxes are imposed the items of income or capital which, according to the provisions of this Convention, may be taxed in the other State.

2. a) Where a resident of Norway derives income or owns capital which, in accordance with the provisions of this Convention, may be taxed in the Netherlands, Norway shall, subject to the provisions of sub-paragraphs b) and c), exempt such income or capital from tax but may, in calculating tax on the remaining income or capital of that person, apply the rate of tax which would have been applicable if the exempted income or capital had not been so exempted.
   b) Where a resident of Norway derives items of income which, in accordance with the provisions of paragraph 2 of Article 10, pharagraph 5 of Article 13 and Article 16 may be taxed in the Netherlands, Norway shall allow as a deduction from the tax on the income of that person an amount equal to the tax paid in the Netherlands. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from the Netherlands.
   c) Notwithstanding the provisions of sub-paragraph b), dividends paid by a company which is a resident of the Netherlands to a company, being a resident of Norway, shall be exempt from Norwegian tax, provided that in accordance with the laws of Norway the dividends would be exempt from tax if both companies had been Norwegian companies, and provided further that in so far as the amount of dividends declared in respect of a fiscal year by a company which is a resident of the Netherlands corresponds to dividends which it has received, directly or through another legal person, in the same or a previous fiscal year on shares of a company resident in a third State, the exemption from Norwegian tax shall be granted only to the extent that the dividends received on shares of the company resident in that

third State have been subject to company tax in the Netherlands or, if this is not the case, the dividends would be exempt from Norwegian tax if the shares had been held directly by the Norwegian company.

3. a) Where a resident of the Netherlands derives items of income or owns items of capital which according to Article 6, Article 7, paragraph 2 of Article 8, paragraph 7 of Article 10, paragraph 3 of Article 11, paragraph 3 of Article 12, paragraphs 1, 2 and 3 (sub-paragraph b) of Article 13, Article 14, paragraph 1 of Article 15, Article 16, paragraph 1 (sub-paragraph a) of Article 19, paragraph 2 of Article 21 and paragraph 1, 2 and 3 (sub-paragraph b) of Article 22 of this Convention may be taxed in Norway and are included in the basis referred to in paragraph 1, the Netherlands shall exempt such items by allowing a reduction of its tax. This reduction shall be computed in conformity with the provisions of Netherlands law for the avoidance of double taxation. For that purpose the said items of income or capital shall be deemed to be included in the total amount of the items of income or capital which are exempt from Netherlands tax under those provisions.

b) Further, the Netherlands shall allow a deduction from the Netherlands tax for the items of income which according to paragraph 2 of Article 10, paragraph 5 of Article 13, Article 17, paragraph 2 of Article 18 and paragraph 2 (sub-paragraph a) of Article 19 of this Convention may be taxed in Norway to the extent that these items are included in the basis referred to in paragraph 1. The amount of this deduction shall be equal to the tax paid in Norway on these items of income, but shall not exceed the amount of the reduction which would be allowed if the items of income so included were the sole items of income which are exempt from Netherlands tax under the provisions of Netherlands law for the avoidance of double taxation.

CHAPTER VI
Offshore activities

Article 24

1. The provisions of this article shall apply notwithstanding any other provision of this Convention.

2. An enterprise of one of the States which carries on activities offshore in the other State in connection with the exploration or exploitation of the sea bed and sub-soil and their natural resources situated in that other State shall, subject to paragraphs 3 and 5 of this Article, be deemed to be carrying on, in respect of those activities, business in that other State through a permanent establishment situated therein.

3. The provisions of paragraph 2 of this Article shall not apply where the activities referred to therein are carried on in the other State for a period or periods not exceeding in the aggregate 30 days in any 12 months' period. For the purposes of this paragraph:

a) where an enterprise carrying on activities referred to in paragraph 2 of this Article in the other State is associated with another enterprise carrying on substantially similar activities there, the former enterprise shall be deemed to be carrying on all such activities of the latter enterprise, except to the extent that those activities are carried on at the same time as its own activities;

b) an enterprise shall be regarded as associated with another enterprise if one participates directly or indirectly in the management, control or capital of the other or if the same persons participate directly or indirectly in the management, control or capital of both enterprises.

4. A resident of one of the States who carries on activities offshore in the other State in connection with the exploration or exploitation of the sea bed and sub-soil and their natural resources situated in that other State which consist of professional services or other activities of an independent character shall be deemed to be performing those activities from a fixed base in the other State. However, this paragraph shall not apply where such activities are carried on in the other State for a period or periods not exceeding in the aggregate 30 days in any 12 months' period.

5. Profits derived by a resident of one of the States from the transportation of supplies or personnel to a location, or between locations, where activities in connection with the exploration or exploitation of the sea bed and sub-soil and their natural resources are being carried on in one of the States, or from the operation of tugboats and other vessels auxiliary to such activities, shall be taxable only in the State in which the place of effective management of the enterprise is situated.

6. a) Subject to sub-paragraph b) of this paragraph, salaries, wages and other similar remuneration derived by a resident of one of the States in respect of an employment connected with the exploration or exploitation of the sea bed and sub-soil and their natural resources situated in the other State may, to the extent that the employment is exercised offshore in that other State, be taxed in that other State provided that the employment is exercised offshore for a period or periods exceeding in the aggregate 30 days in any 12 months' period.

b) Salaries, wages and other similar remuneration derived by a resident of one of the States in respect of an employment exercised aboard a ship or aircraft engaged in the transportation of supplies or personnel to a location, or between locations, where activities connected with the exploration or exploitation of the sea bed and sub-soil and their natural resources are being carried on in one of the States, or in respect of an employment exercised aboard tugboats or other vessels operated auxiliary to such activities, shall be taxable only in the State of which the employee is a resident.

7. Gains derived by a resident of one of the States from the alienation of rights to assets to be produced by the exploration or exploitation of the sea bed and sub-soil and their natural resources situated in the other State, including rights to interests in or to the benefits of such assets, or from the alienation of shares deriving their value or the greater part of their value directly or indirectly from such rights, may be taxed in that other State.

8. For the items of income which may be taxed in the Netherlands according to paragraphs 2, 4 and 7 of this Article, Norway shall allow a deduction from its tax which shall be computed in conformity with the rules laid down in sub-paragraph b) of paragraph 2 of Article 23.

9. Where documentary evidence is produced that tax has been paid in the Netherlands on the items of income which may be taxed in the Netherlands according to sub-paragraph a) of paragraph 6 of this Article, Norway shall apply the rules laid down in sub-paragraph a) of paragraph 2 of Article 23.

10. For the items of income which may be taxed in Norway according to paragraphs 2, 4 and 7 of this Article, the Netherlands shall allow a deduction from its tax which shall be computed in conformity with the rules laid down in sub-paragraph b) of paragraph 3 of Article 23.
11. Where documentary evidence is produced that tax has been paid in Norway on the items of income which may be taxed in Norway according to sub-paragraph a) of paragraph 6 of this Article, the Netherlands shall allow a reduction of its tax which shall be computed in conformity with the rules laid down in sub-paragraph a) of paragraph 3 of Article 23.

CHAPTER VII

Special provisions

Article 25

NON-DISCRIMINATION

1. Nationals of one of the States shall not be subjected in the other 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. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the States.
2. Stateless persons who are residents of one of the States shall not be subjected in the other 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.
3. The taxation on a permanent establishment which an enterprise of one of the States has in the other State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities. This provision shall not be construed as obliging one of the States to grant to residents of the other State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.
4. Except where the provisions of Article 9, paragraph 4 of Article 11, or paragraph 4 of Article 12, apply, interest, royalties and other disbursements paid by an enterprise of one of the States to a resident of the other State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State. Similarly, any debts of an enterprise of one of the States to a resident of the other State shall, for the purpose of determining the taxable capital of such enterprise, be deductible under the same conditions as if they had been contracted to a resident of the first-mentioned State.
5. Enterprises of one of the States, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
6. The provisions of this Article shall, notwithstanding the provisions of Article 2, apply to taxes of every kind and description.

Article 26

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the States result or will result for him in taxation not in accordance with the provisions of this Convention, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the State of which he is a resident or, if his case comes under paragraph 1 of Article 25, to that of the State of which he is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Convention.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other State, with a view to the avoidance of taxation which is not in accordance with the Convention.

3. The competent authorities of the States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention. In particular, the competent authorities of the States may agree to the same allocation of profits between associated enterprises in the sense of Article 9.

4. The competent authorities of the States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

5. In the event that the competent authorities reach an agreement in the sense of paragraphs 2 and 3, taxes shall be imposed or refund of taxes shall be allowed in accordance with such agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the States.

Article 27

EXCHANGE OF INFORMATION

The competent authorities of the States shall exchange such information as is necessary for carrying out the provisions of this Convention or of the domestic laws of the States concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Article 1. Any information received by one of the States 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 in the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the Convention. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicical decisions.

Article 28

ASSISTANCE AND SUPPORT

1. The States undertake to lend assistance and support to each other in the collection of the taxes which are the subject of this Convention, together with interest, costs, and additions to the taxes and fines not being of a penal character.

2. In the case of applications for enforcement of taxes, revenue claims of each of the States which have been finally determined shall be accepted for enforcement by the other State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes, provided that such claims shall not enjoy priority in the latter State. Norwegian revenue claims shall be regarded as finally determined, when they can no longer be altered on administrative appeal. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

3. Any application shall be accompanied by documents establishing that under the laws of the State making the application the taxes have been finally determined as provided in paragraph 2 of this Article.

Article 29

LIMITATION OF ARTICLES 27 AND 28

In no case shall the provisions of Articles 27 and 28 be construed so as to impose on one of the States the obligation:

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

Article 30

DIPLOMATIC AGENTS AND CONSULAR OFFICERS

1. Nothing in this Convention shall affect the fiscal privileges of diplomatic agents or consular officers under the general rules of international law or under the provisions of special agreements.

2. For the purposes of the Convention an individual, who is a member of a diplomatic or consular mission of one of the States in the other State or in a third State and who is a national of the sending State, shall be deemed to be a resident of the sending State, but only if he is subjected therein to the same obligations in respect of taxes on income and on capital as are residents of that State.

3. The Convention shall not apply to international organizations, to organs or officials thereof and to individuals who are members of a diplomatic or consular mission of a third State, being present in one of the States and who are not subjected in either State to the same obligations in respect of taxes on income and on capital as are residents of that State.

Article 31

REGULATIONS

1. The competent authorities of the States shall by mutual agreement settle the mode of application of paragraphs 2, 3 and 4 of Article 10.
2. With respect to the provisions of this Convention relating to exchange of information and mutual assistance in the collection of taxes, the competent authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection, and related matters.
3. The competent authorities of each of the States, in accordance with the practices of that State, may prescribe regulations necessary to carry out the other provisions of this Convention.

Article 32

TERRITORIAL EXTENSION

1. This Convention may be extended, either in its entirety or with any necessary modifications, to either or both of the countries of Aruba or the Netherlands Antilles, if the country concerned imposes taxes substantially similar in character to those to which the Convention applies. Any such extension shall take effect from such date and subject to such modifications and conditions, including conditions as to termination, as may be specified and agreed in notes to be exchanged through diplomatic channels.
2. Unless otherwise agreed the termination of the Convention shall not also terminate any extension of the Convention to any country to which it has been extended under this Article.

CHAPTER VIII

Final provisions

Article 33

ENTRY INTO FORCE

1. This Convention shall enter into force on the thirtieth day after the latter of the dates on which the respective Governments have notified each other in writing that the formalities constitutionally required in their respective States have been complied with, and its provisions shall have effect:
   a) in respect of withholding tax on dividends derived on or after the first day of January in the calendar year next following that in which this Convention enters into force;
   b) in respect of taxes, other than the withholding tax on dividends, for taxable years and periods beginning on or after the first day of January in the calendar year next following that in which this Convention enters into force.
2. The Convention between the Kingdom of Norway and the Kingdom of the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital signed at The Hague on 22 September 1966, and the Agreement dated 11 January 1929 between the Netherlands and Norway for the reciprocal exemption from income tax, in certain cases, of profits accruing from the business of shipping, shall terminate upon

the entry into force of this Convention. However, the provisions of the 1966 Convention shall continue in effect until the provisions of this Convention, in accordance with the provisions of paragraph 1 of this Article, shall have effect.

Article 34

TERMINATION

This Convention shall remain in force until terminated by one of the Contracting Parties. Either Party may terminate the Convention, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year after the expiration of a period of five years from the date of entry into force. In such event the Convention shall cease to have effect:

a) in respect of withholding tax on dividends derived on or after the first day of January in the calendar year next following that in which the notice of termination is given;
b) in respect of taxes, other than the withholding tax on dividends, for taxable years and periods beginning on or after the first day of January in the calendar year next following that in which the notice of termination is given.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Convention.

DONE at Oslo this 12th day of January 1990 in duplicate, in the Norwegian, Netherlands and English languages, the three texts being equally authentic. In case there is any divergence of interpretation between the Norwegian and Netherlands texts, the English text shall prevail.

For the Government of the Kingdom of Norway

Jan Flatla
(sign.)

For the Government of the Kingdom of the Netherlands

F. M. L. van Geen
(sign.)

Protocol

At the moment of signing the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital, this day concluded between the Kingdom of Norway and and the Kingdom of the Netherlands the undersigned have agreed upon the following provisions which shall form an integral part of the Convention.

I.

1. Where under the provisions of the Convention a resident of the Netherlands is exempt or entitled to relief from Norwegian tax, similar exemption or relief shall be applied to the undivided estates of deceased persons in so far as one or more of the beneficiaries is a resident of the Netherlands.

2. In so far as the income of an undivided estate of a deceased person under the provisions of the Convention is liable to Norwegian tax and accrues to a beneficiary who is a resident of the Netherlands, the Netherlands shall allow a reduction or deduction in conformity with the provisions of paragraph 3 of Article 23 of the Convention.

II. *Ad Article 4*

An individual living aboard a ship without any real domicile in either of the States shall be deemed to be a resident of the State in which the ship has its home harbour.

III. *Ad Article 5*

For the purposes of paragraph 3 of Article 5:

a) separate building projects or construction activities should not be combined for the purpose of calculation of the period;
b) building projects can normally be considered as separate if they are being carried out for different principals, unless they can be considered to comprise a single unit economically;
c) different projects carried out on behalf of one and the same principal should, however, be treated as one, if they are being carried out under a single contract;
d) projects being carried out for one and the same principal under more than one contract should also be treated as a single unit if carried out as a single project. This can be the case:
   (i) *in time,* i.e. if the different projects are carried out simultaneously or immediately after one another without interruption.
   (ii) *in location,* if the projects, even though carried out on various sites, actually form part of a greater whole, and there has been no significant interruption of construction work.

IV. *Ad Article 7*

In respect of paragraphs 1 and 2 of Article 7, where an enterprise of one of the States sells goods or merchandise or carries on business in the other State through a permanent establishment situated therein, the profits of that permanent establishment shall not be determined on the basis of the total amount received by the enterprise, but shall be determined only on the basis of the remuneration which is attributable to the actual activity of the permanent establishment for such sales or business. Especially, in the case of contracts for the survey, supply, installation or construction of industrial, commercial or scientific equipment or facilities, or of public works, when the enterprise has a permanent establishment, the profits of such permanent establishment shall not be determined on the basis of the total amount of the contract, but shall be determined only on the basis of that part of the contract which is effectively carried out by the permanent establishment in the State where the permanent establishment is situated. The profits related to that part of the contract which is carried out by the head office of the enterprise shall be taxable only in the State of which the enterprise is a resident.

V. *Ad Articles 8, 13 and 22*

Where the enterprise is carried on by one or more partners jointly and severally responsible and resident in one of the States and by one or more partners jointly and severally responsible and resident in the other State and the competent authorities of both States agree that it is not feasible to determine that the place of effective management is situated in one of the States only, profits as mentioned in paragraphs 1, 5

and 6 of Article 8, gains as mentioned in paragraph 3 of Article 13 and capital as mentioned in paragraph 3 of Article 22 shall be taxable, in proportion to the share which each of the partners jointly and severally responsible is holding, only in the State of which that partner is a resident.

VI. *Ad Article 10*

Application for the restitution of tax levied not in accordance with the provisions of Article 10 have to be lodged with the competent authority of the State having levied the tax within a period of five years after the expiration of the calendar year in which the tax has been levied.

VII. *Ad Articles 11 and 23*

In the event that one of the States should introduce a withholding tax on interest, that State shall inform the other State of the introduction of that tax and enter into negotiations with a view to agreeing to such amendments to Articles 11 and 23 as may be appropriate.

VIII. *Ad Article 23*

The States agree that paragraph 2 of Article 23 shall, at the request of Norway, which shall be forwarded by note through diplomatic channels, be replaced by the following text, which shall enter into force on the 30th day upon the confirmation through diplomatic channels of the receipt of that note, and shall apply for the first time in respect of taxes on income or on capital relating to the calendar year (including accounting periods beginning in such year) next following that in which the confirmation of notes is received:

«2. a) Where a resident of Norway derives income or owns capital which in accordance with the provisions of this Convention may be taxed in the Netherlands, Norway shall allow as a deduction from the income tax or capital tax of that person an amount equal to the tax paid in the Netherlands. Such deduction shall not, however, exceed that part of the Norwegian tax, as computed before the deduction is given, which is appropriate to the income derived from or capital owned in the Netherlands.
For the purposes of this paragraph in determining the taxes on income paid to the Netherlands, the investment premiums and bonuses and desinvestment payments as meant in the Netherlands Investment Account Law (Wet investeringsrekening) shall not be taken into account. For the purposes of this paragraph, the taxes referred to in sub-paragraph b) of paragraph 3 and in paragraph 4 of Article 2, other than the capital tax, shall be considered taxes on income.

b) Notwithstanding the provisions of sub-paragraph a), dividends paid by a company which is a resident of the Netherlands to a company, being a resident of Norway, shall be exempt from Norwegian tax, provided that in accordance with the laws of Norway the dividends would be exempt from tax if both companies had been Norwegian companies, and provided further that in so far as the amount of dividends declared in respect of a fiscal year by a company which is a resident of the Netherlands corresponds to dividends which it has received, directly or through another legal person, in the same or a previous fiscal year on shares of a company resident in a third State, the exemption from Norwegian tax shall be granted only to the extent that

the dividends received on shares of the company resident in that third State have been subject to company tax in the Netherlands or, if this is not the case, the dividends would be exempt from Norwegian tax if the shares had been held directly by the Norwegian company.»

IX. *Ad Article 23*

In the event that Norway should introduce a tax on pensions as meant in paragraph 2 of Article 19, which are paid to a resident of the Netherlands, the Netherlands shall exempt such pensions by allowing a reduction of its tax in conformity with sub-paragraph a) of paragraph 3 of Article 23.

X. *Ad Article 23*

It is understood that for the computation of the reduction mentioned in paragraph 3 of Article 23 the items of capital referred to in paragraph 1 of Article 22 shall be taken into account for the value thereof reduced by the value of the debts secured by mortgage on that capital and the items of capital referred to in paragraph 2 of Article 22 shall be taken into account for the value thereof reduced by the value of the debts pertaining to the permanent establishment or fixed base.

XI. *Ad Article 25*

The provisions of paragraph 3 of Article 25 shall not be construed as preventing Norway from taxing the total profits attributable to a permanent establishment which is maintained in Norway by a company which is a resident of the Netherlands at the rate applicable to undistributed profits of a company which is a resident of Norway. However, the amount of such tax shall not exceed the tax that would be imposed on a company and its shareholder, if:

a) such profits were derived by a company which is a resident of Norway;
b) the shares of such company were wholly held by a company (other than a partnership) which is a resident of the Netherlands, and
c) the company meant under a) distributed to the company meant under b) 30 per cent of its profits.

XII. *Ad Article 25*

For the purposes of the application of paragraph 3 of Article 25:

a) interest, royalties and other expenses incurred by an enterprise of one of the States and attributable to a permanent establishment, which it has in the other State, are deductible for the computation of the taxable profits of such permanent establishment on the same conditions as if it were an enterprise of that other State;
b) the debts incurred by an enterprise of one of the States and attributable to a permanent establishment which it has in the other State, are deductible for the computation of the taxable property of such permanent establishment on the same conditions as if it were an enterprise of that other State.

XIII. *Ad Article 28*

Neither of the States shall be required to collect taxes with recourse to civil imprisonment.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Protocol.

DONE at Oslo this 12th day of January 1990, in duplicate, in the Norwegian, Netherlands and English languages, the three texts being equally authentic. In case there is any divergence of interpretation between the Norwegian and Netherlands texts, the English text shall prevail.

For the Government of the Kingdom of Norway

Jan Flatla
(sign.)

For the Government of the Kingdom of the Netherlands

F. M. L. van Geen
(sign.)