Vedlegg

Convention between the Government of the Kingdom of Norway and the Government of the United Kingdom of Great Britain and Northern Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital

The Government of the Kingdom of Norway and the Government of the United Kingdom of Great Britain and Northern Ireland;

Desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital;

Have agreed as follows:

Article 1

Personal scope

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

Article 2

Taxes covered

1. This Convention shall apply to taxes on income and on capital imposed on behalf of a Contracting State or 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 the United Kingdom of Great Britain and Northern Ireland:

(i) the income tax;

(ii) the corporation tax;

(iii) the capital gains tax;

(iv) the petroleum revenue tax; and

(v) the development land tax;

(hereinafter referred to as «United Kingdom tax»);

b) In Norway:

(i) the national tax on income (inntektsskatt til staten);

(ii) the county municipal tax on income (inntektsskatt til fylkeskommunen);

(iii) the municipal tax on income (inntektsskatt til kommunen);

(iv) the national contributions to the Tax Equalisation Fund (fellesskatt til Skattefordelingsfondet);

(v) the national tax on capital (formuesskatt til staten);

(vi) the municipal tax on capital (formuesskatt til kommunen);

(vii) the national tax relating to income and capital from the exploration for and the exploitation of submarine petroleum resources and 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 petroleums-forekomster og dertil knyttet virksomhet og arbeid, herunder rørledningstransport av utvunnet petroleum);

(viii) the national dues on remuneration to non-resident artistes (avgift til staten av honorarer som tilfaller kunstnere bosatt i utlandet);

(ix) the seamen's tax (sjømannsskatt);

(hereinafter referred to as «Norwegian tax»).

4. This Convention shall also apply to any identical or substantially similar taxes which are imposed by either Contracting State after the date of signature of this Convention in addition to, or in place of, the existing taxes.

Article 3

General definitions

1. In this Convention, unless the context otherwise requires:

a) the term «United Kingdom» means Great Britain and Northern Ireland, including any area outside the territorial sea of the United Kingdom which in accordance with international law, has been or may hereafter be designated, under the laws of the United Kingdom concerning the Continental Shelf, as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

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 her right with respect to the seabed and subsoil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies («biland»);

c) the term «national» means:

(i) in relation to the United Kingdom, any British citizen or any British subject not possessing the citizenship of any other Commonwealth country or territory, provided he has the right of abode in the United Kingdom; and any legal person, partnership, association or other entity deriving its status as such from the law in force in the United Kingdom;

(ii) in relation to Norway all individuals possessing Norwegian nationality and all legal persons, partnerships and associations deriving their status as such from the law in force in Norway.

d) the term «tax» means United Kingdom tax or Norwegian tax, as the context requires;

e) the terms «a Contracting State» and «the other Contracting State» mean the United Kingdom or Norway, as the context requires;

f) the term »person» comprises an individual, a company and any other body of persons;

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

h) the terms «enterprise of a Contracting State» and «enterprise of the other Contracting State» mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;

i) the term «international traffic» means any transport by a ship or aircraft operated by an enterprise which has its place of effective management in a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;

j) the term «political subdivision», in relation to the United Kingdom, includes Northern Ireland;

k) the term «competent authority» means in the case of the United Kingdom the Commissioners of Inland Revenue or their authorised representative, and in the case of Norway the Minister of Finance and Customs or his authorised representative.

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

Article 4

Residence

1. In this Convention, the term «resident of a Contracting State» 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 of this Article an individual is a resident of both Contracting 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 Contracting States shall settle the question by mutual agreement.

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

Article 5

Permanent establishment

1. In 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 or construction or installation project constitutes a permanent establishment only if it lasts more than twelve months, but building, construction, or installation activities shall constitute a permanent establishment if such activities last for more than twelve months in the aggregate in any twenty-four month period.

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) of this paragraph, 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 of this Article, where a person, other than an agent of an independent status to whom paragraph 6 of this Article applies, is acting on behalf of an enterprise and has, and habitually exercises, in a Contracting State 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 of this Article which, if exercised through a fixed place of business, would not make that 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 a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

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

Article 6

Income from immovable property

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

2. The term «immovable property» shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

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

Article 7

Business profits

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

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

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

4. 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.

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

6. Where profits include items of income which are dealt with separately in other Articles of this 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 from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

2. If the place of effective management of a shipping enterprise is aboard a ship then it shall be deemed to be situated in the Contracthing 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.

3. Where profits within the meaning of paragraph 1 of this Article are derived by an enterprise from participation in a pool, a joint business or an international operating agency, the profits attributable to that enterprise shall be taxable only in the Contracting State in which the place of effective management of that enterprise is situated.

4. Notwithstanding the provisions of Article 7 of this Convention profits of an enterprise of a Contracting State from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers) used for the transport of goods or merchandise shall be taxable only in the Contracting State in which the place of effective management of that enterprise is situated except insofar as those containers or trailers and related equipment are used for transport solely between places within the other Contracting State.

5. Notwithstanding the preceding provisions of this Article, where ships or aircraft are operated in international traffic by a partnership which includes one or more partners resident in a Contracting State and one or more partners resident in the other Contracting State profits shall be taxable, in proportion to the share of the said partners, only in the State of which each such partner is a resident.

6. With respect to profits derived by the Danish, Norwegian and Swedish air transport consortium, known as the Scandinavian Airlines System (SAS) the provisions of paragraphs 1 and 4 of this Article shall only apply to such part of the profits as corresponds to the shareholding in the consortium held by Det Norske Luftfartselskap (DNL) the Norwegian partner of Scandinavian Airlines System (SAS).

Article 9

Associated enterprises

1. Where

a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or

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

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterpri-

ses, then any income, deductions, receipts or outgoings which would, but for those conditions, have been attributed to one of the enterprises, but, by reason of those conditions, have not been so attributed, may be included in the profits or losses of that enterprise and taxed accordingly.

2. Where a Contracting State includes in the profits of an enterprise of that State – and taxes accordingly – profits on which an enterprise of the other Contracting State has been charged to tax in that other State and the items so included comprise income, deductions, receipts or outgoings which would have been attributed to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then the competent authorities of the Contracting States may consult together with a view to reaching an agreement on the adjustment of profits or losses in both Contracting States.

Article 10

Dividends

1. Dividends derived from a company which is a resident of Norway by a resident of the United Kingdom may be taxed in the United Kingdom. Such dividends may also be taxed in Norway but, subject to the provisions of paragraph 2 of this Article, where such dividends are beneficially owned by a resident of the United Kingdom the tax so charged shall not exceed:

a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividends;

b) in all other cases 15 per cent of the gross amount of the dividends.

2. Notwithstanding the provisions of paragraph 1 of this Article dividends derived from a company which is a resident of Norway by a company which is a resident of the United Kingdom and which controls directly or indirectly at least 10 per cent of the voting power in the first-mentioned company may be taxed in Norway at a rate not exceeding 15 per cent as long as such dividends paid by Norwegian companies are allowed as deductions from their profits for the purpose of computing their liability to Norwegian state tax.

3. Dividends derived from a company which is a resident of the United Kingdom by a resident of Norway may be taxed in Norway. Such dividends may also be taxed in the United Kingdom, and according to the laws of the United Kingdom, but where such dividends are beneficially owned by a resident of Norway the tax so charged shall not exceed:

a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividends;

b) in all other cases 15 per cent of the gross amount of the dividends.

4. However, as long as an individual resident in the United Kingdom is entitled to a tax credit in respect of dividends paid by a company resident in the United Kingdom, the following provisions of this paragraph shall apply instead of the provisions of paragraph 3 of this Article:

a) (i) Dividends derived from a company which is a resident of the United Kingdom by a resident of Norway may be taxed in Norway.

(ii) Where a resident of Norway is entitled to a tax credit in respect of such a dividend under sub-paragraph b) of this paragraph tax may also be charged in the United Kingdom, and according to the laws of the United Kingdom, on the aggregate of the amount or value of that dividend and the amount of that tax credit at a rate not exceeding 15 per cent.

(iii) Where a resident of Norway is entitled to a tax credit in respect of such a dividend under sub-paragraph c) of this paragraph tax may also be charged in the United Kingdom, and according to the laws of the United Kingdom on the aggregate of the amount or value of that dividend and the amount of that tax credit at a rate not exceeding 10 per cent.

(iv) Except as provided in sub-paragraphs a) (ii) and a) (iii) of this paragraph, dividends derived from a company which is a resident of the United Kingdom and which are beneficially owned by a resident of Norway shall be exempt from any tax in the United Kingdom which is chargeable on dividends.

b) A resident of Norway who receives dividends from a company which is a resident of the United Kingdom shall, subject to the provisions of sub-paragraph c) of this paragraph and provided he is the beneficial owner of the dividends, be entitled to the tax credit in respect thereof to which an individual resident in the United Kingdom would have been entitled had he received those dividends and to the payment of any excess of such credit over his liability to United Kingdom tax.

c) The provisions of sub-paragraph b) of this paragraph shall not apply where the beneficial owner of the dividends is, or is associated with, a company which, either alone or together with one or more associated companies, controls, directly or indirectly, at least 10 per cent of the voting power in the company paying the dividends. In these circumstances a company which is a resident of Norway and receives dividends from a company which is a resident of the United Kingdom shall, provided it is the beneficial owner of the dividends, be entitled to a tax credit equal to one half of the tax credit to which an individual resident in the United Kingdom would have been entitled had he received those dividends, and to the payment of any excess of that tax credit over its liability to United Kingdom tax. For the purpose of this sub-paragraph two companies shall be deemed to be associated if one controls, directly or indirectly, more than 50 per cent of the voting power in the other company, or a third company controls more than 50 per cent of the voting power in both of them.

d) (i) The provisions of neither sub-paragraph b) nor sub-paragraph c) of this paragraph shall apply unless the recipient of a dividend shows (if required to do so by the competent authority of the United Kingdom on receipt of a claim by the recipient to have the tax credit set against United Kingdom income tax chargeable on him or to have the excess of the credit over that income tax paid to him) that the shareholding in respect of which the dividend was paid was acquired by the recipient for bona fide commercial reasons or in the ordinary course of making or managing investments and it was not the main object nor one of the main objects of that acquisition to obtain entitlement to the tax credit referred to in sub-paragraph b) or sub-paragraph c), as the case may be.

(ii) Norway may, on or before 30 June in any calendar year, give the United Kingdom, through diplomatic channels, notice of termination of sub-paragraph d) (i) and, in such event, it shall cease to have effect in relation to dividends paid on or after 6 April in the calendar year next following that in which such notice is given.

5. The term «dividends» for United Kingdom tax purposes includes any item which under the law of the United Kingdom is treated as a distribution and for Norwegian tax purposes includes any item which under the law of Norway is treated as a distribution.

6. If the beneficial owner of a dividend, being a resident of a Contracting State, owns 10 per cent or more of the class of shares in respect of which the dividend is paid then paragraphs 1 and 2, or as the case may be paragraphs 3 and 4, of this Article shall not apply to the dividend to the extent that it can have been paid only out of profits which the company paying the dividend earned or other income which it received in a period ending 12 months or more before the relevant date. For the purposes of this paragraph the term «relevant date» means the date on which the beneficial owner of the dividend became the owner of 10 per cent or more of the class of shares in question.

Provided that this paragraph shall not apply if the beneficial owner of the dividend shows that the shares were acquired for bona fide commercial reasons and not primarily for the purposes of securing the benefit of this Article.

7. The provisions of paragraphs 1 and 2, or as the case may be paragraphs 3 and 4, of this Article shall not apply where the beneficial owner of the dividends, being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment 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 the business carried on through such permanent establishment or fixed base. In such a case the provisions of Article 7 or Article 14 of this Convention, as the case may be, shall apply.

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

Article 11

Interest

1. Interest derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

2. The term «interest» for United Kingdom tax purposes includes any item which under the law of the United Kingdom is treated as interest and for Norwegian tax purposes includes any item which under the law of Norway is treated as interest, but shall not include any item which is treated as a dividend under the provisions of Article 10 of this Convention.

3. The provisions of paragraph 1 of this Article shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs 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 a case the provisions of Article 7 or Article 14 of this Convention, as the case may be, shall apply.

4. Where, owing to a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest exceeds, for whatever reason, 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 that case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

5. Any provision in the law of either Contracting State relating only to interest paid to a non-resident company shall not operate so as to require such interest paid to a company which is a resident of the other Contracting State to be treated as a distribution or dividend by the company paying such interest. The preceding sentence shall not apply to interest paid to a company which is a resident of one of the States and in which more than 50 per cent of the voting power is controlled, directly or indirectly, by a person or persons who are residents of the other State.

6. The provisions of this Article shall not apply if the debt-claim in respect of which the interest is paid was created or assigned mainly for the purpose of taking advantage of this Article and not for bona fide commercial reasons.

Article 12

Royalties

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

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 information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 of this Article shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State 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 a case, the provisions of Article 7 or Article 14 of this Convention, as the case may be, shall apply.

4. Where, owing to a special relationship between the payer and the beneficial owner or between both of them and some other person,

the amount of the royalties paid exceeds, for whatever reason, 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 that case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

5. The provisions of this Article shall not apply if the right or property giving rise to the royalties was created or assigned mainly for the purpose of taking advantage of this Article and not for bona fide commercial reasons.

Article 13

Capital gains

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 of this Convention may be taxed in the Contracting State in which such property is situated.

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

3. Gains from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft shall be taxable only in the Contracting State in which the profits of the enterprise are taxable according to Article 8 of this Convention.

4. Gains derived by an enterprise of a Contracting State from the alienation of containers (including trailers and related equipment for the transport of containers) used for the transport of goods or merchandise shall be taxable only in the Contracting State in which the place of effective management of that enterprise is situated except insofar as those containers or trailers and related equipment are used for transport solely between places within the other Contracting State.

5. Gains derived by a resident of a Contracting State from the alienation of more than 25 per cent of the shares in a company which is a resident of the other Contracting State may be taxed in that other State. This paragraph shall not apply however unless more than 50 per cent of the open market value of the property of that company which is used for the purposes of its trade or business is situated in that other Contracting State on the last day of each of three taxable years applicable to the company preceding the date of alienation, or, if the company has been in existence for less than three years before that date, on the last day of each preceding taxable year applicable to the company.

6. 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.

Article 14

Independent personal services

1. Income derived by an individual who is a resident of a Contracting State in respect of professional services or other activities of an independent character shall be taxable only in that State. However, such income may also be taxed in the other Contracting State if:

a) the individual is present in the other State for a period or periods exceeding in the aggregate 183 days in any period of 12 months; or

b) the individual has a fixed base regularly available to him in that other State for the purpose of performing his activities;

but only so much thereof as is attributable to services performed in that other State.

2. The term «professional services» includes, especially, independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

Article 15

Dependent personal services

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

2. Notwithstanding the provisions of paragraph 1 of this Article and subject to paragraph 3 of this Article, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if:

a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in any period of 12 months; 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

c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the other State.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Contracting State, in this paragraph called «the employee», and paid by or on behalf of an employer who is resident of that State in respect of an employment exercised in the other Contracting State where:

a) the employee renders services in the course of that employment to a person other than the employer who, directly or indirectly, supervises, directs or controls the manner in which those services are performed; and

b) the employer is not responsible for carrying out the purposes for which the services are performed.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic, may be taxed in the Contracting State in which the place of effective management of the

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

Article 16

Directors' fees

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

Article 17

Artistes and athletes

1. Notwithstanding the provisions of Articles 14 and 15 of this Convention, income derived by a resident of a Contracting State 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 Contracting 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 of this Convention, be taxed in the Contracting State in which the activities of the entertainer or athlete are exercised.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, income derived from such activities as defined in paragraph 1 of this Article performed under a cultural agreement concluded between the two Contracting States shall be taxable only in the State of which the entertainer or athlete is a resident.

Article 18

Pensions, annuities, alimony and social security payments

1. Subject to the provisions of paragraph 2 of Article 19 of this Convention, pensions and other similar remuneration, alimony and annuities as well as pensions and other payments under the Social Security system paid to a resident of a Contracting State shall be taxable only in that State.

2. 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.

3. Notwithstanding the provisions of paragraph 1 of this Article, any alimony or other maintenance payment paid by a resident of one of the Contracting States to a resident of the other Contracting State, shall, if it is not allowable as a relief to the payer, be taxable only in the first-mentioned State.

Article 19

Government service

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

b) Notwithstanding the provisions of sub-paragraph 1 a) of this Article such remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and the individual is a resident of that State who:
(i) is a national of that State; or
(ii) 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, a Contracting State or a political sub-division or a local authority thereof to an individual in respect of services rendered to that State or sub-division or authority shall be taxable only in that State. Where such pension is not subject to tax in that State, the pension may be taxed in the other Contracting State.

b) Notwithstanding the provisions of sub-paragraph 2 a) of this Article, such pension shall be taxable only in the other Contracting State if the individual is a resident and a national of that State.

3. The provisions of Articles 15, 16 and 18 of this Convention shall apply to remuneration and pensions in respect of services rendered in connection with a business carried on by a Contracting State or a political sub-division or a local authority thereof.

Article 20

Students

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

Article 21

Other income

1. Items of income of a resident of a Contracting State, wherever arising, other than income paid out of trusts, which are not expressly mentioned in the foregoing Articles of this Convention shall be taxable only in that State.

2. Income paid out of trusts may be taxed in both Contracting States.

3. The provisions of paragraph 1 of this Article shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6 of this Convention, 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 si-

tuated 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 of this Convention, as the case may be, shall apply.

Article 22

Capital

1. Capital represented by immovable property referred to in Article 6 of this Convention, owned by a resident of a Contracting State and situated in the other Contracting 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 a Contracting State has in the other Contracting State or by movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, may be taxed in that other State.

3. Capital represented by ships and aircraft operated in international traffic, and by movable property pertaining to the operation of such ships and aircraft, shall be taxable only in the Contracting State in which the profits are taxable according to Article 8 of this Convention.

4. Capital of an enterprise of a Contracting State represented by containers (including trailers and related equipment for the transport of containers) used for the transport of goods or merchandise shall be taxable only in the Contracting State in which the place of effective management of that enterprise is situated except insofar as those containers or trailers and related equipment are used for transport solely between places within the other Contracting State.

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

Article 23

Miscellaneous rules applicable to certain offshore activities

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

2. In this Article the term «offshore activities» means activities which are carried on offshore in connection with the exploration or exploitation of the seabed and subsoil and their natural resources situated in a Contracting State.

3. An enterprise of a Contracting State which carries on offshore activities in the other Contracting State shall, subject to paragraphs 4 and 9 of this Article, be deemed to be carrying on business in that other State through a permanent establishment situated therein.

4. The provisions of paragraph 3 of this Article shall not apply:

a) where the offshore activities are carried on in the other Contracting State for a period or periods not exceeding in the aggregate 30 days in any 12 month period. For the purposes of this sub-paragraph:

(i) where an enterprise of a Contracting State carrying on offshore activities in the other Contracting State is associated with an-

other enterprise carrying on substantially similar offshore 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;

(ii) an enterprise shall he 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;

b) to production activities to which the provisions of Article 24 of this Convention apply.

5. Where a resident of a Contracting State:

a) derives profits from the use or disposal of an asset or from services or business facilities provided in connection with the use of an asset,

b) may be taxed in the other Contracting State in respect of those profits by virtue of paragraph 3 of this Article, and

c) is associated with a licensee of the first-mentioned Contracting State who uses the asset in connection with an oil field and the profits arise under or in consequence of a scheme or arrangements the main purpose or one of the main purposes of which is the avoidance of petroleum revenue tax,

that other Contracting State may tax the licensee in respect of such profits in place of the recipient.

6. In the preceding paragraph:

a) «licensee» has the same meaning as in paragraph 7 a) of Article 24 of this Convention;

b) «oil field» means a petroleum reservoir or reservoirs determined by either Contracting State to be an oil field;

c) a person is associated with a licensee if he is so treated for the purpose of the relevant legislation of the Contracting State which may tax the profits referred to in that paragraph.

7. A resident of a Contracting State who carries on offshore activities in the other Contracting 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 that other State.

8. a) Where a resident of Norway carries on a trade in the United Kingdom consisting wholly or partly of the operation of a drilling-rig and for any chargeable period a writing-down allowance in respect of expenditure on the drilling-rig falls to be made to him in taxing that trade in the United Kingdom, the amount of the allowance (in this Article referred to as «the United Kingdom amount») shall, subject to sub-paragraph b) of this paragraph and to the making of a claim in that behalf to the competent authority of the United Kingdom, be increased or reduced, as the case may require, to such amount as equals the expenditure allowed to him as a deduction from his profits for the same period as depreciation on the drilling-rig for the purposes of Norwegian tax.

b) The amount to which the United Kingdom amount is increased or reduced on a claim being made for any period in accordance with sub-paragraph a) of this paragraph shall not exceed the qualifying expenditure (as defined for the purposes of United Kingdom tax), so far as it relates to the drilling-rig, which the claimant has for that period.

c) Where a resident of the United Kingdom carries on a trade in Norway consisting wholly or partly of the operation of a drilling-rig and for any accounting period he is entitled to deduct an amount of expenditure in computing his profits for the purposes of Norwegian tax as depreciation on the drilling-rig, that amount (in this Article referred to as «the Norwegian amount») shall, subject to sub-paragraph d) of this paragraph and to the making of a claim in that behalf to the competent authority of Norway, be increased or reduced, as the case may require, to such amount as equals the writing-down allowance made to him for the same period in respect of expenditure on the drilling-rig in taxing his trade in the United Kingdom.

d) The amount to which the Norwegian amount is increased or reduced on a claim being made for any period in accordance with sub-paragraph c) of this paragraph shall not exceed the qualifying expenditure (as defined for the purposes of Norwegian tax), so far as it relates to the drilling-rig, which the claimant has for that period.

9. Profits derived by a resident of a Contracting State from the operation, in connection with offshore activities, of ships or aircraft which are in their existing state designed primarily for the purpose of transporting supplies or personnel, or of tugboats or anchor handling vessels, shall be taxable only in that State. However, the provisions of this paragraph shall not apply to profits derived during any period in which such a ship or aircraft is contracted to be used mainly for purposes other than to transport supplies or personnel to or between places where offshore activities are being carried on.

10. a) Subject to sub-paragraphs b) and c) of this paragraph, salaries, wages and similar remuneration derived by a resident of a Contracting State in respect of an employment connected with offshore activities in the other Contracting State shall, to the extent that the duties are performed offshore in that other State, be taxable only in that other State.

b) Subject to sub-paragraph c) of this paragraph, salaries, wages and similar remuneration derived by a resident of a Contracting State in respect of an employment exercised aboard a ship or aircraft to the profits from the operation of which paragraph 9 of this Article applies, shall be taxable only in the State of which the person deriving the profits from the operation of the ship or aircraft is a resident.

c) Unless documentary evidence is produced to the competent authority of the other Contracting State that arrangements have been made for the payment of tax thereon in the Contracting State which has the sole right to tax the remuneration in accordance with sub-paragraph a) or b) of this paragraph, such remuneration may also be taxed in that other Contracting State.

11. Gains derived by a resident of a Contracting State from the alienation of:

a) exploration or exploitation rights; or

b) property situated in the other Contracting State and used in connection with offshore activities, as defined in paragraph 2 of this Article, carried on in that other State; or

c) shares deriving their value or the greater part of their value directly or indirectly from such rights or such property or from such rights and such property taken together;

may be taxed in that other State.

In this paragraph «exploration or exploitation rights» means rights to assets to be produced by the exploration or exploitation of

the seabed and subsoil and their natural resources in the other Contracting State, including rights to interests in or to the benefit of such assets.

Article 24

Transmedian line oil and gas fields

1. The provisions of this Article shall apply notwithstanding any other provisions of this Convention where the Governments of the two Contracting States have entered into an Agreement relating to the joint exploitation of a field which extends across the dividing line and that Agreement expressly provides for the application of these provisions.

2. Irrespective of where the production installations for a field are located, a Contracting State may, subject to paragraph 3 of this Article, tax, in accordance with the laws of that State, profits from the exploitation of the field which arise to a licensee of that State and shall not tax any such profits which arise to a licensee of the other Contracting State.

3. For the purpose of the application of the laws of a Contracting State relating to the taxation of profits arising from the exploitation of the field, a licensee shall be treated as having lifted over the production life of the field so much of the total production of that field as is attributed to that licensee under the final apportionment of the field made in accordance with an agreement as mentioned in paragraph 1 of this Article. However, in any accounting period or chargeable period a licensee may be charged to tax only on the profits from the oil (including gas and other hydrocarbons) lifted in that or earlier periods by the licensee and on any compensation receivable by the licensee for underliftings in that or earlier periods.

4. A Contracting State may tax gains realised on the disposal of and charge capital taxes in respect of, installations and equipment used for the joint exploitation of the field which are owned, wholly or partly, by a licensee of that State, regardless of the side of the dividing line between the two States on which the installations and equipment are situated. Where such assets are owned partly by a licensee of that State and partly by a licensee of the other Contracting State each State may tax its own licensees in respect of such part only of the gains, or charge capital taxes on such part only of the cost or value of the assets, as is proportionate to the interest of its licensees in those assets. However, a Contracting State shall not tax gains realised on the disposal of, or charge capital taxes in respect of, such assets as are wholly owned by a licensee of the other Contracting State.

5. Any profits or gains derived, or any capital owned, by a person in his capacity as the Unit Operator for the field shall be taxable only in the Contracting State of which that Unit Operator is a licensee.

6. The provisions of this Article shall have effect for each field in question from such date or dates specified in Articles 25 and 26 of this Convention.

7. In this Article:

a) the term «licensee» means, in the case of the United Kingdom, any person who is a licensee as defined in Section 12, sub-section 1 of the Oil Taxation Act 1975, or is a party to an agreement or arrangement referred to in paragraph 5 1 of Schedule 3 to the Oil Taxation Act 1975, and in the case of Norway, any person who holds a produc-

tion licence granted by the Government of Norway for the field in question, or such other person who has with the approval of the Government of Norway all or any of the licensee's rights, interests and obligations in connection with that field;

b) the term «field» means any petroleum reservoir or reservoirs in respect of which the Contracting States have concluded an Agreement as mentioned in paragraph 1 of this Article, governing the exploitation of such field;

c) the term «dividing line» means the dividing line established by the Agreement between the Governments of the two Contracting States relating to the Delimitation of the Continental Shelf between the two Countries signed at London on 10 March 1965 and the Protocol thereto signed at Oslo on 22 December 1978 and any futher Protocol thereto.

Article 25

Statfjord Field Reservoirs

1. The provisions of this Article shall apply to the Statfjord Field Reservoirs as defined in Article 23 of the Agreement between the Governments of the two Contracting States relating to the exploitation of the Statfjord Field Reservoirs and the offtake of petroleum therefrom signed at Oslo on 16 October 1979.

2. Where vessels are operated to transport oil (including gas and other hydrocarbons) from installations used for the joint exploitation of the Statfjord Field Reservoirs by a partnership which includes one or more partners resident in a Contracting State and one or more partners resident in the other Contracting State any profits or gains derived or any capital owned shall be taxable, in proportion to the share of the said partners, only in the State of which each such partner is a resident.

3. The provisions of this Article and of Article 24 of this Convention shall have effect for the Statfjord Field Reservoirs as follows:

a) in the United Kingdom, for any year of assessment, financial year or chargeable period beginning on or after 1 April 1979 including in the case of Petroleum Revenue Tax the first chargeable period thereof;

b) in Norway, for any year of income beginning on or after 1 January 1979 (including accounting periods closed in any such year).

4. This Article shall not have the effect of denying relief in respect of expenditure or losses incurred in connection with the field before 1 April 1979 or 1 January 1979 as the case may be.

Article 26

Murchison Field Reservoir

1. The provisions of this Article shall apply to the Murchison Field Reservoir as defined in Article 23 of the Agreement between the Governments of the two Contracting States relating to the exploitation of the Murchison Field Reservoir and the offtake of petroleum therefrom signed at Oslo on 16 October 1979.

2. Notwithstanding any other provision of this Convention the taxation of profits from the transportation, up to and through the terminal but not from the terminal, of oil (including gas and other hydrocarbons) from the Murchison Field Reservoir, and of gains realised

on the disposal of, and the charging of capital taxes in respect of, installations used for such transportation shall be governed by the principles set out in paragraphs 2 and 4 as appropriate of Article 24 of this Convention.

3. The provisions of this Article and of Article 24 of this Convention shall have effect for the Murchison Field Reservoir as follows:

a) in the United Kingdom, for any year of assessment, financial year or chargeable period beginning on or after 1 April 1980 including in the case of Petroleum Revenue Tax the first chargeable period thereof;

b) in Norway, for any year of income beginning on or after 1 January 1980 (including accounting periods closed in any such year).

4. This Article shall not have the effect of denying relief in respect of expenditure or losses incurred in connection with the field before 1 April 1980 or 1 January 1980 as the case may be.

Article 27

Elimination of double taxation

1. Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom (which shall not affect the general principle hereof):

a) Norwegian tax payable under the laws of Norway and in accordance with the provisions of this Convention, whether directly or by deduction, on profits, income or chargeable gains from sources within Norway (excluding in the case of a dividend, tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any United Kingdom tax computed by reference to the same profits, income or chargeable gains by reference to which the Norwegian tax is computed;

b) in the case of a dividend paid by a company which is a resident of Norway to a company which is a resident of the United Kingdom and which controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividend credit shall take into account (in addition to any Norwegian tax for which credit may be allowed under the provisions of sub-paragraph a) of this paragraph) the Norwegian tax payable by the company in respect of the profits out of which such dividend is paid.

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 United Kingdom, Norway shall, subject to the provisions of sub-paragraph b) of this paragraph, 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 income which, in accordance with the provisions of Articles 10, 16 or paragraph 2 of Article 21 of this Convention may be taxed in the United Kingdom, Norway shall allow as a deduction from the tax on the income of that person an amount equal to the tax paid in the United Kingdom. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is appropriate to the income derived from the United Kingdom.

c) Notwithstanding the provisions of sub-paragraph b) of this paragraph dividends paid by a company which is a resident of the United Kingdom to a company being a resident of Norway which controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividends shall be exempt from Norwegian tax to the extent that in accordance with the laws of Norway the dividends would be exempt from tax if both companies had been residents of Norway.

d) Where a resident of Norway derives income which, in accordance with the provisions of Article 23 of this Convention, may be taxed in the United Kingdom, Norway shall allow:

(i) as a deduction from the tax on the income of that resident, an amount equal to the income tax or capital gains tax paid in the United Kingdom;

(ii) as a deduction from the tax payable by the recipient of profits which are referred to in paragraph 5 of Article 23 of this Convention, an amount equal to the United Kingdom tax payable on those profits by the licensee in accordance with that paragraph.

Such deduction in either case shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable, as the case may be, to the income or the capital gains which may be taxed in the United Kingdom.

3. For the purposes of paragraph 1 of this Article income, profits and capital gains owned by a resident of the United Kingdom which may be taxed in Norway in accordance with this Convention shall be deemed to arise from sources in Norway.

Article 28

Non-discrimination

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.

2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting 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 paragraph shall not be construed as preventing Norway from taxing the total profits attributable to a permanent establishment maintained in Norway by a company which is a resident of the United Kingdom at a rate at which the undistributed profits of a Norwegian company may be taxed. However, if a company which is a resident of the United Kingdom whose profits are wholly attributable to a permanent establishment in Norway makes allocations for reserve funds equivalent at least to those required in the case of Norwegian company law for Norwegian companies, the amount of tax shall not exceed the tax which would have been imposed on a Norwegian corporation wholly owned by shareholders who are residents of the United Kingdom and on those shareholders having regard to the limitations laid down in Norwegian tax and company legislation as to dividend distribution and deductibility of such distribution and to the provisions of this Convention.

3. Nothing contained in this Article shall be construed as obliging either Contracting State to grant to individuals not resident in that

State any of the personal allowances, reliefs and reductions for tax purposes which are granted to individuals so resident.

4. The provisions of this Article shall not be construed as obliging Norway to grant to nationals of the United Kingdom, not being nationals of Norway, the exceptional tax relief which is accorded to Norwegian nationals and individuals born of parents having Norwegian nationality pursuant to Section 22 of the Norwegian Taxation Act.

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

6. The provisions of this Article shall apply to taxes of every kind and description.

Article 29

Mutual agreement procedure

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

3. The competent authorities of the Contracting 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 to consider measures to counteract improper use of the provisions of the Convention.

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

Article 30

Exchange of information

1. The competent authorities of the Contracting States shall exchange such information as is necessary for carrying out the provisions of this Convention or of the domestic laws of the Contracting States concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to the Convention. Any information received by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including

courts and administrative bodies) involved 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 judicial decisions.

2. In no case shall the provisions of paragraph 1 of this Article be construed so as to impose on a Contracting State the obligation:

a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;

b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;

c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).

Article 31

Members of diplomatic or permanent missions and consular posts

Nothing in this Convention shall affect the fiscal privileges of members of diplomatic or permanent missions or consular posts under the general rules of international law or under the provisions of special agreements.

Article 32

Personal allowances and limitation of relief

1. Where under any provision of this Convention income is relieved from Norwegian tax and, under the law in force in the United Kingdom, an individual, in respect of the said income is subject to tax by reference to the amount thereof which is remitted to or received in the United Kingdom and not by reference to the full amount thereof, then the relief to be allowed under this Convention in Norway shall apply only to so much of the income as is remitted to or received in the United Kingdom.

2. Subject to the provisions of paragraph 4 of this Article, individuals who are residents of Norway shall be entitled to the same personal allowances, reliefs and reductions for the purposes of United Kingdom taxation as British subjects not resident in the United Kingdom.

3. Subject to the provisions of paragraph 4 of this Article, individuals who are residents of the United Kingdom shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Norwegian tax as Norwegian nationals not resident in Norway.

4. Nothing in this Convention shall entitle an individual who is a resident of one of the States and whose income from the other State consists solely of dividends, interest or royalties (or solely of any combination thereof) to the personal allowances, reliefs and reductions of the kind referred to in this Article for the purposes of taxation in that other State.

Article 33

Entry into force

1. Each of the Contracting States shall notify to the other the completion of the procedures required by its law for the bringing into force of this Convention.

2. The Convention shall enter into force on the date of receipt of the later of these notifications and, subject to the provisions of paragraph 4 of this Article, shall thereupon have effect:

a) in the United Kingdom:

(i) in respect of income tax and capital gains tax, for any year of assessment beginning on or after 6 April 1986;

(ii) in respect of corporation tax, for any financial year beginning on or after 1 April 1986;

(iii) in respect of development land tax, for any realised development value accruing on or after 1 April 1986; and

(iv) in respect of petroleum revenue tax, for any chargeable period beginning on or after 1 January 1986;

b) in Norway:

in respect of taxes on income or capital relating to any calendar year beginning on or after 1 January 1986 (including accounting periods closed in any such year).

3. Subject to the provisions of paragraphs 4 and 5 of this Article the Convention between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital signed at London on the 22 January 1969 as amended by Protocols signed at London on 23 June 1977 and 30 September 1980 and at Oslo on 29 March 1978 and 16 October 1979 (hereinafter called the existing Convention) shall terminate upon the entry into force of this Convention and thereupon cease to have effect in respect of taxes to which this Convention, in accordance with the provisions of paragraph 2 of this Article, applies.

4. Notwithstanding the provisions of paragraphs 2 and 3 of this Article, this Convention shall have effect, and the existing Convention shall cease to have effect, in respect of tax on remuneration which is derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State:

a) in the United Kingdom:

on and after the date on which the Convention enters into force;

b) in Norway:

on and after 6 April 1985.

5. Where Article 20 of the existing Convention would have afforded any greater relief from tax than is due under this Convention, Article 20 shall continue to have effect for the three calendar years following the year in which this Convention enters into force.

6. The Agreement between the Government of the United Kingdom and the Government of Norway for the Reciprocal Exemption from Income Tax in certain cases of Profits accruing from the Business of Shipping, signed at London on 18 December 1924, and the Agreement between the Government of the United Kingdom and the Government of Norway for the Reciprocal Exemption from Taxes in

certain cases of Profits or Gains arising through an Agency, signed at London on 21 December 1938, shall terminate upon the entry into force of this Convention.

7. This Convention shall not affect any Agreement in force extending previous Conventions between the Contracting States to other territories.

Article 34

Termination

1. This Convention shall remain in force until terminated by one of the Contracting States. Either Contracting State may terminate the Convention, through the diplomatic channel, by giving notice of termination at least six months before the end of any calendar year after the year 1990. In such event, the Convention shall cease to have effect:

a) in the United Kingdom:

(i) in respect of income tax and capital gains tax, for any year of assessment beginning on or after 6 April in the calendar year next following that in which the notice is given;

(ii) in respect of corporation tax and development land tax, for any financial year beginning on or after 1 April in the calendar year next following that in which the notice is given;

(iii) in respect of petroleum revenue tax, for any chargeable period beginning on or after 1 January in the calendar year next following that in which the notice is given;

b) in Norway:

as respects taxes for any year of assessment chargeable on capital or income of the calendar year (including accounting periods closed in any such year) next following that in which the notice of termination is given, and subsequent years.

2. The termination of this Convention shall not have the effect of reviving any treaty or arrangement abrogated by this Convention or by treaties previously concluded between the Contracting States.

3. Notwithstanding the termination of the Convention in accordance with paragraph 1 of this Article the Convention shall in any event continue to apply to the joint exploitation of a field referred to in Article 24 of this Convention.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Convention.

Done in duplicate at Oslo this
3rd day of October 1985, in the Norwegian and English languages, both texts being equally authoritative.

For the Government of the Kingdom of Norway:	For the Government of the United Kingdom of Great Britain and Northern Ireland:
Svenn Stray	David Logan