

# Double Tax Treaties in CEE/SEE

Narrative chapters and tables on DTT  
between the following countries:

- Albania
- Austria
- Bosnia
- Bulgaria
- Croatia
- Czech Republic
- Hungary
- Romania
- Serbia
- Slovakia
- Slovenia
- Ukraine

by

**RA/StB MMag. Dr. Clemens Philipp Schindler, LL.M.**

**StB Dr. Andreas Baumann**

**RA/StB MMag. Dr. Benjamin Twardosz, LL.M.**

## The LexisNexis Group worldwide

Australia  
LexisNexis, CHATSWOOD, New South Wales  
Austria  
LexisNexis Verlag ARD Orac GmbH & Co KG, WIEN  
Benelux  
LexisNexis Benelux, AMSTERDAM  
Canada  
LexisNexis Canada, MARKHAM, Ontario  
China  
LexisNexis China, BEIJING and SHANGHAI  
France  
LexisNexis SA, PARIS  
Hong Kong  
LexisNexis Hong Kong, HONG KONG  
India  
LexisNexis Butterworths Wadhwa Nagpur, NEW DELHI  
Ireland  
Butterworths (Ireland) Ltd, DUBLIN  
Italy  
Giuffrè Editore, MILAN  
Japan  
LexisNexis Japan, TOKYO  
Korea  
LexisNexis, SEOUL  
Malaysia  
Malayan Law Journal Sdn Bhd, KUALA LUMPUR  
New Zealand  
LexisNexis NZ Ltd, WELLINGTON  
Poland  
Wydawnictwo Prawnicze LexisNexis Ltd, WARSAW  
Singapore  
LexisNexis Singapore, SINGAPORE  
South Africa  
LexisNexis Butterworths, DURBAN  
United Kingdom  
LexisNexis Butterworths, a Division of Reed Elsevier (UK) Ltd  
USA  
LexisNexis, DAYTON, Ohio

## Bibliographic Information of the German National Library (Deutsche Bibliothek)

The German National Library lists this publication in the German National Bibliography; detailed bibliographic data can be accessed in the internet at <http://dnb.ddb.de>.

**ISBN 978-3-7007-4779-6**

LexisNexis Verlag ARD Orac GmbH & Co KG, Vienna

<http://www.lexisnexis.at>

Vienna 2011

Order No. 32.98.01

All rights reserved, in particular the rights of duplication and distribution as well as translation. No part of this work may be reproduced in any form (photocopying, microfilm or other process) without the written consent of the publisher, nor may it be saved, processed, duplicated, or distributed using electronic systems.

It is noted that despite careful revision, all information in this reference book is provided without guarantee and any liability of the author or the publisher is excluded.

Foto Schindler: Wolf Theiss

Foto Baumann: Wolf Theiss

Foto Twardosz: Wolf Theiss

Printers: Prime Rate Kft, Budapest

## Preface

Double taxation treaties are the most important tools and sources of law in international tax matters. Over the last years, Wolf Theiss has built up a tax practice in CEE/SEE with many lawyers working regularly with "their" double taxation treaties. Given this unique team it appeared an obvious idea to publish a book about all of these double taxation treaties and to create a tool for clients and other practitioners who also work in that region.

While the expressed purpose of double taxation treaties is always the same, it is the detail of the treaty that is usually crucial in any specific review. For practitioners who do not regularly work with a specific treaty, the challenging thing is often to detect the differences to the OECD model convention and other "specialties" compared to treaties they are used to work with. We trust that this book will familiarize practitioners with the double taxation treaties of the CEE/SEE region and assist them to identify the specifics they need to know more quickly and precisely.

We believe for everybody who contributed to this project it was interesting to learn of the many different approaches and attitudes that tax authorities, courts, taxpayers and tax lawyers in so many countries have to treaty interpretation. It is not only that tax authorities and courts in two different countries express different opinions on the same facts. The extent and the manner in which double taxation treaties are applied, differ materially from country to country. Such practical experience is often divorced from academic research and theory, but still invaluable in meeting clients' needs.

We would like to thank all of the authors who dedicated their time and their experience to this project. It is hard to imagine how challenging, but also satisfying it is to put together and manage such large team of great lawyers. In view of that, this book is not only helpful and informative, but also a landmark of the good teamwork between Wolf Theiss lawyers throughout the region.

We also owe a debt of gratitude to the staff of LexisNexis, in particular Mr. Johannes Schultze and Mrs. Daniela de Comtes, who showed once again how professional, dedicated and patient they are when dealing with large teams and their "specialties". Last but not least we would like to thank our associates and assistants for their tremendous support in preparing and finalizing this project.

Furthermore, we would like to thank Elinore Richardson, President of the Institute for International Taxation, Inc., for contributing the introduction to this book as well as for her valuable comments to the chapters.

Vienna, August 2011

Clemens Ph. Schindler

Andreas Baumann

Benjamin Twardosz

## Authors

Andreas Baumann, *Vienna*

Balázs Békés, *Budapest*

Martina Gatterer, *Vienna*

Mihály Harcos, *Budapest*

Verena Heffermann, *Vienna*

Michaela Klar, *Vienna*

Sokol Nako, *Tirana*

Tomislav Popović, *Belgrade*

Aleksandra Raach, *Zagreb*

Iulia Radocea, *Bucharest*

Elinore Richardson, *Toronto*

Clemens Philipp Schindler, *Vienna*

Niklas Schmidt, *Vienna*

Denis Selimi, *Tirana*

Eva Strunz, *Vienna*

Valeriya Tarasenko, *Kiev*

Benjamin Twardosz, *Vienna*

Erzsébet Varga, *Budapest*

Gregor Zorman, *Vienna*

# Table of Contents

Preface.....	V
Authors.....	VII
<b>Introduction (Elinore Richardson)</b> .....	1
<b>Commentaries to Austria's Double Taxation Treaties     with CEE and SEE Countries</b>	
<b>Chapter I: Double Taxation Treaty Austria/Albania (Sokol Nako/Denis Selimi/ Clemens Philipp Schindler)</b> .....	11
1. Commentary.....	11
1.1 General Remarks and Definitions.....	11
1.2 Taxation of Income.....	12
1.2.1 Immovable Property.....	12
1.2.2 Business Profits.....	12
1.2.3 Dividends.....	12
1.2.4 Interest.....	13
1.2.5 Royalties.....	14
1.2.6 Capital Gains.....	14
1.2.7 Independent Personal Services (Professionals).....	15
1.2.8 Income from Employment.....	16
1.2.9 Directors' Fees.....	16
1.2.10 Artistes and Sportsmen.....	16
1.2.11 Pensions.....	17
1.2.12 Government Service.....	17
1.2.13 Students.....	17
1.2.14 Other Income.....	18
1.3 Taxation of Capital.....	18
1.4 Methods for Eliminating Double Taxation.....	18
1.5 Non-Discrimination.....	18
1.6 Mutual Agreement Procedure.....	19
1.7 Exchange of Information.....	19
2. Table.....	20
3. Selected EAS regarding the current or former DTTs.....	23
<b>Chapter II: Double Taxation Treaty Austria/Bosnia &amp; Herzegovina (Aleksandra Raach)</b> .....	25
1. Commentary.....	25
1.1 General Remarks and Definitions.....	25
1.2 Taxation of Income.....	25
1.2.1 Immovable Property.....	25
1.2.2 Business Profits.....	26
1.2.3 Dividends.....	26
1.2.4 Interest.....	27
1.2.5 Royalties.....	27
1.2.6 Capital Gains.....	27

1.2.7 Independent Personal Services (Professionals)	28
1.2.8 Income from Employment	28
1.2.9 Directors' Fees	28
1.2.10 Artistes and Sportsmen	28
1.2.11 Pensions	28
1.2.12 Government Service	28
1.2.13 Students	28
1.2.14 Professors and Teachers	29
1.2.15 Other Income	29
1.3 Property (Taxation of Capital)	29
1.4 Methods for Eliminating Double Taxation	29
1.5 Non-Discrimination	30
1.6 Mutual Agreement Procedure	30
1.7 Exchange of Information	30
2. Table	31
3. Selected EAS regarding the current or former DTTs	33
<b>Chapter III: Double Taxation Treaty Austria/Bulgaria (Balázs Békés/ Mihály Harcos/Erzsébet Varga)</b>	
1. Commentary	35
1.1 General Remarks and Definitions	35
1.2 Taxation of Income	37
1.2.1 Immovable Property	37
1.2.2 Business Profits	37
1.2.3 Dividends	38
1.2.4 Interest	38
1.2.5 Royalties	39
1.2.6 Capital Gains	39
1.2.7 Independent Personal Services	40
1.2.8 Income from Employment	40
1.2.9 Directors' Fees	40
1.2.10 Artistes and Sportsmen	41
1.2.11 Pensions	41
1.2.12 Government Service	41
1.2.13 Students and trainees	41
1.2.14 Teachers and researchers	42
1.2.15 Other Income	42
1.3 Taxation of Capital	42
1.4 Methods for Eliminating Double Taxation	42
1.5 Non-Discrimination	43
1.6 Mutual Agreement Procedure	43
1.7 Exchange of Information	43
2. Table	45
3. Selected EAS regarding the current or former DTTs	47
<b>Chapter IV: Double Taxation Treaty Austria/Croatia (Aleksandra Raach)</b>	
1. Commentary	51
1.1 General Remarks and Definitions	51
1.2 Taxation of Income	51
1.2.1 Immovable Property	51
1.2.2 Business Profits	51
1.2.3 Dividends	53
1.2.4 Interest	54
1.2.5 Royalties	54
1.2.6 Capital Gains	54
1.2.7 Independent Personal Services (Professionals)	54
1.2.8 Income from Employment	55
1.2.9 Directors' Fees	55
1.2.10 Artistes and Sportsmen	55
1.2.11 Pensions	55
1.2.12 Government Service	55
1.2.13 Students	55
1.2.14 Other Income	56
1.3 Taxation of Capital	56
1.4 Methods for Eliminating Double Taxation	56
1.5 Non-Discrimination	56
1.6 Mutual Agreement Procedure	57
1.7 Exchange of Information	57
2. Table	59
3. Selected EAS regarding the current or former DTTs	61
<b>Chapter V: Double Taxation Treaty Austria/Czech Republic (Andreas Baumann/Marina Gatterer/Niklas Schmidt)</b>	
1. Commentary	63
1.1 General Remarks and Definitions	63
1.2 Taxation of Income	64
1.2.1 Immovable Property	64
1.2.2 Business Profits	64
1.2.3 Dividends	65
1.2.4 Interest	66
1.2.5 Royalties	66
1.2.6 Capital Gains	67
1.2.7 Independent Personal Services (Professionals)	67
1.2.8 Income from Employment	67
1.2.9 Directors' Fees	68
1.2.10 Artistes and Sportsmen	68
1.2.11 Pensions	69
1.2.12 Government Service	69
1.2.13 Students	69
1.2.14 Other Income	69
1.3 Taxation of Capital	70
1.4 Methods for Eliminating Double Taxation	70
1.5 Non-Discrimination	70
1.6 Mutual Agreement Procedure	71

1.1 General Remarks and Definitions	51
1.2 Taxation of Income	51
1.2.1 Immovable Property	51
1.2.2 Business Profits	51
1.2.3 Dividends	53
1.2.4 Interest	54
1.2.5 Royalties	54
1.2.6 Capital Gains	54
1.2.7 Independent Personal Services (Professionals)	54
1.2.8 Income from Employment	55
1.2.9 Directors' Fees	55
1.2.10 Artistes and Sportsmen	55
1.2.11 Pensions	55
1.2.12 Government Service	55
1.2.13 Students	55
1.2.14 Other Income	56
1.3 Taxation of Capital	56
1.4 Methods for Eliminating Double Taxation	56
1.5 Non-Discrimination	56
1.6 Mutual Agreement Procedure	57
1.7 Exchange of Information	57
2. Table	59
3. Selected EAS regarding the current or former DTTs	61
<b>Chapter V: Double Taxation Treaty Austria/Czech Republic (Andreas Baumann/Marina Gatterer/Niklas Schmidt)</b>	
1. Commentary	63
1.1 General Remarks and Definitions	63
1.2 Taxation of Income	64
1.2.1 Immovable Property	64
1.2.2 Business Profits	64
1.2.3 Dividends	65
1.2.4 Interest	66
1.2.5 Royalties	66
1.2.6 Capital Gains	67
1.2.7 Independent Personal Services (Professionals)	67
1.2.8 Income from Employment	67
1.2.9 Directors' Fees	68
1.2.10 Artistes and Sportsmen	68
1.2.11 Pensions	69
1.2.12 Government Service	69
1.2.13 Students	69
1.2.14 Other Income	69
1.3 Taxation of Capital	70
1.4 Methods for Eliminating Double Taxation	70
1.5 Non-Discrimination	70
1.6 Mutual Agreement Procedure	71

1.7 Exchange of Information.....	71
2. Table.....	72
3. Selected EAS regarding the current or former DTTs.....	74
<b>Chapter VI: Double Taxation Treaty Austria/Hungary (Clemens Philipp Schindler/Benjamin Twardosz/Eva Strunz/Balázs Békés)</b>	
1. Commentary.....	83
1.1 General Remarks and Definitions.....	83
1.2 Taxation of Income.....	83
1.2.1 Immovable Property.....	83
1.2.2 Business Profits.....	84
1.2.3 Dividends.....	84
1.2.4 Interest.....	85
1.2.5 Royalties.....	85
1.2.6 Capital Gains.....	86
1.2.7 Independent Personal Services (Professionals).....	87
1.2.8 Income from Employment.....	87
1.2.9 Directors' Fees and Supervisory Board Members.....	88
1.2.10 Pensions.....	89
1.2.11 Government Service.....	89
1.2.12 Students.....	89
1.2.13 Other Income.....	90
1.3 Taxation of Capital.....	90
1.4 Methods for Eliminating Double Taxation.....	91
1.5 Non-Discrimination.....	91
1.6 Mutual Agreement Procedure.....	91
1.7 Exchange of Information.....	92
2. Table.....	93
3. Selected EAS regarding the current or former DTTs.....	95
<b>Chapter VII: Double Taxation Treaty Austria/Romania (Iulia Radocca/Benjamin Twardosz)</b>	
1. Commentary.....	101
1.1 General Remarks and Definitions.....	101
1.2 Taxation of Income.....	101
1.2.1 Immovable Property.....	101
1.2.2 Business Profits.....	102
1.2.3 Dividends.....	102
1.2.4 Interest.....	103
1.2.5 Royalties.....	103
1.2.6 Capital Gains.....	104
1.2.7 Independent Personal Services (Professionals).....	104
1.2.8 Director's Fees (Income from Employment).....	105
1.2.9 Directors' Fees.....	105
1.2.10 Artists and Sportsmen.....	105
1.2.11 Pensions and Annuities.....	106
1.2.12 Government Service.....	106

1.2.13 Students and Business Apprentices.....	106
1.2.14 Professors and Researchers.....	106
1.2.15 Other Income.....	107
1.3 Taxation of Capital.....	107
1.4 Methods for Eliminating Double Taxation.....	107
1.5 Non-Discrimination.....	108
1.6 Mutual Agreement Procedure.....	108
1.7 Exchange of Information.....	108
2. Table.....	109
3. Selected EAS regarding the current or former DTTs.....	112
<b>Chapter VIII: Double Taxation Treaty Austria/Serbia (Tomislav Popovic)</b>	
1. Commentary.....	115
1.1 General Remarks and Definitions.....	115
1.2 Taxation of Income.....	115
1.2.1 Immovable Property.....	115
1.2.2 Business Profits.....	115
1.2.3 Dividends.....	116
1.2.4 Interest.....	117
1.2.5 Royalties.....	118
1.2.6 Capital Gains.....	119
1.2.7 Independent Personal Services (Professionals).....	119
1.2.8 Income from Employment.....	120
1.2.9 Board of Directors Members' and Directors' Fees.....	120
1.2.10 Artists and Athletes.....	120
1.2.11 Pensions.....	121
1.2.12 Government Service.....	121
1.2.13 Students.....	121
1.2.14 Professors and Researchers.....	122
1.2.15 Other Income.....	122
1.3 Taxation of Capital.....	122
1.4 Methods for Eliminating Double Taxation.....	123
1.5 Non-Discrimination.....	123
1.6 Mutual Agreement Procedure.....	123
1.7 Exchange of Information.....	123
2. Table.....	125
3. Selected EAS regarding the current or former DTTs.....	128
<b>Chapter IX: Double Taxation Treaty Austria/Slovak Republic (Verena Heffermann)</b>	
1. Commentary.....	129
1.1 General Remarks and Definitions.....	129
1.2 Taxation of Income.....	129
1.2.1 Immovable Property.....	130
1.2.2 Business Profits.....	130
1.2.3 Dividends.....	131

<b>Chapter XI: Double Taxation Treaty Austria/Ukraine (Valeriya Tarasenko/ Clemens Philipp Schindler)</b>	159
1. Commentary	159
1.1 General Remarks and Definitions	159
1.2 Taxation of Income	160
1.2.1 Immovable Property	160
1.2.2 Business Profits	160
1.2.3 Dividends	160
1.2.4 Interest	161
1.2.5 Royalties	162
1.2.6 Capital Gains	163
1.2.7 Independent Personal Services	163
1.2.8 Income from Employment	164
1.2.9 Directors' Fees	164
1.2.10 Artistes and Sportsmen	164
1.2.11 Pensions	165
1.2.12 Government Service	165
1.2.13 Students	165
1.2.14 Other Income	165
1.2.15 Taxation of Capital	166
1.3 Methods for Eliminating Double Taxation	166
1.4 Non-Discrimination	167
1.5 Mutual Agreement Procedure	167
1.6 Exchange of Information	167
2. Table	168
3. Selected EAS regarding the current or former DTTs	171

### Unilateral Rules on Double Taxation Relief and Application of Double Taxation Treaties

<b>I. Austrian Domestic Rules on Double Taxation Relief and Application of Double Taxation Treaties (Benjamin Twardosz/Eva Strunz)</b>	175
1. Unilateral Double Taxation Relief in Austria	175
1.1 Legal Framework	175
1.2 The Decree	175
2. Tax Treaty Based Withholding Taxation Relief in Austria	178
2.1 Tax Return	178
2.2 Application for Refund	178
2.3 Decree on Source Relief	178
<b>II. Domestic Rules on Double Taxation Relief and Application of Double Taxation Treaties in CEE (Wolf Theiss CEE tax practice)</b>	183
1. Albania	183
1.1 Unilateral Double Taxation Relief	183
1.2 Double Taxation Relief based on Double Taxation Treaties	184
2. Bosnia and Herzegovina	184
2.1 Unilateral Double Taxation Relief	184

1.2.4 Interest	132
1.2.5 Royalties	133
1.2.6 Capital Gains	133
1.2.7 Independent Personal Services (Professionals)	134
1.2.8 Income from Employment	134
1.2.9 Directors' Fees	135
1.2.10 Artistes and Athletes	135
1.2.11 Pensions	135
1.2.12 Exercise of Public Functions	136
1.2.13 Students	136
1.2.14 Other Income	137
1.3 Taxation of Capital	137
1.4 Methods for Eliminating Double Taxation	137
1.5 Non-Discrimination	137
1.6 Mutual Agreement Procedure	138
1.7 Exchange of Information	139
2. Table	141
3. Selected EAS regarding the current or former DTTs	141

### Chapter X: Double Taxation Treaty Austria/Slovenia (Michaela Klar/ Niklas Schmidt/Gregor Zorman)

1. Commentary	145
1.1 General Remarks and Definitions	145
1.2 Taxation of Income	145
1.2.1 Immovable Property	145
1.2.2 Business Profits	146
1.2.3 Dividends	146
1.2.4 Interest	147
1.2.5 Royalties	147
1.2.6 Capital Gains	148
1.2.7 Independent Personal Services	148
1.2.8 Dependent Personal Services	149
1.2.9 Directors' Fees	149
1.2.10 Artistes and Sportsmen	149
1.2.11 Pensions	150
1.2.12 Government Service	150
1.2.13 Professors and Researchers	150
1.2.14 Students	151
1.2.15 Other Income	151
1.3 Taxation of Capital	151
1.4 Methods for Eliminating Double Taxation	152
1.5 Non-Discrimination	152
1.6 Mutual Agreement Procedure	152
1.7 Exchange of Information	154
2. Table	154
3. Selected EAS regarding the current or former DTTs	156

2.2 Double Taxation Relief based on Double Taxation Treaties	185
3. Croatia	186
3.1 Unilateral Double Taxation Relief	186
3.2 Double Taxation Relief based on Double Taxation Treaties	187
4. Czech Republic	188
4.1 Unilateral Double Taxation Relief	188
4.2 Double Taxation Relief based on Double Taxation Treaties	188
5. Hungary	189
5.1 Unilateral Double Taxation Relief	189
5.2 Double Taxation Relief based on Double Taxation Treaties	192
6. Romania	194
6.1 Unilateral Double Taxation Relief	194
6.2 Double Taxation Relief based on Double Taxation Treaties	195
7. Serbia	196
7.1 Unilateral Double Taxation Relief	196
7.2 Double Taxation Relief based on Double Taxation Treaties	198
8. Slovak Republic	200
8.1 Unilateral Double Taxation Relief	200
8.2 Application of Double Taxation Treaties	201
9. Slovenia	201
9.1 Unilateral Double Taxation Relief	201
9.2 Double Taxation Relief based on Double Taxation Treaties	203
10. Ukraine	204
10.1 Unilateral Double Taxation Relief	204
10.2 Double Taxation Relief based on Double Taxation Treaties	205

## Tables

Chapter I: Austria	209
Chapter II: Albania	211
Chapter III: Bosnia & Herzegovina	239
Chapter IV: Bulgaria	261
Chapter V: Croatia	287
Chapter VI: Czech Republic	307
Chapter VII: Hungary	325
Chapter VIII: Romania	343
Chapter IX: Serbia	359
Chapter X: Slovak Republic	371
Chapter XI: Slovenia	379
Chapter XII: Ukraine	383
Annex	
Annex 1: OECD Income and Capital Model Convention 2008	387
Annex 2: OECD Income and Capital Model Convention 2010	407
Annex 3	427

## Introduction

*Elinore Richardson, Toronto*

I am delighted as the President of the Institute for International Taxation, Inc. to be asked by the authors of this compendium of the treaties between Austria and the CEE/SEE Region to provide a short introductory chapter addressing the importance of treaties in the international tax context, and more particularly, highlighting the position of Austria, in part due to its extensive treaty network, as an attractive holding regime for investment by foreign investors. When clients approach a tax adviser with a proposal to make a cross border investment, to establish a new business operation or to expand an existing operation in a foreign jurisdiction, the tax adviser must first familiarise himself with the domestic tax laws in that jurisdiction. Once this has been accomplished, the adviser will want to inquire as to the existence of a bilateral investment agreement, a tax information exchange agreement, any multilateral assistance agreements, but, most importantly, a bilateral double taxation treaty between the client's jurisdiction of residence and the new jurisdiction in which the investment will be made. The importance of double taxation treaties in any analysis of the tax impact on an investor of making a cross-border investment cannot be underestimated as, in most cases, such treaties may override local domestic tax legislation and, often, may mitigate the domestic tax rules as they apply to a foreign investor that is entitled to the benefits of a double taxation treaty.

To understand the importance of double taxation treaties in the international tax context, one must first look at the tax policies of the jurisdictions which are entering into a double taxation treaty not only from a taxation, but also from a trade perspective. Meaningful double taxation agreements are generally negotiated between significant trading partners or between jurisdictions which anticipate that such treaties will serve as a catalyst to such trade relationships. Treaties are then negotiated between those jurisdictions, normally, where the tax administrations in both jurisdictions believe they will secure important domestic advantages for their jurisdictions. For example, a capital importer jurisdiction, which may not itself contemplate that its investors will be investing abroad, may conclude a double taxation treaty in order to attract new investment to grow and develop its economy or to access new capital markets for its local enterprises. Such new investment will then, it is hoped, increase jobs and economic activity in the capital importer jurisdiction. But, while the capital importer jurisdiction may then be willing to agree on certain tax concessions to attract new investment, it will also be concerned that, in the negotiation of such international arrangements, it protects its internal tax base from excessive erosion abroad. On the other hand, a capital exporter jurisdiction, in concluding a double taxation treaty, will look to the countries with which its investors have significant trade relationships and wish to secure for those investors important protections from the source jurisdiction, such as for example, reductions in the rates of domestic withholdings on dividends, interest and other passive income payments, exemptions from taxation of certain business profits and from capital gains on the sale



### III. Double Taxation Treaty Austria/Bulgaria

#### 1. Commentary

*Balázs Békés/Mihály Harcos/Erzsébet Varga*

##### 1.1 General Remarks and Definitions

The currently effective Convention concluded between Austria and Bulgaria for the avoidance of double taxation with respect to taxes on income and on capital (“**DTT Austria/Bulgaria 1984**”) entered into force on 1st July 1984 and has been effective as of 1 January 1985. On 12 February 2009, however, a new Convention (“**DTT Austria/Bulgaria 2009**”) was signed by the representatives of the two countries. Even if the DTT Austria/Bulgaria 2009 is not yet in force, in this summary we provide a brief introduction to the new provisions that are expected to become effective in the near future. We refer to the provisions of the DTT Austria/Bulgaria 1984 where it seems useful to highlight the main changes with respect to the previous rules.

Art 1 and 2 of the DTT Austria/Bulgaria 2009 describe the persons and the taxes covered by the DTT. The provisions mainly follow the recommendations of the OECD-MC, however, “taxes on the total amounts of wages or salaries paid by enterprises” are not included in the taxes covered (Art 2 Para 2). Both income taxes (personal and corporate income taxes) and capital taxes (land tax, real property tax) are covered by the DTT Austria/Bulgaria 2009. The DTT Austria/Bulgaria 2009 shall also apply to any identical or substantially similar taxes that are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes.

General definitions laid down in Art 3 of the DTT Austria/Bulgaria 2009 follow the OECD-MC; the concept of “business profits” is added, however, to the basic definitions. The term “business profits” shall also include income from the performance of professional services and other activities of an independent character.

The term “resident” (Art 4 of the DTT Austria/Bulgaria 2009) is defined in line with the OECD-MC, but there are some deviations with regard to legal persons. In their case the place of incorporation is also specified as a relevant criterion when determining residence. In addition, where a person other than an individual is a resident of both Contracting States, the competent authorities shall settle the question of residence by mutual agreement. In contrast to the OECD-MC, therefore, no presumption on the deemed residence in the State where the place of effective management is situated applies.

With respect to the term “permanent establishment” (Art 5 of the DTT Austria/Bulgaria 2009), as far as the “standard PE” and the “agency PE” notions are concerned, the new DTT’s rules are similar to those of OECD-MC. With regard to the “construction PE notion”, however, the DTT Austria/Bulgaria 2009 incorporates a

definition which is closer to that of the United Nations Model Convention; a building site or a construction constitutes a permanent establishment if it lasts more than 6 months (less than the "12 months" requirement set down in the OECD-MC). Item 2 of the protocol to the DTT Austria/Bulgaria 2009 includes a transitory provision that concerns the treatment of constructions underway at the time the DTT Austria/Bulgaria 2009 becomes applicable. Precisely, if a resident of a Contracting State had a building site, a construction, assembly or installation project in the other Contracting State on the date on which this Convention became applicable, and this project continues after the date on which this Convention became applicable, then the six-month period shall be calculated from this date, but this benefit shall in no case exceed twelve months from the date when the building site, the construction, assembly or installation project started to exist.

The DTT Austria/Bulgaria 1984, Art 1 to 3 of the DTT address the personal and objective scope of the DTT and includes some general definitions. The DTT does not follow precisely the present structure of the OECD-MC. The term "person" is defined by Art 1 Para 2 of the DTT, that provides that both individuals and legal entities shall be subject to the DTT's provisions. With respect to Bulgaria, the seat or the registered office of a legal entity shall be decisive when establishing residence, while in Austria, the seat or the place of management of the legal entity shall be of relevance. According to Art 1 Para 3, any individual resident in both Contracting States shall be deemed a resident of the State with which his personal and economic relations are closer (centre of vital interests).

Art 2 Para 1 includes a list of the taxes covered by the DTT, but the provisions in Art 2 Para 1 and 2 of the OECD-MC are missing. Identical and substantially similar taxes introduced after the date of signature of the DTT will also be covered, where the Contracting States differ with regard to the application of the DTT, there is provision for consideration of the necessity of amending the DTT.

The definitions Art 3 include only part of the definitions in the OECD-MC. It is stated, however, that "any term not specifically defined shall, unless the context otherwise requires, have the meaning which it has under the domestic tax law of the jurisdiction which is applying the DTT."

The definition of the term "permanent establishment" and the related rules change significantly in the DTT Austria/Bulgaria 2009. Art 5 of the DTT Austria/Bulgaria 1984 on permanent establishment expressly provides that the participation of a resident of Austria in a "mixed" company established under Bulgarian law is deemed to be a permanent establishment. The DTT Austria/Bulgaria 2009 does not include any specific provision on the issue.

At the time of signing the DTT Austria/Bulgaria 2009, the Contracting States agreed on a protocol that forms an integral part of the DTT Austria/Bulgaria 2009 ("Protocol"). In the Protocol, the Contracting States stipulate that provisions of the Convention which are drafted according to the corresponding provisions of the OECD-MC shall generally be expected to have the same meaning as expressed in

the OECD Commentary thereon. This rule shall not apply, however, with respect to the following:

- (a) any reservations or observations as well as any positions on the OECD-MC or its Commentary by either Contracting State;
- (b) any contrary interpretations in the Protocol to the DTT Austria/Bulgaria 2009;
- (c) any contrary interpretation in a published explanation by one of the Contracting States that has been provided to the competent authority of the other Contracting State prior to the entry into force of the Convention;
- (d) any contrary interpretation agreed to by the competent authorities after the entry into force of the Convention.

The Contracting States confirm the applicability of the Vienna Convention of 23 May 1969 on the Law of Treaties and accept that the OECD Commentary constitutes a means of interpretation in the sense of the Vienna Convention. The recourse to ambulatory interpretation is accepted, considering that revisions executed from time to time to the Commentary will be considered in interpretation.

## 1.2 Taxation of Income

### 1.2.1 Immovable Property

According to Art 6 of the DTT Austria/Bulgaria 2009, income from immovable property may be taxed in the Contracting State in which such property is located. In line with the OECD-MC, the term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property is situated, and it includes property accessory to immovable property as foreseen by the OECD-MC. The general rule also applies to income derived from the direct use, letting or use in any other form of immovable property and to income from the immovable property of an enterprise. The DTT Austria/Bulgaria 2009 follows the OECD-MC's provisions laid down in Art 6 of the OECD-MC.

### 1.2.2 Business Profits

The taxation of business profits corresponds to Art 7 of the OECD-MC. According to Art 7 of the DTT Austria/Bulgaria 2009, the profits of an enterprise of a Contracting State are taxable only in that State unless the enterprise conducts business in the other Contracting State through a permanent establishment located therein. If the enterprise carries on business through a permanent establishment in the other State, the profits of the enterprise may be taxed there but only to the extent that they are attributable to that permanent establishment.

The DTT Austria/Bulgaria 2009 introduces changes with respect to the DTT Austria/Bulgaria 1984's rules on business profits (Art 4 of the DTT Austria/Bulgaria 1984). According to the 1984 provisions, income which a silent partner derived from

his participation in a "silent partnership" (stille Gesellschaft) under Austrian law had to be taxed in accordance with the rules on business profits. The DTT Austria/Bulgaria 2009 does not include such a provision.

With respect to associated enterprises, the DTT Austria/Bulgaria generally follows Art 9 OECD-MC.

### 1.2.3 Dividends

Distribution of taxation rights between Austria and Bulgaria (Art 10 of the DTT Austria/Bulgaria 2009) deviate from the OECD-MC, as far as the limitations to the source State's taxing power is concerned. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident, but if the beneficial owner of the dividends is a company (other than a partnership), resident of the other Contracting State, the tax so charged shall not exceed **0 per cent** of the gross amount of the dividends. In all other cases, a 5 per cent rate shall apply.

It should be noted that Art 10 of the DTT Austria/Bulgaria 2009 does not include any holding requirement in relation to dividends distributed to companies. In such case 0 per cent of tax applies in the source State, independent of the recipient's participation in the distributing company. Where there is a distribution to individuals as opposed to companies, the source State may tax up to a 5 per cent limit.

Para 3 to 5 of Art 10 of the DTT Austria/Bulgaria 2009 correspond to the OECD-MC provisions.

The previous rules the DTT Austria/Bulgaria 1984, it is to be highlighted that the previous rules allowed for taxation of dividends only in the residence State of the recipient of the dividends. In addition, the term "dividends" was defined differently, which resulted in a more restrictive definition of the term.

### 1.2.4 Interest

According to Art 11 of the DTT Austria/Bulgaria 2009, interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in the residence State of the recipient of the income from interest. However, interest may also be taxed in the Contracting State in which it arises (i.e. the source State), but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the interest. The DTT Austria/Bulgaria 2009; therefore, allows for a more restricted taxation in the source State with respect to the OECD-MC, which provides for taxation up to a 10 per cent limit.

The DTT Austria/Bulgaria 2009 includes another important deviation from the OECD-MC, considering that it excludes taxation in the source State with regard to certain types of interest income. In fact, interest shall be taxable only in the residence

State of the recipient, if such recipient is the beneficial owner of the interest and if such interest is paid:

- (a) to the government of the Republic of Austria or to the government of the Republic of Bulgaria;
- (b) on a loan of whatever kind granted, insured or guaranteed by the Oesterreichische Kontrollbank AG or any comparable Bulgarian institution for purposes of promoting exports;
- (c) in connection with the sale on credit of any industrial, commercial or scientific equipment; or
- (d) on any loan of whatever kind granted by a bank.

All the other provisions related to interest correspond to the OECD-MC.

The DTT Austria/Bulgaria 2009 significantly changes the old rules on interests, given that according to the DTT Austria/Bulgaria 1984, interest was taxable only in the residence State, similarly to dividends.

### 1.2.5 Royalties

Art 12 of the DTT Austria/Bulgaria 2009 deviates from the OECD-MC's relevant provisions. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State, but no exemption applies in the source State as in the OECD-MC. Royalties may also be taxed in the Contracting State in which they arise, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties. Royalties shall be deemed to arise in the residence State of the payer. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the State in which the permanent establishment is situated.

The term "royalties", as well as the arm's length rule correspond to the provisions included in the OECD-MC.

According to the DTT Austria/Bulgaria 1984, royalties were taxable only in the residence State of the recipient, similarly to dividends and interests.

### 1.2.6 Capital Gains

As a general rule, and in line with the OECD-MC, gains with few exceptions are taxed in the state of residence of the alienator. As in the OECD-MC exceptions are provided for gains derived by a resident of a Contracting State from the alienation of immovable property situated in the other Contracting State, and for 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.

The DTT Austria/Bulgaria 2009, however, deviates from the OECD-MC on the following points:

- (a) gains derived from the alienation of ships or aircraft, etc. shall be taxable only in the State where the recipient of the capital gain is resident. The place of effective management has therefore no relevance (as it has according to Art 13 Para 3 last sentence OECD-MC).
- (b) there is no specific clause with regard to the alienation of shares in immovable property companies.
- (c) the DTT Austria/Bulgaria 2009 contains a specific provision with regard to gains from the alienation of shares in a company resident in the other Contracting State. In this case the residence State of the underlying company may have taxing rights. The provision does not apply, however, in relation to a) shares quoted on an approved Stock Exchange, or b) shares in a company of which the alienator holds at least 20 per cent of the capital. As the Protocol attached to the DTT Austria/Bulgaria 2009 clarifies, that on an alienation of shares mentioned in cases a) and b), only the Contracting State of which the alienator is resident shall tax the income.

#### 1.2.7 Independent Personal Services

The DTT Austria/Bulgaria 2009 does not include a separate article on this issue. As we have already mentioned in relation to Art 3 DTT Austria/Bulgaria 2009, the term "business profits" shall also include income from the performance of professional services and of other activities of an independent character. As a consequence, Art 7 DTT Austria/Bulgaria 2009 on Business Profits shall apply to that income.

The DTT Austria/Bulgaria 1984 governed the subject matter in Art 11 ("Fees"), providing that professional services of an independent character shall be only taxable in the residence State of the professional.

#### 1.2.8 Income from Employment

Rules on income from employment correspond to the OECD-MC, except for the rules on taxation of remuneration derived in respect of an employment exercised aboard a ship or aircraft, or aboard a boat engaged in inland waterways transport, operated by a resident of a Contracting State in international traffic. In this latter case, the residence State of the operator may tax the income.

The provisions on income from employment shall also apply in consideration of the Art 20 on "Teachers and researchers" of the DTT Austria/Bulgaria 2009.

#### 1.2.9 Directors' Fees

According to Art 15 of the DTT Austria/Bulgaria 2009, 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 any similar organ of a company which is a resident of the other Contracting State may be taxed in that other State.

#### 1.2.10 Artistes and Sportsmen

Para 1 and 2 of Art 16 of the DTT Austria/Bulgaria 2009 on Artistes and sportsmen correspond to Para 1 and 2 of Art 17 of the OECD-MC. The DTT Austria/Bulgaria 2009, however, includes an additional third paragraph with regard to performances supported by public funds or non-profit institutions. Precisely, income derived from activities performed in a Contracting State by artistes or sportsmen, if the visit to that State is wholly or mainly supported by public funds of the other State or political subdivisions or local authorities thereof or by an institution which is recognised as a non-profit institution, shall be taxable only in the Contracting State in which the person is a resident. In the application of these provisions, as the Protocol to the DTT Austria/Bulgaria 2009 clarifies, activities performed in the course of a visit in a Contracting State by artistes or sportsmen are mainly supported by public funds if at least 75 per cent of the expenditure of such activities is borne by the public funds. The provisions of Para 3 shall also apply to legal entities which carry on orchestras, theatres, ballet groups as well as to members of such cultural entities, if such legal entities substantially are non-profit entities and if this is certified by the competent authority of the State of residence.

#### 1.2.11 Pensions

Para 1 of Art 17 of the DTT Austria/Bulgaria 2009 corresponds to Art 18 of the OECD-MC. Para 2 of Art 17 of the DTT Austria/Bulgaria 2009, however, additionally provides that pensions paid and other similar payments made under a public scheme which is part of the social security system of a Contracting State, shall be taxable only in that State.

#### 1.2.12 Government Service

Art 18 of the DTT Austria/Bulgaria 2009 mainly follows the OECD-MC's structure. Generally, salaries, wages, and other similar remunerations, as well as pensions, in respect of government service, shall be subject to taxation only in the State to which the government services were rendered. Exceptions may apply in line with the OECD-MC.

#### 1.2.13 Students and trainees

According to Art 19 of the DTT Austria/Bulgaria 2009, a student or trainee who is present in a Contracting State solely for the purpose of his education or training and who is, or immediately before being so present was, a resident of the other Contracting State, shall be exempt from tax in the first-mentioned State on payments received from outside that first-mentioned State for the purposes of his maintenance, education or training. The provisions comply with the logic of the OECD-MC.

### 1.2.14 Teachers and researchers

The DTT Austria/Bulgaria 2009 includes a separate article on teachers and researchers, which is an additional provision with respect to the OECD-MC. Art 20 of the DTT Austria/Bulgaria 2009 governs the tax treatment of individuals present in a Contracting state for the sole purposes of education or training, for a period not exceeding two years. The Contracting State where such training or research is carried out shall exempt any remuneration for such activities, provided that the remuneration is derived from outside that State. The provisions shall not apply where the activities are undertaken by an individual primarily for the private benefit of some person or persons.

The DTT Austria/Bulgaria 1984 does not provide a specific provision with regard to this category of taxpayers.

### 1.2.15 Other Income

Art 21 Para 1 and 2 of the DTT Austria/Bulgaria 2009 correspond to Art 21, Para 1 and 2 of the OECD-MC. However, the DTT Austria/Bulgaria 2009 includes an additional Para 3 with regard to income derived from legal claims to maintenance. Under that provision, the resident State of the recipient may not tax that income, if it would be exempt from tax according to the laws of the other Contracting State. Under the Protocol to the DTT Austria/Bulgaria 2009, Para 3 shall also apply to remuneration for damage resulting from crimes, vaccinations or similar reasons, as well as alimony payments in the case of a divorce and child support payments. The income covered by this paragraph shall not be taken into consideration when applying the exemption with progression method.

No such specific provision is included in the DTT Austria/Bulgaria 1984.

### 1.3 Taxation of Capital

Art 22 Para 1, 2 and 4 of the DTT Austria/Bulgaria 2009 correspond to the relevant provisions of the OECD-MC. Taxation of capital represented by ships and aircraft is governed differently, however, with respect to the OECD-MC. Art 22, Para 3 of the DTT Austria/Bulgaria 2009 provides that capital represented by those articles shall be only taxable in the residence State of the operator of those ships, aircrafts, etc. Contrary to the OECD-MC, the place of effective management has no relevance.

### 1.4 Methods for Eliminating Double Taxation

The DTT Austria/Bulgaria 2009 provides for the **exemption method** and thus follows the provisions laid down in Art 23 A. of the OECD-MC.

The only exception is Art 23 Para 3 of the DTT Austria/Bulgaria 2009, which has a wider scope with respect to the OECD-MC. The rules laid down in that paragraph require deduction in the residence State of taxes paid in the source State not only for income from dividends and interest, but also with regard to royalty income (Art 12

of the DTT Austria/Bulgaria 2009) and income from capital gains derived from the alienation of shares of company (Art 13 Para 4 of the DTT Austria/Bulgaria 2009). The basic rules of Art 23 A. Para 2 of the OECD-MC are therefore extended to royalties and to capital gains from the alienation of shares.

Another deviation from the OECD-MC is that Art 23 Para 4 of the DTT Austria/Bulgaria 2009 applies also to royalties. Exemption, therefore, shall not apply in the residence State when royalties are taxed in the source state up to the reduced 5% rate provided by Art 12 Para 2 of the DTT Austria/Bulgaria 2009. The OECD-MC Convention refers only to dividends and interest in that regard.

### 1.5 Non-Discrimination

Art 24 of the DTT Austria/Bulgaria 2009 provides for the prohibition of tax discrimination on the grounds of nationality. Nationals of a Contracting State shall not be less favourably treated in the other Contracting State than the nationals of the latter State in similar circumstances, in particular with respect to residence. Contrary to the OECD-MC, these provisions do not apply however to stateless persons who are residents of a Contracting State (Art Para 2 OECD-MC is missing in the DTT Austria/Bulgaria).

Taxation of a permanent establishment shall not be less favourably levied in the State concerned than the taxation levied on an enterprise of that State carrying on the same activity.

Para 3 to 5 of the DTT Austria/Bulgaria 2009 correspond to the relevant provisions of Art 24 of the OECD-MC.

### 1.6 Mutual Agreement Procedure

Art 25 of the DTT Austria/Bulgaria 2009 governs the mutual agreement procedure to be followed by the competent authorities of the two Contracting States where taxation is not in accordance with the provisions of the DTT Austria/Bulgaria 2009. Art 25 Para 1 to 4 correspond to the OECD-MC. Contrary to the OECD-MC's provisions, however, in the DTT Austria/Bulgaria 2009 there is no possibility to refer to arbitration where a case cannot be resolved by mutual agreement.

### 1.7 Exchange of Information

Exchange of information under the DTT Austria/Bulgaria 2009 is more limited with respect to the OECD-MC. Under Para 1 of Art 26 of the DTT Austria/Bulgaria 2009, exchange of information shall be guaranteed where it is "necessary" for carrying out the provisions of the DTT Austria/Bulgaria 2009 or of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the 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 au-

thorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to the taxes referred to in the first sentence. 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.

Para 2 of Art 26 of the DTT Austria/Bulgaria 2009 corresponds to Para 3 of the OECD-MC. The provisions provided in Para 4 and 5 of the OECD-MC are not included in the DTT Austria/Bulgaria 2009, however. As a consequence, the provisions related to the collection of information and to the supply of information held by banks or financial institutions do not apply in the application of the DTT Austria/Bulgaria 2009. This is due to an earlier reservation of Austria to Art 26 OECD-MC, which Austria has withdrawn in the meantime.

## 2. Table

DTT Austria/Bulgaria	DTT Austria/Bulgaria vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Entry into force</b>	3 February 2011
<b>Effective Date</b>	1 January 2011 (other taxes) / 1 January 2012 (withholding taxes)
<b>Art 4 Resident</b>	Art 4 of this Convention does – in addition – contain the provision, that if a person other than an individual is a resident in both Contracting States, then the competent authorities of the both states shall settle the question of residence by mutual agreement.
<b>Art 5 Permanent establishment</b>	In contrast to the OECD-MC, Art 5 para 3 of this Convention foresees that a building site, a construction, assembly or installation project constitutes a permanent establishment if it lasts more than six months.
<b>Art 6 Income from immovable property</b>	Art 6 of this Convention corresponds to the OECD-MC.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International traffic</b>	Art 8 of this Convention – in contrast to Art 8 of the OECD-MC – does not include a provision concerning the place of effective management aboard a ship or boat.
<b>Art 10 Dividends</b>	In contrast to the OECD-MC, Art 10 para 2 of this Convention states that dividends may not be taxed in the Contracting State of which the legal entity paying the dividends is a resident if the beneficial owner is a company (other than a partnership) and in all other cases the withholding tax shall not exceed 5 per cent of the gross amount of the dividends.
<b>Art 11 Interest</b>	Art 11 para 2 of the Convention states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but the withholding tax shall not exceed 5 per cent of the gross amount of the interest. Art 11 para 3 of this Convention provides that, notwithstanding the provisions of para 2, interest arising

DTT Austria/Bulgaria	DTT Austria/Bulgaria vs OECD-MC Income and Capital Tax Treaty (2008)
	in a State shall be taxable only in the Contracting State of which the recipient is a resident, if such recipient is the beneficial owner of the interest and such interest is paid to the Government of one of the Contracting States, or on a loan of whatever kind granted, insured or guaranteed by the Oesterreichische Kontrollbank AG or any comparable Bulgarian institution for purposes of promoting exports, or in connection with the sale on credit of any industrial, commercial or scientific equipment or on any loan of whatever kind granted by a bank.
<b>Art 12 Royalties</b>	Art 12 para 2 of this Convention, in contrast to the OECD-MC, contains a special provision stipulating that royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but the withholding tax shall not exceed 5 per cent of the gross amount of the royalties.
<b>Art 13 Capital gains</b>	Art 13 of this Convention contains a special provision concerning gains from the alienation of shares of a company, other than shares quoted on an approved Stock Exchange, or shares in a company of which the alienator holds at least 20 per cent of the capital.
<b>Art 14 Income from employment</b>	This Convention does not include an Art 14 (which is deleted in the OECD-MC) concerning income derived in respect of professional activities or other activities of an independent character. Art 14 of this Convention corresponds to Art 15 of the OECD-MC including special provisions concerning income from employment.
<b>Art 15 Directors' fees</b>	Art 15 of this Convention – in accordance with Art 16 of the OECD-MC – includes special provisions concerning directors' fees.
<b>Art 16 Artistes and sportsmen</b>	Art 16 para 3 of this Convention, in contrast to the OECD-MC, provides that income mentioned in this article shall be exempt from tax in the Contracting State in which the activity of the artist or sportsman is exercised provided that the visit is wholly or mainly supported out of public funds of one state or a political subdivision or a local authority thereof or by an institution which is recognised as a non-profit institution.

DTT Austria/Bulgaria	DTT Austria/Bulgaria vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 20 Teachers and researchers</b>	In addition to the OECD-MC, Art 20 of this Convention contains special provisions concerning individuals who are teaching or carrying out research.
<b>Art 21 Other income</b>	Following Art 21 of the OECD-MC, Art 21 of this Convention states that income not dealt with in the other articles of the Convention shall be taxable only in the state of residence.  In addition, Art 21 para 3 states that income derived by a resident of a Contracting State from the other Contracting State under a legal claim to maintenance may not be taxed in the state of residence if such income would be exempt from tax according to the laws of the other Contracting State.
<b>Art 23 Exemption method</b>	According to Art 23 of this Convention, double taxation shall be avoided in both states by the exemption method with progression.
<b>Art 26 Exchange of information</b>	Art 26 para 1 of this Convention stipulates that the competent authorities of the Contracting States shall exchange information concerning taxes of every kind and descriptions imposed on behalf of the Contracting States, or of their political subdivisions or a local authorities, insofar as the taxation thereunder is not contrary to the provisions of the Agreement.

### 3. Selected EAS regarding the current or former DTTs

EAS Nummer	Titel	Datum	Schlagworte	Artikel
3177	Bulgarische Rechtsanwaltskanzlei mit österreichischen Klienten	20.08.2010	Einkünftezurechnung, Betriebsstätte	4
3169	Verzinsung einer kraft DBA nicht bestehenden Steuerschuld	21.06.2010	Veräußerungsgewinne, Verzinsung bei DBA-Steuer-	15 (4)

EAS Nummer	Titel	Datum	Schlagworte	Artikel
3040	Bulgarische Personengesellschaft mit österreichischen Partnern	11.02.2009	freiheit, Derogation nationalen Rechts vergleichbare Gesellschaftsformen, Typenvergleich, Einkünftezurechnung, Gewinnausschüttung (Personengesellschaft)	4, 8, 18
2982	Aufsichtsratsbezüge aus Bulgarien nach Erlangung der österreichischen Staatsbürgerschaft	11.06.2008	Ansässigkeit, Aufsichtsratsbezüge	1 (2), 11
2950	Zwischenschaltung einer bulgarischen Immobilien-KapGes	28.03.2008	Immobilienellschaften, Dividenden, unbewegliches Vermögen	4, 8, 14, 15
2924	Entsendung in den Vorstand bulgarischer Kapitalgesellschaften	21.12.2007	Qualifikation: Vorstandsbezüge	7, 11, 18
2915	Bauplanungsleistungen für ein Bauprojekt in Bulgarien	22.11.2007	Bauabzugssteuer, Betriebsstätte	
2118	Bulgarischer Personengeschaftergeschäftsführer	01.10.2002	Gesellschaftergeschäftsführer, Einkünfte aus selbstständiger Arbeit, Ansässigkeit	7, 11, 18
718	Konvertierung bulgarischer Staatsanleihen in bulgarische Aktien im Wege einer niederländischen B. V.	20.09.1995	Gewinnausschüttung, Dividendenzahlungen, Zinsen, erhöhte Mitwirkungspflicht	
602	Waggonvermietung nach Bulgarien	27.03.1995	Vermietungseinkünfte, „Ausrüstung“	4, 10 (3) lit a

EAS Nummer	Titel	Datum	Schlagworte	Artikel
430	Nutzung der Großrechenanlage der inländischen Muttergesellschaft durch Mitarbeiter der ausländischen Tochtergesellschaften	21.04.1994	Inlandsbetriebsstätte, Hilfspunkt	5 (4) lit f



<b>DTT Bosnia &amp; Herzegovina/ Slovenia</b>	<b>DTT Bosnia &amp; Herzegovina/Slovenia vs OECD- MC Income and Capital Tax Treaty (2008)</b>
<b>Art 26 Exchange of information</b>	According to Art 26 para 1 of this Convention, the competent authorities of the Contracting States shall exchange information concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the provisions of this Agreement.

## IV. Bulgaria

<b>DTT Albania/Bulgaria</b>	<b>DTT Albania/Bulgaria vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 214</i>
<b>DTT Austria/Bulgaria</b>	<b>DTT Austria/Bulgaria vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 45</i>

<b>DTT Bulgaria/Croatia</b>	<b>DTT Bulgaria/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Entry into force</b>	30 July 1998
<b>Effective Date</b>	1 January 1999
<b>Art 4 Resident</b>	Art 4 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 5 Permanent establishment</b>	Art 5 para 3 lit a of this Convention additionally mentions assembly and supervisory activities to constitute a permanent establishment. According to Art 5 para 3 lit b of this Convention, in contrast to the OECD-MC, the term "permanent establishment" likewise encompasses the use of an installation or drilling rig or ship to explore for or exploit natural resources if such use is for more than twelve months. Apart from that, Art 5 of this Convention does not include any deviations from the OECD-MC.
<b>Art 6 Income from immovable property</b>	In contrast to the OECD-MC, Art 6 para 4 of this Convention stipulates that the provisions of para 1 and para 3 shall also apply to income from immovable property used for the performance of independent personal services. This means that income derived from such immovable property situated in the other Contracting State is taxable in the other Contracting State.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International traffic</b>	Art 8 para 1 of this Convention – compared to the OECD-MC – includes profits derived from the opera-

DTT Bulgaria/Croatia	DTT Bulgaria/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)
	tion of road transport vehicles in international traffic and boats engaged in inland waterways transport. Art 8 of this Convention does not include provisions concerning the place of effective management aboard a ship or boat.
<b>Art 10 Dividends</b>	Art 10 para 2 of this Convention stipulates that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the withholding tax shall not exceed 5 per cent of the gross amount of the dividends. This Convention – in contrast to the OECD-MC – does not foresee that dividends shall be taxed with different tax rates depending on the amount of shares in the capital of the company.
<b>Art 11 Interest</b>	According to Art 11 para 2 of this Convention interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but – in contrast to the OECD-MC – the withholding tax shall not exceed 5 per cent of the gross amount of the interest. Furthermore, Art 11 para 5 of this Convention states that interest shall be deemed to arise in a Contracting State when the payer is that State itself, a local authority or a resident of that State.
<b>Art 12 Royalties</b>	Corresponding to Art 12 of the OECD-MC, Art 12 of this Convention does not foresee that royalties may also be taxed in the Contracting State in which they arise.
<b>Art 13 Capital gains</b>	Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State, may be taxed in that State.
<b>Art 14 Independent personal services</b>	This Convention still includes an Art 14 (which is deleted in the OECD-MC), stating that income derived from professional services or other similar services of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities

DTT Bulgaria/Croatia	DTT Bulgaria/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)
	(and this only applies to the income that is attributable to the fixed base).
<b>Art 15 Dependent personal services</b>	In contrast to Art 15 para 3 of the OECD-MC, Art 15 para 3 of this Convention additionally includes remuneration derived from employment exercised aboard a road transport vehicle operated in international traffic.
<b>Art 16 Directors' fees</b>	Art 16 of this Convention corresponds to Art 16 of the OECD-MC, including special provisions concerning directors' fees.
<b>Art 17 Artistes and sportsmen</b>	Art 17 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 20 Students</b>	In accordance with the OECD-MC, this Convention does not contain any provisions concerning professors and researchers, but does contain special provisions concerning students.
<b>Art 21 Other income</b>	Art 21 of this Convention corresponds to Art 21 of the OECD-MC, stating that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence.
<b>Art 23 Avoidance of double taxation</b>	According to Art 23 of this Convention, double taxation shall be avoided by the credit method.
<b>Art 26 Exchange of information</b>	Art 26 para 1 foresees that the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement.
DTT Bulgaria/Czech Republic	DTT Bulgaria/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Entry into force</b>	2 July 1999
<b>Effective Date</b>	1 January 2000
<b>Art 4 Fiscal domicile</b>	Art 4 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 5 Permanent establishment</b>	According to Art 5 para 3 lit b of this Convention, contrary to the OECD-MC, the term "permanent establishment" likewise encompasses the furnishing of

DTT Bulgaria/Czech Republic	DTT Bulgaria/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)
	<p>services, including consultancy or managerial services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose, but only where activities of that nature continue for a period or periods exceeding in the aggregate six months within any twelve-month period.</p> <p>Furthermore, Art 5 para 6 stipulates that an insurance enterprise of a Contracting State shall, except in regard to re-insurance, be deemed to have a permanent establishment if it collects premiums in the territory of that other State or insures risks situated in the other State through a person other than an agent of an independent status.</p>
<b>Art 6</b> <b>Income from immovable property</b>	<p>Art 6 of this Convention – compared to the OECD-MC – stipulates that the provisions of para 1 and para 3 shall also apply to income from immovable property used for the performance of independent personal services. This means that income derived from such immovable property situated in the other Contracting State is taxable in the other Contracting State.</p>
<b>Art 7</b> <b>Business profits</b>	<p>Art 7 of this Convention corresponds to Art 7 of the OECD-MC.</p>
<b>Art 8</b> <b>International traffic</b>	<p>Art 8 para 1 of this Convention – compared to the OECD-MC – additionally includes profits derived from the operation of railway or road transport vehicles in international traffic.</p> <p>Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport or provisions concerning the place of effective management aboard a ship or boat.</p>
<b>Art 9</b> <b>Associated enterprises</b>	<p>Art 9 does not contain – compared to the OECD-MC – the provision concerning an appropriate adjustment of the taxes charged in both States.</p>
<b>Art 10</b> <b>Dividends</b>	<p>Art 10 para 2 of this Convention provides that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner is a resident to the other Contracting State –</p>

DTT Bulgaria/Czech Republic	DTT Bulgaria/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)
	<p>in contrast to the OECD-MC – the withholding tax shall not exceed 10 per cent of the gross amount of the dividends. This Convention does not foresee that dividends shall be taxed with different tax rates depending on the amount of shares in the capital of the company.</p>
<b>Art 11</b> <b>Interest</b>	<p>Corresponding to the OECD-MC, Art 11 para 2 of this Convention stipulates that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the interest.</p> <p>Art 11 para 3 of this Convention – in contrast to the OECD-MC – states that interest shall be exempted from tax in the Contracting State in which it arises if it is derived and beneficially owned by the Government of the other Contracting State, including any local authority thereof, the Central Bank or any financial institution wholly owned by that Government or a resident of the other Contracting State in connection with the loan or credit guaranteed by the Government of that other State or if it is paid in connection with the sale on business credit of any equipment or merchandise.</p>
<b>Art 12</b> <b>Royalties</b>	<p>According to Art 12 para 2 of this Convention, royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.</p>
<b>Art 13</b> <b>Capital gains</b>	<p>Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State, may be taxed in that State.</p>

DTT Bulgaria/Czech Republic	DTT Bulgaria/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 14 Professional and other independent personal services</b>	Art 14 of this Convention, in contrast to the deleted Art 14 of the OECD-MC, provides that income derived from professional services or other similar activities of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities or if his stay in the other Contracting State is for a period or periods exceeding in the aggregate 183 days in any twelve-month period, commencing or ending in the fiscal year concerned (and this only applies to the income that is attributable to the fixed base or the activities performed in the other State).
<b>Art 15 Employment</b>	In Art 15 para 3 of this Convention, the computation of the periods mentioned in para 2 lit a, and in Art 15 para 4, the term "employer" mentioned in para 2 lit b is concretised.  In contrast to Art 15 para 3 of the OECD-MC, Art 15 para 5 of this Convention additionally includes remuneration derived from employment exercised aboard a railway or road vehicle operated in international traffic, but does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.
<b>Art 16 Directors' fees</b>	Art 16 of this Convention corresponds to Art 16 of the OECD-MC, including special provisions concerning directors' fees.
<b>Art 17 Artistes and sportsmen</b>	Art 17 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 20 Students</b>	This Convention, in accordance with the OECD-MC, contains special provisions concerning students, but not concerning professors and researchers.
<b>Art 21 Other income</b>	Corresponding to Art 21 of the OECD-MC, Art 21 of this Convention stipulates that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence, with an exception: if such income is derived from sources in the other Contracting State, than it may also be taxed in that other State.

DTT Bulgaria/Czech Republic	DTT Bulgaria/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 23 Elimination of double taxation</b>	Art 23 of this Convention states that double taxation shall be avoided by the credit method.
<b>Art 26 Exchange of information</b>	According to Art 26 para 1 of this Convention, the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement and in particular for the prevention of fraud or evasion in relation to such taxes.
<b>DTT Bulgaria/Hungary</b>	<b>DTT Bulgaria/Hungary vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Entry into force</b>	7 September 1995
<b>Effective Date</b>	1 January 1996
<b>Art 4 Resident</b>	Art 4 of this Convention corresponds to the OECD-MC.  In addition, Art 4 para 2 of this Convention stipulates that a person is not resident of a Contracting State for the purpose of the Convention if the person is liable to tax in that State in respect only of income from sources or capital situated therein.
<b>Art 5 Permanent establishment</b>	Art 5 of this Convention corresponds to the OECD-MC.
<b>Art 6 Income from immovable property</b>	In contrast to the OECD-MC, Art 6 para 4 of this Convention stipulates that the provisions of para 1 and para 3 shall also apply to income from immovable property used for the performance of independent personal services.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.  This Convention does not include a provision concerning the method of determining the profits attributed to a permanent establishment.
<b>Art 8 International traffic</b>	Compared to Art 8 para 1 of the OECD-MC, Art 8 para 1 of this Convention additionally includes profits

DTT Bulgaria/Hungary	DTT Bulgaria/Hungary vs OECD-MC Income and Capital Tax Treaty (2008)
Art 10 Dividends	<p>derived from the operation of road transport vehicles in international traffic.</p> <p>Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport.</p> <p>According to Art 10 para 2 of this Convention, dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends – in contrast to the OECD-MC – the withholding tax shall not exceed 10 per cent of the gross amount of the dividends. This Convention does not foresee that dividends shall be taxed with different tax rates depending on the amount of shares in the capital of the company.</p>
Art 11 Interest	<p>Following the OECD-MC, Art 11 para 2 of this Convention states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner, the withholding tax shall not exceed 10 per cent of the gross amount of the interest.</p> <p>In contrast to the OECD-MC, Art 11 para 3 contains a provision stipulating that interest arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if it is paid to the Government or to the Central Bank of that other State or in respect of a loan provided, guaranteed or insured by the Government of that other State which may be agreed upon between the competent authorities of the Contracting States.</p> <p>Furthermore, Art 11 para 6 of this Convention states that interest shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State.</p>
Art 12 Royalties	<p>Art 12 of this Convention – in contrast to Art 12 of the OECD-MC – foresees that royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner, the withholding tax shall not exceed 10 per cent of the gross amount of the royalties.</p>

DTT Bulgaria/Hungary	DTT Bulgaria/Hungary vs OECD-MC Income and Capital Tax Treaty (2008)
Art 13 Capital gains	<p>Furthermore, Art 12 para 5 of this Convention provides that royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State.</p> <p>Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State, may be taxed in that State.</p>
Art 14 Independent personal services	<p>Art 14 of this Convention – not corresponding to Art 14 of the OECD-MC, which is deleted – states that income derived from professional services or other similar activities of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities (and this only applies to the income that is attributable to the fixed base).</p>
Art 15 Dependent personal services	<p>In contrast to the OECD-MC, Art 15 para 3 of this Convention additionally includes remuneration derived from employment exercised aboard a road transport vehicle operated in international traffic, but does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.</p>
Art 16 Directors' fees	<p>Art 16 of this Convention corresponds to Art 16 of the OECD-MC, including special provisions concerning directors' fees.</p>
Art 17 Artistes and sportsmen	<p>Art 17 para 3 of this Convention stipulates that income shall be exempt from tax in the Contracting State in which the activity of the entertainer or sportsman is exercised, provided that this activity is supported in a considerable part out of public funds of the States or the activity is exercised under a cultural agreement or arrangement between the Contracting States.</p>
Art 21 Teachers	<p>Art 21 of this Convention contains special provisions concerning teachers.</p>

<b>DTT Bulgaria/Hungary</b>	<b>DTT Bulgaria/Hungary vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 22 Other income</b>	According to Art 22 of this Convention, which corresponds to Art 21 of the OECD-MC, income not dealt with in the other articles of the Convention shall be taxable only in the State of residence.
<b>Art 24 Elimination of double taxation</b>	Art 24 of this Convention foresees the exemption method with progression to avoid double taxation.
<b>Art 27 Exchange of information</b>	Art 27 para 1 stipulates that the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement.

<b>DTT Bulgaria/Romania</b>	<b>DTT Bulgaria/Romania vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Entry into force</b>	12 September 1995
<b>Effective Date</b>	1 January 1996
<b>Art 4 Resident</b>	Art 4 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 5 Permanent establishment</b>	According to Art 5 para 3 of this Convention, the term "permanent establishment" likewise encompasses a building site, a construction, assembly or installation project or supervisory activities in connection therewith, but only where such site, project or activities continue for a period of more than nine months within any twelve-month period. The term "permanent establishment" also comprises the furnishing of services, including consultancy services, by an enterprise through employees or other engaged personnel, provided that such activities continue for the same project or a connected project for a period or periods aggregating more than six months within any twelve-month period. Furthermore, Art 5 para 4 lit d stipulates in addition that the term "permanent establishment" shall be deemed not to include the sale of goods or merchandise belonging to the enterprise displayed in the scope of an occasional temporary fair or exhibition after the closing of the said fair or exhibition.

<b>DTT Bulgaria/Romania</b>	<b>DTT Bulgaria/Romania vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 6 Income from immovable property</b>	Art 6 para 4 of this Convention stipulates that the provisions of para 1 and para 3 – in contrast to the OECD-MC – shall also apply to income from immovable property used for the performance of independent personal services.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International traffic</b>	Art 8 para 1 of this Convention – compared to Art 8 para 1 of the OECD-MC – additionally includes profits derived from the operation of boats, railway and road vehicles in international traffic. Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport. In addition, Art 8 para 3 of the Convention stipulates that para 1 of the Article shall also apply to profits derived from the interest on funds related only to the operation of ships, aircraft, railway and road vehicles.
<b>Art 10 Dividends</b>	According to Art 10 para 2 lit a of this Convention, dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but – in contrast to the OECD-MC – the withholding tax shall not exceed 10 per cent of the gross amount of the dividends if the beneficial owner is a company (other than a partnership) which holds directly at least 25 per cent of the capital of the company paying the dividends. Corresponding to the OECD-MC, Art 10 para 2 lit b of this Convention foresees a tax rate of 15 per cent in all other cases.
<b>Art 11 Interest</b>	Art 11 para 2 of this Convention states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but – in contrast to the OECD-MC – if the recipient is the beneficial owner, the withholding tax shall not exceed 15 per cent of the gross amount of the interest. Art 11 para 3 of this Convention – in contrast to the OECD-MC – states that interest arising in a Contracting State shall be exempt from tax in that State if it is derived and beneficially owned by the Government

DTT Bulgaria/Romania	DTT Bulgaria/Romania vs OECD-MC Income and Capital Tax Treaty (2008)
	of the other Contracting State, by an administrative-territorial unit thereof or any agency or bank, unit or institution of that Government, or administrative-territorial unit or if the debt-claims of a resident of the other Contracting State are guaranteed, insured or directly or indirectly financed by a financial institution wholly owned by the Government of the other Contracting State, provided that the loan or debt-claims giving rise to such interest are not on a commercial basis. Furthermore, Art 11 para 6 of this Convention provides that interest shall be deemed to arise in a Contracting State when the payer is that State itself, an administrative-territorial unit or a resident of that State.
Art 12 Royalties	In contrast to Art 12 of the OECD-MC, Art 12 of this Convention stipulates that royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner, the withholding tax shall not exceed 15 per cent of the gross amount of the royalties.
Art 13 Capital gains	Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company the property of which consists directly or indirectly principally of immovable property situated in a Contracting State may be taxed in that State.
Art 14 Independent personal services	Art 14 of this Convention provides that income derived from professional services or other similar activities of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities (and this only applies to the income that is attributable to the fixed base).
Art 15 Dependent personal services	In contrast to Art 15 para 3 of the OECD-MC, Art 15 para 3 of this Convention additionally includes remuneration derived from employment exercised aboard a boat, railway or road vehicle operated in international traffic, but does not include such remuneration derived in respect of employment exercised aboard a boat engaged in inland waterway transport.

DTT Bulgaria/Romania	DTT Bulgaria/Romania vs OECD-MC Income and Capital Tax Treaty (2008)
Art 16 Directors' fees	Corresponding to Art 16 of the OECD-MC, Art 16 of this Convention includes special provisions concerning directors' fees.
Art 17 Artistes and sportsmen	Art 17 para 3 of this Convention stipulates that income derived from the activities performed within the framework of cultural exchanges established under cultural arrangements concluded between the two Contracting States shall be reciprocally exempt from tax, only if such activities are sponsored by the Government of a Contracting State and they are not carried out for the purpose of profits.
Art 21 Teachers and researchers	Art 21 of this Convention contains special provisions concerning teachers and researchers.
Art 22 Other income	According to Art 22 of this Convention – corresponding to Art 21 of the OECD-MC – income not dealt with in the other articles of the Convention shall be taxable only in the Contracting State in which they arise.
Art 24 Elimination of double taxation	Art 24 of this Convention provides the exemption method with progression to avoid double taxation.
Art 27 Exchange of information	Art 27 para 1 stipulates that the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement.

DTT Bulgaria/Serbia	DTT Bulgaria/Serbia (former DTT Bulgaria/Yugoslavia still applicable) vs OECD-MC Income and Capital Tax Treaty (2008)
Entry into force	10 January 2000
Effective Date	1 January 2001
Art 4 Resident	Art 4 of this Convention – in contrast to the OECD-MC – does not contain a para 3 including special provisions concerning any person other than an individual who is a resident of both Contracting States.
Art 5 Permanent establishment	Art 5 of this Convention corresponds to Art 5 of the OECD-MC.

<b>DTT Bulgaria/Serbia</b>	<b>DTT Bulgaria/Serbia (former DTT Bulgaria/Yugoslavia still applicable) vs OECD-MC Income and Capital Tax Treaty (2008)</b>
	taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner, the withholding tax shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
<b>Art 13 Capital gains</b>	Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State, may be taxed in that State.
<b>Art 14 Independent and other professional and other activities</b>	This Convention still includes an Art 14 (which is deleted in the OECD-MC) stipulating that income derived from professional services or other similar services of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities or if his stay in the other Contracting State is for a period or periods amounting to or exceeding in the aggregate 183 days in the fiscal year concerned (and this only applies to the income that is attributable to the fixed base or the activities performed in the other State).
<b>Art 15 Employment</b>	Art 15 para 3 of this Convention, in contrast to Art 15 para 3 of the OECD-MC, additionally includes remuneration derived from employment exercised in connection with a building site or construction or installation project for the period of twelve months during which the site or project do not constitute a permanent establishment and from employment exercised aboard a ship, boat, aircraft, railway or road transport vehicle operated in international transport. However, it does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.
<b>Art 16 Directors' fees</b>	Corresponding to Art 16 of the OECD-MC, Art 16 of this Convention includes special provisions concerning directors' fees.

<b>DTT Bulgaria/Serbia</b>	<b>DTT Bulgaria/Serbia (former DTT Bulgaria/Yugoslavia still applicable) vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 6 Income from immovable property</b>	According to Art 6 para 4 of this Convention, the provisions of para 1 and para 3 – in contrast to the OECD-MC – shall also apply to income from immovable property used for the performance of independent personal services.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International transport</b>	Art 8 para 1 of this Convention – compared to Art 8 para 1 of the OECD-MC – additionally includes profits derived from the operation of boats, railway and road vehicles in international transport. Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport or provisions concerning the place of effective management aboard a ship or boat.
<b>Art 10 Dividends</b>	Pursuant to the OECD-MC, Art 10 para 2 of this Convention provides that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but the withholding tax shall not exceed 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds directly at least 25 per cent of the capital of the company paying the dividends and in all other cases, the tax shall not exceed 15 per cent.
<b>Art 11 Interest</b>	Corresponding to the OECD-MC, Art 11 para 2 of this Convention states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner, the withholding tax shall not exceed 10 per cent of the gross amount of the interest. In contrast to the OECD-MC, Art 11 para 5 of this Convention states that interest shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State.
<b>Art 12 Royalties</b>	Art 12 of this Convention – in contrast to Art 12 of the OECD-MC – provides that royalties may also be



<b>DTT Bulgaria/Serbia</b>	<b>DTT Bulgaria/Serbia (former DTT Bulgaria/Yugoslavia still applicable) vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 17 Artistes and sportsmen</b>	Art 17 para 3 of this Convention stipulates that income derived from the activities as an entertainer or sportsman shall be taxable only in the State of residence if such activities are exercised within the context of a cultural or sports exchange programme approved by both Contracting States.
<b>Art 21 Professors and researchers</b>	Art 21 of this Convention contains special provisions concerning professors and researchers.
<b>Art 22 Other income</b>	Corresponding to Art 21 of the OECD-MC, Art 22 of this Convention states that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence.
<b>Art 24 Elimination of double taxation</b>	Art 24 of this Convention provides that double taxation shall be avoided by the credit method.
<b>Art 27 Exchange of information</b>	According to Art 27 para 1 of this Convention, the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement.

<b>DTT Bulgaria/Slovak Republic</b>	<b>DTT Bulgaria/Slovak Republic vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Entry into force</b>	2 May 2001
<b>Effective Date</b>	1 January 2002
<b>Art 4 Resident</b>	Art 4 para 2 of this Convention foresees that if an individual has an habitual abode in both States or neither of them, the competent authorities of the Contracting States shall settle the question of domicile by mutual agreement. The nationality of the individual shall have no effect on the status of residency.
<b>Art 5 Permanent establishment</b>	Art 5 para 6 of this Convention contains a special provision stipulating that an insurance enterprise of a Contracting State shall, except in regard to re-insurance, be deemed to have a permanent establishment if

<b>DTT Bulgaria/Slovak Republic</b>	<b>DTT Bulgaria/Slovak Republic vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 6 Income from immovable property</b>	it collects premiums in the territory of that other State or insures risks situated therein through a person other than an agent of an independent status. According to Art 6 para 4 of this Convention, the provisions of para 1 and para 3 – in contrast to the OECD-MC – shall also apply to income from immovable property used for the performance of independent personal services.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International traffic</b>	Art 8 para 1 of this Convention – compared to Art 8 para 1 of the OECD-MC – additionally includes profits derived from the operation of boats, railway and road vehicles in international traffic. Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport or provisions concerning the place of effective management aboard a ship or boat.
<b>Art 10 Dividends</b>	Art 10 para 2 of this Convention provides that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the dividends. In contrast to the OECD-MC, this Convention does not foresee that dividends shall be taxed with different tax rates depending on the amount of shares in the capital of the company.
<b>Art 11 Interest</b>	Art 11 para 2 of this Convention corresponds to the OECD-MC and states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the interest. In contrast to the OECD-MC, Art 11 para 3 of this Convention contains a special provision stipulating

DTT Bulgaria/Slovak Republic	DTT Bulgaria/Slovak Republic vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 12 Royalties and fees for services</b>	that interest arising in a Contracting State and paid to the Government of the other State or a statutory body thereof, or the National Bank of that other State, shall be exempt from tax in the first-mentioned State. According to Art 12 of this Convention – in contrast to Art 12 of the OECD-MC – royalties in addition to fees for services may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the royalties or fees for services.
<b>Art 13 Capital gains</b>	Art 13 of this Convention does not contain any special provisions that gains from the alienation of shares of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State, may be taxed in that State.
<b>Art 14 Independent professional and other personal services</b>	Art 14 of this Convention – not corresponding to the deleted Art 14 of the OECD-MC – states that income derived from professional services or other similar services of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities (and this only applies to the income that is attributable to the fixed base).
<b>Art 15 Employment</b>	In contrast to the OECD-MC, Art 15 para 3 of this Convention additionally includes remuneration derived from employment exercised aboard a boat, railway or road vehicle operated in international traffic, but does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.
<b>Art 16 Directors' fees</b>	Corresponding to Art 16 of the OECD-MC, Art 16 of this Convention includes special provisions concerning directors' fees.
<b>Art 17 Artistes and sportsmen</b>	Art 17 para 3 of this Convention states that income shall be exempt from tax in the Contracting State in which the activity of the entertainer or sportsman

DTT Bulgaria/Slovak Republic	DTT Bulgaria/Slovak Republic vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 21 Teachers and researchers</b>	is exercised, provided that this activity is supported wholly by public funds of either Contracting State or a local authority thereof, or the activity is exercised within the framework of a cultural or sport cooperation agreement between the Contracting States. Art 21 of this Convention contains special provisions concerning teachers and researchers.
<b>Art 22 Other income</b>	Corresponding to Art 21 of the OECD-MC, Art 22 of this Convention foresees that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence.
<b>Art 24 Elimination of double taxation</b>	According to Art 24 of this Convention, double taxation shall be avoided by the credit method.
<b>Art 27 Exchange of information</b>	Art 27 para 1 of this Convention stipulates that the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement.

  

DTT Bulgaria/Slovenia	DTT Bulgaria/Slovenia vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Entry into force</b>	4 May 2004
<b>Effective Date</b>	1 January 2005
<b>Art 4 Resident</b>	Art 4 of this Convention corresponds to Art 4 of the OECD-MC.
<b>Art 5 Permanent establishment</b>	Art 5 para 4 of this Convention contains a special provision stipulating that the term "permanent establishment" shall also include the furnishing of services, including consultancy or managerial services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose, where activities of that nature continue (for the same or a connected project) for a period or periods aggregating more than 183 days within any twelve-month period. Apart from that, there are no deviations from the OECD-MC.

DTT Bulgaria/Slovenia	DTT Bulgaria/Slovenia vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 6 Income from immovable property</b>	Art 6 para 4 of this Convention states that the provisions of para 1 and para 3 – in contrast to the OECD-MC – shall also apply to income from immovable property used for the performance of independent personal services.
<b>Art 7 Business profits</b>	Art 7 of this Convention corresponds to Art 7 of the OECD-MC.
<b>Art 8 International transport</b>	Art 8 para 1 of this Convention – in contrast to Art 8 para 1 of the OECD-MC – additionally includes profits derived from the operation of railway or road transport vehicles in international traffic. Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport or provisions concerning the place of effective management aboard a ship or boat.
<b>Art 10 Dividends</b>	Pursuant to the OECD-MC, Art 10 para 2 lit a of this Convention provides that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but the withholding tax shall not exceed 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds directly at least 25 per cent of the capital of the company paying the dividends. Art 10 para 2 lit b states that in all other cases, – in contrast to the OECD-MC – the tax shall not exceed 10 per cent.
<b>Art 11 Interest</b>	Art 11 para 2 of this Convention stipulates that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but – in contrast to the OECD-MC – if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 5 per cent of the gross amount of the interest. Furthermore, Art 11 para 3 of this Convention contains a special provision stipulating that interest arising in a Contracting State shall be exempt from tax in that State if it is derived and beneficially owned by the

DTT Bulgaria/Slovenia	DTT Bulgaria/Slovenia vs OECD-MC Income and Capital Tax Treaty (2008)
<b>Art 12 Royalties</b>	Government of the other Contracting State, a political subdivision or a local authority thereof, or the Central Bank of that other State. In contrast to the OECD-MC, Art 12 of this Convention provides that royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 5 per cent of the gross amount of royalties paid for the use of, or the right to use, any copyright of literary, artistic or scientific work (but not including cinematograph films) and the right to use, industrial, commercial or scientific equipment. The withholding tax shall not exceed 10 per cent of the gross amount of the royalties in all other cases.
<b>Art 13 Capital gains</b>	Corresponding to Art 13 para 4 of the OECD-MC, Art 13 para 2 of this Convention contains a special provision concerning gains from the alienation of shares or of a comparable interest of any kind deriving more than 50 per cent of their value directly or indirectly from immovable property situated in one State.
<b>Art 14 Independent personal services</b>	Art 14 of this Convention, contrary to the deleted Art 14 of the OECD-MC, provides that income derived from professional services or other activities of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities (and this only applies to the income that is attributable to the fixed base).
<b>Art 15 Income from employment</b>	Art 15 para 3 of this Convention, in contrast to Art 15 para 3 of the OECD-MC, additionally includes remuneration derived from employment exercised aboard a railway or road transport vehicle operated in international traffic, but does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.
<b>Art 16 Directors' fees</b>	In accordance with the OECD-MC, Art 16 of this Convention includes special provisions concerning directors' fees.

DTT Bulgaria/Slovenia	DTT Bulgaria/Slovenia vs OECD-MC Income and Capital Tax Treaty (2008)
Art 17 Artistes and sportsmen	Art 17 para 3 of this Convention states that the provisions of para 1 and para 2 shall not apply to income derived from activities exercised in a Contracting State by an entertainer or sportsman if the visit to that State is more than 50 per cent supported by public funds of the other Contracting State or a political subdivision or a local authority thereof.
Art 20 Teachers and researchers	Art 20 of this Convention contains special provisions concerning teachers and researchers.
Art 22 Other income	Corresponding to Art 21 para 1 of the OECD-MC, Art 22 of this Convention foresees that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence. According to Art 21 para 2 of this Convention income, which is derived by a resident from sources in the other State, may also be taxed in the State in which it arises, and according to the laws of that State.
Art 24 Elimination of double taxation	Art 24 of this Convention provides that double taxation in Bulgaria shall be avoided by the exemption method with progression, in Slovenia by the credit method.
Art 27 Exchange of information	Art 27 para 1 of this Convention stipulates that the competent authorities of the Contracting States shall exchange information concerning any kind of taxes imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to this Agreement.

DTT Bulgaria/Ukraine	DTT Bulgaria/Ukraine vs OECD-MC Income and Capital Tax Treaty (2008)
Entry into force	3 October 1997
Effective Date	1 January 1998
Art 4 Resident	Art 4 of this Convention contains special definitions for the term "resident of a Contracting State" for each Contracting State. Apart from that, there are no deviations from Art 4 of the OECD-MC.

DTT Bulgaria/Ukraine	DTT Bulgaria/Ukraine vs OECD-MC Income and Capital Tax Treaty (2008)
Art 5 Permanent establishment	Art 5 of this Convention contains special provisions stipulating that the term "permanent establishment" additionally includes, according to para 2 lit h, a warehouse or other premises used for delivery of goods and furthermore, according to para 3 lit b, an installation or structure for exploration of natural resources if it lasts for a period of more than three months.
Art 6 Income from immovable property	In contrast to the OECD-MC, Art 6 para 4 of this Convention stipulates that the provisions of para 1 and para 3 shall also apply to income from immovable property used for the performance of independent personal services.
Art 7 Business profits	Due to an extensive revision of Art 7 OECD-MC in 2010, Art 7 of this Convention deviates from Art 7 OECD-MC.  Art 7 para 3 of this Convention contains a special regulation concerning payments between a permanent establishment and the head office of the enterprise or any of its other offices.
Art 8 International traffic	Art 8 para 1 of this Convention – in addition to Art 8 para 1 of the OECD-MC – includes profits derived from the operation of boats and road vehicles in international traffic. Art 8 para 2 of this Convention additionally includes a definition for what kind of profits from the operation of ships or aircraft in internationally traffic are included, too.  Art 8 of this Convention does not include a provision concerning profits derived from the operating of boats engaged in inland waterways transport or provisions concerning the place of effective management aboard a ship or boat.
Art 10 Dividends	Corresponding to the OECD-MC, Art 10 para 2 of this Convention provides that dividends may be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but the withholding tax shall not exceed 5 per cent of the gross amount of the dividends if the beneficial owner is a company (other than a partnership) which holds directly at least 25 per cent of the capital of the company paying the dividends. In all other cases the tax shall not exceed 15 per cent.

DTT Bulgaria/Ukraine	DTT Bulgaria/Ukraine vs OECD-MC Income and Capital Tax Treaty (2008)
Art 11 Interest	<p>Art 11 para 2 of this Convention states that interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but – corresponding to the OECD-MC – if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the interest.</p> <p>Art 11 para 5 states that interest shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State.</p> <p>Additionally, Art 11 para 7 of this Convention contains a special anti-abuse provision.</p> <p>Furthermore, Art 11 para 8 of this Convention contains a special provision stipulating that interest arising in a Contracting State shall be exempt from tax in that State if it is received and beneficially owned by the Government of the other Contracting State or its political subdivision, or a statutory body thereof or the National Bank of that other State.</p> <p>In addition, Art 11 para 9 states that interest arising in a Contracting State paid to and beneficially owned by a resident of the other Contracting State shall be exempt from tax in the first-mentioned State if it was paid in respect of a loan provided, guaranteed or insured on behalf of the other Contracting State by its authorized organ.</p>
Art 12 Royalties	<p>In contrast to the OECD-MC, Art 12 para 2 of this Convention provides that royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the withholding tax shall not exceed 10 per cent of the gross amount of the payments.</p> <p>Furthermore, Art 12 para 6 of this Convention contains a special anti-abuse provision.</p> <p>Art 12 para 7 stipulates that royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State.</p>

DTT Bulgaria/Ukraine	DTT Bulgaria/Ukraine vs OECD-MC Income and Capital Tax Treaty (2008)
Art 13 Capital gains	<p>Corresponding to Art 13 para 4 of the OECD-MC, Art 13 para 2 of this Convention contains a special provision concerning gains from the alienation of shares, other than shares quoted on an approved Stock Exchange, deriving their value or the greater part of their value directly or indirectly from immovable property or the alienation of an interest in the assets of a person other than an individual where such assets consists principally of immovable property or of shares deriving their value of the greater part of their value directly or indirectly from immovable property.</p>
Art 14 Independent personal services	<p>Art 14 of this Convention contains a special provision that refers to the deleted Art 14 of the OECD-MC, providing that income derived from professional services or other activities of an independent character shall be taxable only in the State of residence, except if the earner has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities (and this only applies to the income that is attributable to the fixed base).</p>
Art 15 Income from employment	<p>Art 15 para 3 of this Convention, in contrast to Art 15 para 3 of the OECD-MC, does not include such remuneration derived from employment exercised aboard a boat engaged in inland waterway transport.</p>
Art 16 Directors' fees	<p>Corresponding to Art 16 of the OECD-MC, Art 16 of this Convention includes special provisions concerning directors' fees.</p>
Art 17 Artistes and sportsmen	<p>Art 17 para 3 of this Convention states that income derived from activities as an entertainer or sportsman that are wholly or substantially financed from the public funds of either Contracting State, or are carried on under a culture cooperation agreement between the Contracting States, shall be exempt from tax in the Contracting State, in which they are exercised.</p>
Art 21 Teachers	<p>Art 21 of this Convention contains special provisions concerning teachers.</p>
Art 22 Other income	<p>Corresponding to Art 21 of the OECD-MC, Art 22 of this Convention foresees that income not dealt with in the other articles of the Convention shall be taxable only in the State of residence.</p>

<b>DTT Bulgaria/Ukraine</b>	<b>DTT Bulgaria/Ukraine vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Art 24 Elimination of double taxation</b>	Art 24 of this Convention provides that double taxation in Bulgaria shall be avoided by the exemption method with progression, in Ukraine by the credit method.
<b>Art 27 Exchange of information</b>	Art 27 para 1 of this Convention the competent authorities of the Contracting States shall exchange information concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to this Agreement, in particular, to prevent fraud and tax evasion.

## V. Croatia

<b>DTT Albania/Croatia</b>	<b>DTT Albania/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 217</i>
<b>DTT Austria/Croatia</b>	<b>DTT Austria/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 59</i>
<b>DTT Bosnia &amp; Herzegovina/Croatia</b>	<b>DTT Bosnia &amp; Herzegovina/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 239</i>
<b>DTT Bulgaria/Croatia</b>	<b>DTT Bulgaria/Croatia vs OECD-MC Income and Capital Tax Treaty (2008)</b> <i>see page 261</i>
<b>DTT Croatia/Czech Republic</b>	<b>DTT Croatia/Czech Republic vs OECD-MC Income and Capital Tax Treaty (2008)</b>
<b>Entry into force</b>	28 December 1999
<b>Effective Date</b>	1 January 2000
<b>Art 4 Resident</b>	Art 4 of this Convention does not contain any special provisions in contrast to the OECD-MC.
<b>Art 5 Permanent establishment</b>	According to Art 5 para 3, the term "permanent establishment" likewise encompasses a building site, a construction, assembly or installation project or supervisory activities in connection therewith, but only where they last more than twelve months. The term "permanent establishment" also comprises the furnishing of services, including consultancy or managerial services, by an enterprise through employees or other engaged personnel, provided that such activities continue for a period or periods exceeding in the aggregate six months within any twelve month period.
<b>Art 6 Income from immovable property</b>	Art 6 para 4 – in contrast to the OECD-MC – states that the provisions of para 1 and para 3 of this Art shall also apply to income from immovable property