

Convention between Ireland and the Republic of Austria for the avoidance of double taxation with respect to taxes on income.

Ireland and the Republic of Austria, desiring to conclude a Convention for the avoidance of double taxation with respect to taxes on income, have agreed as follows:

Article 1

1. The taxes to which the Convention shall apply are:

(a) In the case of Austria:

(i) the income tax (Einkommensteuer);

(ii) the corporation tax (Körperschaftsteuer);

(iii) the contribution from income for the promotion of residential building and for the equalisation of family burdens (Beitrag vom Einkommen zur Förderung des Wohnbaues und Für Zwecke des familienlastenausgleiches);

(hereinafter referred to as "Austrian tax") and, to the extent provided by Articles 6 and 22, the taxes specifically mentioned in those articles;

(b) In the case of Ireland:

the income tax (including sur-tax) and the corporation profits tax,

(hereinafter referred to as "Irish tax").

2. The Convention shall also apply to any identical or substantially similar taxes which are subsequently imposed in addition to, or in place of, the existing taxes. At the end of each year, the competent authorities of the Contracting States shall notify to each other any changes which have been made in their respective taxation laws.

Article 2

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

(a) the terms "a Contracting State" and "the other Contracting State" mean the Republic of Austria or Ireland, as the context requires;

(b) the term "tax" means Austrian tax or Irish tax, as the context requires;

(c) the term "person" comprises an individual, a company and any other body of persons;

(d) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;

(e) (i) subject to the provisions of clauses (ii) and (iii) of this subparagraph, the terms "resident of Austria" and "resident of Ireland" mean respectively any person who is resident ("Wohnsitz" or "gewöhnlicher Aufenthalt") in Austria for the purposes of Austrian tax and not resident in Ireland for the purposes of Irish tax, and any person who is resident in Ireland for the purposes of Irish tax and not resident ("Wohnsitz" or "gewöhnlicher Aufenthalt") in Austria for the purposes of Austrian tax;

(ii) a company shall be regarded as resident in Austria if its business is managed and controlled in Austria, or if it is incorporated in Austria and its business is not managed and controlled in Ireland;

(iii) a company shall be regarded as resident in Ireland if its business is managed and controlled in Ireland. Provided that nothing in this paragraph shall affect any provisions of the law of Ireland regarding the imposition of corporation profits tax in the case of a company incorporated in Ireland and whose business is not managed and controlled in Austria;

(f) the terms "resident of a Contracting State" and "resident of the other Contracting State" mean a person who is a resident of Austria or a person who is a resident of Ireland, as the context requires;

(g) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;

(h) the term "competent authority" means:

1. in Austria: the Federal Ministry of Finance,

2. in Ireland: the Revenue Commissioners or their authorised representatives.

2. Where any Article of this Convention provides (with or without conditions) that income derived by a resident of a Contracting State from sources within the other Contracting State shall be taxable only in the first-mentioned State and, under the law in force in that first-mentioned State, the said income is subject to tax by reference to the amount thereof which is remitted to or received in that State and not by reference to the full amount thereof, then the exemption in the other State resulting from such Article shall apply only to so much of the income as is remitted to or received in the first-mentioned State.
3. As regards the application of the Convention by a Contracting State any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of the Convention.

Article 3

1. For the purposes of this Convention, the term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on.
2. The term "permanent establishment" shall include especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;
 - (d) a factory;
 - (e) a workshop;
 - (f) a mine, quarry, or other place of extraction of natural resources;
 - (g) a building site or construction or assembly project which exists for more than twelve months.
3. The term "permanent establishment" shall not be deemed to include:
 - (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
 - (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
 - (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;
 - (e) the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise.
4. A person acting in a Contracting State on behalf of an enterprise of the other Contracting State— other than an agent of an independent status to whom paragraph 5 applies—shall be deemed to be a permanent establishment in the first-mentioned State if he has, and habitually exercises in that State, an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.
5. An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that

other State through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the ordinary course of their business.

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

Article 4

1. Income from immovable property may be taxed in the Contracting State in which such property is situated.
2. The term "immovable property" shall be defined in accordance with the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources.
3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of professional services.

Article 5

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere.
4. In so far as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles laid down in this Article.
5. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.
6. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.
7. The provisions of paragraphs 1 to 6 shall also apply to income derived by a sleeping partner in a sleeping partnership (stille Gesellschaft) under Austrian law.

Article 6

1. Profits from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
2. In respect of the operation of ships or aircraft in international traffic an Irish enterprise shall be exempt from the tax on commercial and industrial enterprises, including the tax levied on the sum of wages (Gewerbsteuer including Lohnsummensteuer), from the capital tax (Vermögensteuer) and from the tax on property eluding death duties (abgabe von Vermögen, die der Erbschaftssteuer entzogen sind).

Article 7

Where

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

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

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

Article 8

1. 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.
2. Dividends paid by a company which is a resident of Ireland to a resident of Austria shall be exempt from Irish sur-tax.
3. Tax imposed in Austria on dividends paid by a company which is a resident of Austria to a resident of Ireland shall not exceed 10 per cent of the gross amount thereof. Where, however, the resident of Ireland is a company (other than a partnership) which holds at least 25 per cent of the capital of the Austrian company the dividends shall be exempt from Austrian tax. Notwithstanding the foregoing provisions of this paragraph tax may be deducted at the full rate in Austria from all such dividends but the relief provided for may be allowed by repayment on a claim being made.
4. Paragraph 3 shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.
5. Dividends paid by a company which is a resident of Ireland to a company which is a resident of Austria shall be exempt from Austrian tax. This exemption shall not apply unless in accordance with the laws of Austria the dividends would have been exempt from Austrian tax if the first-mentioned company had been a resident of Austria and not a resident of Ireland.
6. The term "dividends" as used in this Article means income from shares, "jouissance" shares or "jouissance" rights, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights assimilated to income from shares by the taxation law of the State of which the company making the distribution is a resident.
7. The provisions of paragraphs 1, 2 and 3 shall not apply if the recipient of the dividends, being a resident of a Contracting State, has in the other Contracting State, of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case, the provisions of Article 5 shall apply.
8. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company to persons who are not residents of that other State, or subject the company's undistributed profits to a tax on undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

Article 9

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State.
2. The term "interest" as used in this Article means income from Government securities, bonds or debentures, whether or not secured by mortgage and whether or not carrying a right to participate in profits, and debt-claims of every kind as well as all other income assimilated, by the taxation law of the State in which the income arises, to income from money lent.
3. The provisions of paragraph 1 shall not apply if the recipient of the interest, being a resident of a Contracting State, has in the other Contracting State in which the interest arises a permanent establishment with which the debt-claim from which the interest arises is effectively connected. In such a case, the provisions of Article 5 shall apply.
4. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the interest paid, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this Article shall apply only to the last mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

Article 10

1. Subject to the provisions of paragraph 2 royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State.
2. Royalties which are paid by a company which is a resident of Austria to a resident of Ireland who owns more than 50 per cent of the share capital of the debtor company may, notwithstanding the provisions of paragraph 1, be taxed in Austria; such tax may not, however, exceed 10 per cent of the gross amount of the royalties.
3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial, or scientific equipment, or for information concerning industrial, commercial or scientific experience.
4. The provisions of paragraphs 1 and 2 shall not apply if the recipient of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise a permanent establishment with which the right or property giving rise to the royalties is effectively connected. In such a case, the provisions of Article 5 shall apply.
5. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties paid, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

Article 11

1. Gains from the alienation of immovable property, as defined in paragraph 2 of Article 4, may be taxed in the Contracting State in which such property is situated.
2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing professional services, including such gains from the alienation of such a permanent establishment (alone or together with the whole enterprise) or of such a fixed base, may be taxed in the other State. However, gains from the alienation of ships and aircraft operated in international traffic and movable property pertaining to the operation of such ships and aircraft shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated. The provisions of this paragraph shall also apply to the alienation of a participation in a partnership.
3. Gains from the alienation of any property other than those mentioned in paragraphs 1 and 2, shall be taxable only in the Contracting State of which the alienator is a resident.

Article 12

1. Income derived by a resident of a Contracting State in respect of professional services or other independent activities of a similar character shall be taxable only in that State unless he has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities. If he has such a fixed base, the income may be taxed in the other Contracting State but only so much of it as is attributable to that fixed base.
2. The term "professional services" includes, especially, independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects and accountants.

Article 13

1. Subject to the provisions of Articles 14, 16 and 17, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.
2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if:
 - (a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in the fiscal year concerned, and
 - (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other State, and
 - (c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the other State.
3. Notwithstanding the preceding provisions of this Article, remuneration in respect of an employment exercised aboard a ship or aircraft in international traffic may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

Article 14

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

Article 15

Notwithstanding the provisions of Articles 12 and 13, income derived by public entertainers, such as theatre, motion picture, radio or television artists, and musicians, and by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.

Article 16

Subject to the provisions of paragraph 1 of Article 17, pensions and other similar remuneration paid to a resident of a Contracting State in consideration of past employment shall be taxable only in that State.

Article 17

1. Remuneration, including pensions, paid by, or out of funds created by, a Contracting State or a political subdivision or a local authority thereof to any individual in respect of services rendered to that State or subdivision or local authority thereof in the discharge of functions of a governmental nature shall be taxable only in that State, unless the individual is a national of the other Contracting State without being also a national of the first-mentioned State.
2. The provisions of Articles 13, 14 and 16 shall apply to remuneration or pensions in respect of services rendered in connection with any trade or business carried on by one of the Contracting States or a political subdivision or a local authority thereof.

Article 18

1. Payments which a student or business apprentice who is or was formerly a resident of a Contracting State and who is present in the other Contracting State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that other State, provided that such payments are made to him from sources outside that other State.
2. Remuneration which a student or business apprentice who is or was formerly a resident of a Contracting State derives from an employment which he exercises in the other Contracting State for the purposes of practical training for a period or periods not exceeding in the aggregate 183 days in the fiscal year concerned shall not be taxed in that other State.

Article 19

An individual from a Contracting State who receives payments for carrying out advanced study or research or for teaching, during a period of temporary residence not exceeding two years, at a university, college, research institute, or other similar establishment in the other Contracting State, shall be exempt from tax in that other State in respect of such payments.

Article 20

Items of income of a resident of a Contracting State which are not expressly mentioned in the foregoing Articles of this Convention shall be taxable only in that State.

Article 21

1. Individuals who are residents of Austria shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Irish tax as Irish citizens who are not resident in Ireland.
2. Individuals who are residents of Ireland shall be entitled to the same personal allowances, reliefs and reductions for the purposes of Austrian tax as Austrian nationals who are not resident in Austria.

Article 22

1. Where a resident of Austria derives income, which in accordance with the provisions of this Convention, may be taxed in Ireland, Austria shall allow as a deduction from Austrian tax an amount equal to the Irish tax payable, whether directly or by deduction, in respect of such income. The deduction shall not, however, exceed that part of the Austrian tax, as computed before the deduction is given, which is appropriate to the income which may be taxed in Ireland.
2. Subject to the provisions of the law of Ireland regarding the allowance as a credit against Irish tax of tax payable in a territory outside Ireland, Austrian tax payable under the laws of Austria and in accordance with this Convention, whether directly or by deduction, in respect of income from sources within Austria shall be allowed as a credit against any Irish tax payable in respect of that income. Where such income is an ordinary dividend paid by a company resident in Austria the credit shall take into account (in addition to any Austrian tax payable in respect of the dividend) the Austrian tax payable by the company in respect of its profits, and, where it is a dividend paid on participating preference shares and representing both a dividend at a fixed rate to which the shares are entitled and an additional participation in profits, the Austrian tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate. For the purpose of this paragraph the expression "Austrian tax" shall include the tax on commercial and industrial enterprises (Gewerbsteuer) in so far as it is computed on a profits basis and the directors' tax (Aufsichtsratsabgabe).
3. The provisions of paragraphs 1 and 2 shall likewise apply to the taxation of an individual who is resident in Austria for the purposes of Austrian tax and also resident in Ireland for the purposes of Irish tax.
4. For the purposes of this Article income derived from sources in the United Kingdom by an individual who is resident in Ireland shall be deemed to be income from sources in Ireland if such income is not subject to United Kingdom income tax.
5. For the purposes of this Article, profits or remuneration arising from the exercise of a profession or employment in one of the Contracting States shall be deemed to be income from sources within that Contracting State, and the services of an individual whose services are wholly or mainly performed in ships or aircraft operated by a resident of a Contracting State shall be deemed to be performed in that Contracting State.

Article 23

1. The nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.
2. The term "nationals" means;
 - a. in relation to Austria, all nationals of the Republic of Austria and all legal persons, partnerships and associations deriving their status as such from the law in force in Austria,
 - b. in relation to Ireland, all citizens of Ireland and all legal persons, partnerships and associations deriving their status as such from the law in force in Ireland.
3. This Article shall not be construed as obliging Ireland to grant to nationals of Austria any relief or exemption allowed in accordance with the provisions of the Finance (Profits of Certain Mines) (Temporary Relief from Taxation) Act, 1956 (No. 8 of 1956), as subsequently amended, or of Part II of the Finance (Miscellaneous Provisions) Act, 1956 (No. 47 of 1956), as subsequently amended.

Article 24

1. Where a resident of a Contracting State considers that the actions of one or both of 'the Contracting States result or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of those States, present his case to the competent authority of the Contracting State of which he is a resident.
2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation not in accordance with the Convention.
3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such an exchange may take place through a Commission consisting of representatives of the competent authorities of the Contracting States.

Article 25

1. The competent authorities of the Contracting States shall exchange such information as is necessary for the carrying out of this Convention and of the domestic laws of the Contracting States concerning taxes covered by this Convention in so far as the taxation thereunder is in accordance with this Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons or authorities other than those concerned with the assessment or collection of the taxes which are the subject of the Convention.
2. In no case shall the provisions of paragraph 1 be construed so as to impose on one of the Contracting States the obligation:
 - (a) to carry out administrative measures at variance with the laws or the administrative practice of that or of the other Contracting State;
 - (b) to supply particulars which are not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

Article 26

1. This Convention shall be ratified and the instruments of ratification shall be exchanged at Dublin as soon as possible.
2. The Convention shall enter into force upon the exchange of instruments of ratification and its provisions shall have effect:
 - (a) in Austria:

For any taxable year beginning on or after the 1st January, 1964;
 - (b) in Ireland:
 - (i) as respects income tax (including sur-tax) for any year of assessment beginning on or after the 6th April, 1964;
 - (ii) as respects corporation profits tax, for any accounting period beginning on or after the 1st April, 1964, and for the unexpired portion of any accounting period current at that date.

Article 27

This Convention shall remain in force indefinitely, but either of the Contracting States may denounce the Convention, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year. In such event the Convention shall cease to have effect:

(a) in Austria:

for any taxable year beginning on or after the 1st January in the calendar year next following that in which such notice is given;

(b) in Ireland:

(i) as respects income tax (including sur-tax) for any year of assessment beginning on or after the 6th April in the calendar year next following that in which such notice is given;

(ii) as respects corporation profits tax, for any accounting period beginning on or after the 1st April in the calendar year next following that in which such notice is given and for the unexpired portion of any accounting period current at that date.

IN WITNESS WHEREOF the Plenipotentiaries of the two Contracting States, duly authorised thereto, have signed the present Convention and affixed thereto their seals.

DONE in duplicate at Vienna the 24th day of May, 1966, in the English and German languages, each text being equally authentic.

FOR IRELAND

SEÁN MORRISSEY

FOR THE REPUBLIC OF AUSTRIA:

DR. JOSEF HAMMERSCHMIDT

EXPLANATORY NOTE.

This Order gives the force of law to the Convention with Austria which is set out in the Schedule.

Under the Convention certain classes of income derived from one country by a resident of the other country are (subject to certain conditions) to be exempt from tax in the former country. These classes are trading profits not arising through a "permanent establishment" [Article 5], shipping and air transport profits [Article 6], interest [Article 9], patent and copyright royalties [Article 10], profits from professional or other independent activities not attributable to a fixed base [Article 12], pensions (other than Government pensions) [Article 16], and certain earnings of temporary residents [Articles 13, 18 and 19]. Government salaries and pensions are normally to be taxed by the paying Government only [Article 17].

In general dividends paid by Irish companies to Austrian residents are to be exempt from Irish sur-tax; the rate of withholding tax on dividends paid by Austrian companies to Irish residents is not to exceed

10 per cent and, where the resident of Ireland is a company which holds at least 25 per cent of the capital of the Austrian company, the dividends are to be exempt from Austrian tax. Furthermore an Austrian company in receipt of Irish dividends is to be granted the same exemption from corporation tax on those dividends which it would be entitled to in certain circumstances if the dividends had been Austrian dividends and not Irish dividends [Article 8].

In the matter of personal allowances and reliefs for tax purposes, each country is to treat residents of the other in the same way as its own non-resident nationals [Article 21].

Where, under the Convention, income derived from one country by a person resident in the other may be taken into account for tax purposes in both countries, a measure of double taxation relief is to be granted by the latter country. In Ireland relief is to be given by allowing against the Irish tax payable on Austrian income, a credit in respect of the Austrian tax which the income has borne including, in the case of dividends (other than "fixed rate" dividends), an appropriate proportion of the Austrian tax on the profits out of which the dividends are paid. In Austria relief is to be given by allowing against the total Austrian tax otherwise payable a deduction equal to the Irish tax on income from sources in Ireland or to the part of the Austrian tax which is appropriate to that income whichever is the less [Article 22].

Provision is made for the exchange of information between the competent authorities of the two countries [Article 25].

The Convention takes effect for the fiscal year 1964/65 [Article 26].