

**Double Taxation  
Conventions / Agreements  
Preliminary Hearing**

# Purpose of Agreements

- To remove barriers to cross-border trade and investment.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of the United Arab Emirates  
for the avoidance of double taxation  
and  
the prevention of fiscal evasion with respect  
to taxes on income**

# Introduction

- Closely follows the OECD and UN Model Conventions, which form the foundation for the vast majority of Double Taxation Agreements (DTA's) worldwide.
- A number of provisions are different from the normal SA approach. These provisions and other articles of interest in the South Africa – UAE Double Tax Agreement are as follows:

# Article 1: Persons Covered

- Paragraph 2 provides that nothing in the Agreement shall affect the right of either Contracting State, any political subdivision, local authority or local government, to apply its own laws and regulations relating to the taxation of income and profits derived from hydrocarbons situated in that State.

# Article 4: Resident

- Paragraph 1 (b) includes in the term “resident of a Contracting State” for the UAE, any company or other legal entity which is incorporated or created under the laws of the United Arab Emirates by reason of its residence, domicile, place of management or any other criterion of a similar nature and includes the State itself and any political subdivision, local authority, local government or governmental institution.

# Article 5: Permanent Establishment

- The term “permanent establishment” includes a farm or plantation.
- Construction:
  - 12 months in OECD Model.
  - 6 months in UN Model.
  - South Africa – UAE DTA:
    - Building site, a construction, assembly or installation project or any supervisory activity in connection therewith – more than 12 months before a permanent establishment will exist;

# Article 5: Permanent Establishment

- Furnishing of services by an enterprise through employees or other personnel engaged by the enterprise for such purpose – periods or periods exceeding 9 months in any 12 month period;
- The performance of professional services or other activities of an independent character by an individual - periods or periods exceeding 183 days in any 12 month period.

# Article 8: Shipping and Air Transport

- Paragraph 3 provides that interest on funds directly connected with the operation of ships or aircraft in international traffic shall be regarded as profits derived from the operation of such ships or aircraft.

# Article 10: Dividends

- Withholding tax of 5% or 15% proposed by OECD Model.
- In practice, withholding taxes vary widely internationally.
- Dividend rate in South Africa – UAE DTA:
  - 5% for shareholding of at least 10%;
  - 10% on all others.

# Articles 11: Interest

- Withholding tax of 10% proposed by OECD Model.
- In practice, withholding taxes vary widely internationally.
- South Africa – UAE DTA:
  - 10% limit on source state taxation.

# Article 12: Royalties

- No withholding tax proposed by OECD Model.
- In practice, withholding taxes vary widely internationally.
- South Africa – UAE DTA:
  - 10% limit on the source state taxation.

# Article 14: Income from Employment

- Paragraph 4 provides that remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State with an enterprise of the first-mentioned State, operating ships or aircraft in international traffic, shall be exempt from tax in that other State on the remuneration received for a period of four years beginning with the date on which the employee first performs duties in that other State.

# Article 17: Pensions and Annuities

- Paragraph 2 provides that pensions and other similar payments made under the social security system of a Contracting State or a political subdivision or a local authority or a local government shall be taxable only in that State.

# Article 18: Government Service

- Paragraph 1 provides that salaries, wages and other similar remuneration, other than a pension, paid by a Contracting State or a political subdivision or a local authority or a local government to an individual in respect of services rendered to that Contracting State or political subdivision or local authority or local government shall be taxable only in that State.
- Paragraph 4 provides that remuneration paid by a Contracting State to a specialist or volunteer seconded to the other Contracting State under a development assistance agreement is included under this paragraph.

# Article 19: Professors and Teachers

- This Article provides an exemption from tax in the host State for two years in respect of visiting professors or teachers. However, the remuneration must be derived from outside the host State. This Article does not apply to income from research if the research is undertaken not in the public interest but primarily for the private benefit of a specific person.

## Article 20: Students and Trainees

- Paragraph 2 provides that in respect of grants, scholarships and remunerations from employment not covered under paragraph 1, a student or business trainee shall be entitled to the same exemption, relief or reductions in respect of taxes available to residents of the Contracting State being visited.

# Article 25: Exchange of Information

- This Article is in line with the OECD Model and extends to taxes of every kind and description.
- The Article ensures that bank secrecy or the absence of a domestic tax interest can no longer be used to deny a request for exchange of information.

# Article 27: Refunds

- This Article covers “refunds” and provides that taxes withheld at source in a Contracting State shall be refunded at the request of the taxpayer or of the State of which the taxpayer is a resident if the right to collect these taxes is affected by the provisions of this Agreement. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this Article.

# Article 28: Miscellaneous Rules

- Paragraph 1 provides that notwithstanding the provisions of paragraph 2 of Article 10 and paragraph 2 of Article 11, dividends and interest paid by a resident of a Contracting State to the Government of the other Contracting State or political subdivision or local authority thereof shall be exempt from tax in the first-mentioned State.

# Article 28: Miscellaneous Rules

- Paragraph 2 provides that the term “Government “ shall include: the Government of the UAE, local government of the UAE, UAE financial institutions and any other statutory body or institution or instrumentality wholly owned by the Government of the Federal or local Government of the UAE; and the South African Reserve Bank, any other statutory body or institution wholly owned by the Government of Republic of South Africa.

# Protocol

- Paragraph 1 provides that in terms of current legislation in South Africa, the income of any other State is exempt from tax on income. For the purposes of this paragraph the term “State” shall include: the Government of the UAE, a local government of the UAE, an agency of the Federal or local government of the UAE or an integral part of one of its local governments, and the Abu Dhabi Investment Authority is one of the institutions which are recognised as being as integral part of the Government of Abu Dhabi.
- Paragraph 2 provides that with respect to Article 6: the provisions of paragraph 4 of Article 6 shall not apply in respect of the mere purchase by an enterprise of a Contracting State of land and building for its own use.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of the  
Hong Kong Special Administrative Region of  
the People's Republic of China  
for the avoidance of double taxation  
and  
the prevention of fiscal evasion with respect  
to taxes on income**

# Introduction

- Closely follows the OECD and UN Model Conventions, which form the foundation for Double Taxation Agreements (DTA's) worldwide.
- A number of articles are different from the normal SA approach. These articles and other articles of interest in the South Africa – Hong Kong Double Tax Agreement are as follows:

## Article 4: Resident

- Paragraph 3 provides that in cases of dual residence of a person other than an individual, it shall be deemed to be a resident of the Party in which its place of effective management is situated. In cases of doubt, the competent authorities of the Contracting Parties shall by mutual agreement determine the Party in which that person's place of effective management is situated, and in doing so, shall take into account all relevant factors. In the absence of such agreement, that person is excluded from any benefits of the Agreement, except those provided by Articles 21 (Elimination of Double Taxation), 22 (Non-discrimination) and 23 (Mutual Agreement Procedure).

# Article 5: Permanent Establishment

- Construction:
  - 12 months threshold in OECD Model.
  - 6 months threshold in UN Model.
  - South Africa – Hong Kong DTA
  - building site, a construction, assembly or installation project or any supervisory activity in connection therewith – more than 6 months;
- furnishing of services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose – period or periods aggregating more than 183 days in any 12 month period;

# Article 5: Permanent Establishment

- for an individual, the performing of services in a Contracting Party by that individual, but only if the individual's stay in that Party is for a period or periods aggregating more than 183 days within any twelve-month period.

# Article 10: Dividends

- In practice, withholding taxes vary widely internationally.
- Dividend rate in South Africa – Hong Kong DTA:
  - 5% for shareholding of at least 10%;
  - 10% in all other cases.
- Paragraph 6 provides that no relief shall be available under this Article if it was the main purpose or one of the main purposes of any person concerned with the creation or assignment of the shares or other rights in respect of which the dividend is paid to take advantage of this Article by means of that creation or assignment.

# Articles 11: Interest

- In practice, withholding taxes vary widely internationally.
- South Africa – Hong Kong DTA:
  - 10% limit on source state.
- Paragraph 8 provides that no relief shall be available under this Article if it was the main purpose or one of the main purposes of any person concerned with the creation or assignment of the debt-claim in respect of which the interest is paid to take advantage of this Article by means of that creation or assignment.

# Article 12: Royalties

- In practice, withholding taxes vary widely internationally.
- South Africa – Hong Kong DTA:
  - 5% limit on the source state.
- Paragraph 7 provides that no relief shall be available under this Article if it was the main purpose or one of the main purposes of any person concerned with the creation or assignment of the rights in respect of which the royalties are paid to take advantage of this Article by means of that creation or assignment.

# Article 17: Pensions

- Pensions and other similar remuneration (including lump sum payments) arising in a Contracting Party and paid to a resident of the other Contracting Party in consideration of past employment and social security pensions shall be taxable only in the Party where they arise (source State).
- This is in line with our domestic law.

# Article 19: Students

- A student who is present in a Contracting Party solely for the purpose of the student's education and who is, or immediately before being so present was, a resident of the other Contracting Party, shall be exempt from tax in the first-mentioned Party on payments received from outside that first-mentioned Party for the purposes of the student's maintenance or education.

# Article 24: Exchange of Information

- Under this Article the two Parties will exchange information on request in accordance with the international standard.
- Bank secrecy or the absence of a domestic tax interest cannot be used to deny a request for exchange of information.

# Article 26: Miscellaneous Rules

- The Article reinforces the normal international rule that the Agreement does not take away the right of the Parties to apply tax avoidance measures contained in their domestic law.

# Protocol

- With reference to Article 17 - Pensions:  
It is understood that in the case of the Hong Kong Special Administrative Region, the term “pensions and other similar remuneration (including a lump sum payment)” includes payments arising from schemes for self-employed individuals.
  
- With reference to Article 24 – Exchange of Information:  
It is understood that:
  - (a) the Article does not require the Contracting Parties to exchange information on an automatic or a spontaneous basis; and
  - (b) information exchanged shall not be disclosed to any third jurisdiction.

# Limited Double Taxation Conventions / Agreements Preliminary Hearing

# Purpose of Agreements

- To remove barriers to cross-border trade and investment.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of the Isle of Man  
for the allocation of taxing rights with respect  
to certain income of individuals  
and  
to establish a mutual agreement procedure in  
connection with the adjustment of profits of  
associated enterprises**

# Introduction

- Closely follows the OECD and UN Model Conventions, in relation to income of individuals which form the foundation for the vast majority of Double Taxation Agreements (DTA's) worldwide.
- The Agreement deals only with individuals and transfer pricing.
- A number of articles are different from the normal SA approach. These articles and other articles of interest in the South Africa – Isle of Man limited Double Tax Agreement are as follows:

# Article 5: Income from Employment

- Paragraph 1 allows for source and residence taxation.
- Paragraph 2 takes away the source State taxing right if 3 conditions are met:
  - the recipient is present in the other Party for a period or periods not exceeding in aggregate 183 days in any twelve month period, and
  - the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party, and
  - the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

# Article 6: Directors' fees

- Allows for a shared right to tax directors' fees and other similar payments.

# Article 7: Entertainers and Sportspersons

- Allows for a shared right to tax income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or a sportsperson, from that person's personal activities as such exercised in the other Party.

# Article 8: Pensions and Annuities

- Shared right to tax pensions and other similar remuneration arising in a Party and paid to a resident of the other Party in consideration of past employment.

# Articles 9: Government Service

- Paragraph 1 allows for resident state taxation of salaries, wages and other similar remuneration paid by a Party or a political subdivision or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or authority.

# Article 10: Students

- This Article provides an exemption from tax in the Host State in respect of visiting students or business apprentices who receive payments for their maintenance, education or training. However, the payment must be derived from outside the Host State. In any event such payments would not be taxable under domestic law.

# Article 12: Principle applying to the adjustment of profits of associated enterprises

- Where: (a) an enterprise of a Party participates directly or indirectly in the management, control or capital of an enterprise of the other Party, or (b) the same persons participates directly or indirectly in the management, control or capital of an enterprise of a Party and an enterprise of the other Party, 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 accrued, may be included in the profits of that enterprise and taxed accordingly.

# Article 13: Mutual Agreement Procedure

- The Competent Authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

**Protocol amending the  
Double Taxation  
Conventions / Agreements  
Preliminary Hearing**

**Protocol amending the  
Agreement between the  
Government of the Republic of South Africa  
and  
the Government of the Kingdom of Swaziland  
for the avoidance of double taxation and the  
prevention fiscal evasion with respect to  
taxes on income, with Protocol**

# Introduction

- The amendments to the Agreement became necessary in view of the global initiative to incorporate a comprehensive exchange of information Article in existing Double Taxation Agreements.
- The Article in the South Africa – Swaziland Protocol amending the Double Tax Agreement is as follows:

# Article 25: Exchange of Information

- Article 25 of the Agreement was deleted and replaced by the new Article on Exchange of Information.
- This new Article is in line with the OECD Model and extends to taxes of every kind and description.
- The new Article ensures that bank secrecy or the absence of a domestic tax interest can no longer be used to deny a request for exchange of information.
- Full exchanges are authorised – includes automatic exchanges.

**Protocol amending the  
Convention between  
the Republic of South Africa  
and  
the Republic of Austria  
for the avoidance of double taxation with  
respect to taxes on income and on capital,  
signed on 4 March 1996,  
as amended by  
the Protocol and Additional Protocol,  
signed on 22 August 2011**

# Introduction

- The amendments to the Convention became necessary in view of the global initiative to incorporate a comprehensive exchange of information Article in existing Double Taxation Agreements.
- The Article in the South Africa – Austria Protocol amending the Double Tax Convention is as follows:

# Article 1: Additional Protocol

- Subparagraph 1(e) of the Additional Protocol to the Convention is deleted and replaced by the following:

“(e) to the extent known, the name and address of any person believed to be in possession of the requested information”.

The words “to the extent known” were added to make requests for information easier in cases where names and addresses are not readily available.

# Tax Information Exchange Agreements Preliminary Hearing

# Purpose of Agreements

- To allow for effective Exchange of Information between the Tax Authorities.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of Jamaica  
for the exchange of information  
relating to tax matters**

# Introduction

- Closely follows the OECD Model Tax Information Exchange Agreement (TIEA), which forms the foundation for the vast majority of Tax Information Exchange Agreements (TIEAs) worldwide.
- The TIEA ensures that bank secrecy or the absence of a domestic tax interest can no longer be used to deny a request for exchange of information.
- Articles of interest in the South Africa – Jamaica Tax Information Exchange Agreement are as follows:

# Article 1: Object and Scope of the Agreement

- Exchange of Information that is foreseeably relevant to the administrative and enforcement of the domestic laws of the Parties concerning taxes covered by the Agreement.
- Includes information that is foreseeably relevant to the determination, assessment, enforcement or collection of tax with respect to persons subject to such taxes, or to investigation or prosecution of tax matters in relation to such persons.
- The requested Party shall ensure that effective exchange of information is not unduly prevented or delayed.

# Article 3: Taxes Covered

- This Agreement shall apply to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes.

# Article 5: Exchange of Information upon Request

- **Information shall be exchanged without regard to:**
  - a) whether the requested Party needs such information for its own tax purposes – domestic tax interest.
  - b) whether conduct being investigated would constitute a crime under the laws of the requested Party – dual criminality.

# Article 5: Exchange of Information upon Request

- **Domestic law should allow for exchange of:**
  - (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
  - (b) information regarding the ownership of companies, partnerships, trusts, foundations and other persons, including, within the constraints of Article 2, ownership on all such persons in an ownership chain;
  - (c) in the case of trusts, information on settlors, trustees, and beneficiaries; and
  - (d) in the case of foundations, information on founders, members of the foundation council and beneficiaries.

# Article 5: Exchange of Information upon Request

- Does not create an obligation for a Party to obtain or provide ownership information with respect to publicly traded companies or public collective investment schemes, unless such information can be obtained without giving rise to disproportionate difficulties.

# Article 6: Tax Examinations Abroad

- Allows for representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws.
- Allows for presence at interviews conducted by the requested Party.
- All subject to approval of the requested Party.

# Article 7: Possibility of Declining a Request

- The Competent Authority may decline to assist where the disclosure of the information requested would be contrary to public policy of the requested Party.
- The Agreement does not impose any obligation to provide information which would disclose any trade, business, industrial, commercial or professional secret or trade process.
- A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed by the taxpayer under examination or investigation.
- Information need not be provided if it is related to law which discriminates against a national of the requested Party.

# Article 8: Confidentiality

- All information provided and received by the competent authorities of the Parties shall be kept confidential.
- Information received shall be disclosed only to persons or authorities including courts and administrative bodies concerned with the purposes specified in Article 1.
- Information received may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

# Article 9: Costs

- Incidence of costs incurred in providing assistance shall be agreed by the Parties as envisaged in paragraph 2 of Article 11 (Mutual Agreement Procedure).
- A Memorandum of Understanding on Costs will be entered into between the Competent Authorities.

# Article 11: Mutual Agreement Procedure

- Where difficulties or doubts arise between the Parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall use their best efforts to resolve the matter by mutual agreement.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of Saint Christopher (Saint  
Kitts) and Nevis  
for the exchange of information  
relating to tax matters**

# Introduction

- Closely follows the OECD Model Tax Information Exchange Agreement (TIEA), which forms the foundation for the vast majority of Tax Information Exchange Agreements (TIEAs) worldwide.
- The TIEA ensures that bank secrecy or the absence of a domestic tax interest can no longer be used to deny a request for exchange of information.
- Articles of interest in the South Africa – Saint Christopher (Saint Kitts) and Nevis Tax Information Exchange Agreement are as follows:

# Article 1: Object and Scope of the Agreement

- Exchange of Information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning taxes covered by the Agreement.
- Includes information that is foreseeably relevant to the determination, assessment, and collection of such taxes, the recovery and enforcement of tax claims or the investigation or prosecution tax matters.
- The requested Party shall ensure that effective exchange of information is not unduly prevented or delayed.

# Article 3: Taxes Covered

- This Agreement shall apply to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, or any substantially similar taxes if the Parties so agree.

# Article 5: Exchange of Information upon Request

- **Information shall be exchanged without regard to:**
  - a) whether the requested Party needs such information for its own tax purposes – domestic tax interest.
  - b) whether conduct being investigated would constitute a crime under the laws of the requested Party – dual criminality.

# Article 5: Exchange of Information upon Request

- **Domestic law should allow for exchange of:**
  - (a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees;
  - (b) information regarding the ownership of companies, partnerships, trusts, foundations, “Anstalten” and other persons, ownership information on all other persons in an the ownership chain in the case of trusts, information on settlors, trustees and beneficiaries, and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

# Article 5: Exchange of Information upon Request

- Does not create an obligation for a Party to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes, unless such information can be obtained without giving rise to disproportionate difficulties.

# Article 6: Tax Examinations Abroad

- Allows for representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws.
- Allows for presence at interviews conducted by the requested Party.
- All subject to approval of the requested Party.

# Article 7: Possibility of Declining a Request

- The Competent Authority may decline to assist where the disclosure of the information requested would be contrary to public policy of the requested Party.
- The Agreement does not impose any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process.
- A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed by the taxpayer under examination or investigation.
- Information need not be provided if it is related to law which discriminates against a national of the requested Party.

# Article 8: Confidentiality

- All information provided and received by the competent authorities of the Parties shall be kept confidential.
- Information received shall be disclosed only to persons or authorities including courts and administrative bodies concerned with the purposes specified in Article 1.
- Information received may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

# Article 9: Costs

- Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs (include costs of engaging external advisors in connection with litigation or otherwise) incurred in providing assistance shall be borne by the requesting Party.
- Requesting Party should be notified if the costs are expected to be significant.

# Article 11: Mutual Agreement Procedure

- Where difficulties or doubts arise between the Parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall use their best efforts to resolve the matter by mutual agreement.

**Agreement between the  
Government of the Republic of South Africa  
and  
the Government of Grenada  
for the exchange of information  
relating to tax matters**

# Introduction

- Closely follows the OECD Model Tax Information Exchange Agreement (TIEA), which forms the foundation for the vast majority of Tax Information Exchange Agreements (TIEAs) worldwide.
- The TIEA ensures that bank secrecy or the absence of a domestic tax interest can no longer be used to deny a request for exchange of information.
- Articles of interest in the South Africa – Grenada Tax Information Exchange Agreement are as follows:

# Article 1: Scope of the Agreement

- Exchange of Information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning taxes covered by the Agreement.
- Includes information that is foreseeably relevant to the determination, assessment, enforcement or collection of tax with respect to persons subject to such taxes, or to investigation of tax matters or the prosecution of criminal tax matters in relation to such persons.
- The requested Party shall ensure that effective exchange of information is not unduly prevented or delayed.

# Article 2: Taxes Covered

- This Agreement shall apply to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, or any substantially similar taxes if the Parties so agree.

# Article 4: Exchange of Information upon Request

- **Information shall be exchanged without regard to:**
  - a) whether the requested Party needs such information for its own tax purposes – domestic tax interest.
  - b) whether conduct being investigated would constitute a crime under the laws of the requested Party – dual criminality.

# Article 4: Exchange of Information upon Request

- **Domestic law should allow for exchange of:**
  - (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
  - (b)(i) information regarding the legal and beneficial ownership of companies, partnerships, foundations and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
  - (b)(ii) in the case of trusts, information on settlors, trustees and beneficiaries.

# Article 4: Exchange of Information upon Request

- Does not create an obligation for a Party to obtain or provide ownership information with respect to publicly traded companies or public collective investment schemes, unless such information can be obtained without giving rise to disproportionate difficulties.

# Article 5: Tax Examinations Abroad

- Allows for representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws.
- Allows for presence at interviews conducted by the requested Party.
- All subject to approval of the requested Party.

# Article 6: Possibility of Declining a Request

- The Competent Authority may decline to assist where the disclosure of the information requested would be contrary to public policy of the requested Party.
- The Agreement does not impose any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process.
- A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed by the taxpayer under examination or investigation.
- Information need not be provided if it is related to law which discriminates against a national of the requested Party.

# Article 7: Confidentiality

- All information provided and received by the competent authorities of the Parties shall be kept confidential.
- Information received shall be disclosed only to persons or authorities including courts and administrative bodies concerned with the purposes specified in Article 1.
- Information received may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

# Article 8: Costs

- Unless the competent authorities of the Parties otherwise agree, indirect costs incurred in providing assistance shall be borne by the requested Party, and direct costs (include costs of engaging external advisors in connection with litigation or otherwise) incurred in providing assistance shall be borne by the requesting Party.
- Requesting Party should be notified if the costs are expected to be significant.

# Article 9: Mutual Agreement Procedure

- Where difficulties or doubts arise between the Parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall use their best efforts to resolve the matter by mutual agreement.