

THE ADVANCED DIPLOMA IN INTERNATIONAL TAXATION

June 2026

MODULE 2.08 – SINGAPORE OPTION

ADVANCED INTERNATIONAL TAXATION (JURISDICTION)

TIME ALLOWED – 3¼ HOURS

This exam paper has **three** parts: **Part A**, **Part B** and **Part C**.

You need to answer **five** questions in total. You will **not** receive marks for any additional answers.

You must answer:

- **Both** questions in **Part A** (25 marks each)
- **One** question from **Part B** (20 marks)
- **Two** questions from **Part C** (15 marks each)

Further instructions

- All workings should be made in Singapore Dollars, unless otherwise stated. Any monetary calculations should be made to the nearest whole Singapore Dollar. Any necessary time apportionments in your calculations should be made to the nearest whole month.
- You must provide appropriate line breaks between each question, and clearly indicate the start of each new question using the formatting tools available.
- Marks may be allocated for clarity of presentation of your answers.
- The time you spend answering questions should correspond broadly to the number of marks available for that question. You should therefore aim to spend approximately half of your time answering Part A, and the other half answering questions in Parts B and C.
- There is no separate reading time, so you can start typing your answers as soon as the exam begins. However, we recommend that you set aside some time to thoroughly read each question and plan each of your answers.

For your information this paper includes:

Singapore-Germany Avoidance of Double Taxation Agreement

Singapore-Ireland Avoidance of Double Taxation Agreement

PART A

You are required to answer BOTH questions from this Part.

1. Helios Digital Pte Ltd (Helios) is a company incorporated and tax resident in Singapore. Helios had developed and licensed a proprietary AI software platform used by logistics companies to optimise delivery routes.

Helios has entered into an agreement with Orion GmbH (Orion), a company incorporated and centrally managed in Germany. Under the terms of the agreement:

- 1) Helios grants Orion an exclusive licence to use and sub-license the AI platform in Europe and the Middle East.
- 2) Orion customises the software for local clients and provides ongoing technical support.
- 3) Orion collects subscription fees from end-users and remits 70% of gross receipts to Helios as a licensing fee.

The software is hosted on servers located in Ireland, owned by a third-party cloud provider. However, Helios employs a regional sales director based in Singapore who negotiates and concludes high-value licensing agreements with Orion and occasionally participates in negotiations with large European clients via video conferencing.

Orion maintains a small representative office in Singapore, staffed by two employees, whose role is to liaise with Helios' development team and coordinate product updates.

Helios also sends engineers from Singapore to Germany for short-term assignments (typically between two and three months) to assist Orion with major client implementations.

The majority of the AI platform's end-users are located in Europe, with the remainder being located in the Middle East, Singapore and various other jurisdictions.

Singapore and Germany have a double tax agreement (DTA), while Singapore also has a DTA with Ireland; a copy of each DTA can be found at the end of this question paper.

You are required to discuss the Singapore income tax implications arising from the arrangements described above for Helios. You should identify any ambiguities or additional facts that are required to determine the tax position with certainty, and support your analysis with reference to relevant statutory provisions, IRAS guidance and DTA principles. (25)

2. Nexcess Global Ltd (Nexcess) is a company incorporated in Country L, a low-tax jurisdiction outside Singapore's double tax agreement network. It has no directors based in Singapore.

Nexcess is owned as follows:

- 1) 40% by individuals resident in Singapore;
- 2) 30% by a Singapore-incorporated investment holding company; and
- 3) 30% by non-resident investors based in various jurisdictions.

Nexcess operates a digital logistics optimisation business. Its activities are structured as follows:

- A team of senior executives, based in Country L, make formal board decisions and approve major contracts.
- However, key commercial negotiations with large clients are conducted by a group of employees located in Singapore, who regularly meet customers, negotiate pricing, and finalise commercial terms.
- Contracts are typically signed electronically by Nexcess directors in Country L without substantive modification.

Nexcess maintains a co-working office in Singapore, which is used by its Singapore-based staff. The office is leased on a short-term, renewable basis.

The company's software platform is hosted on servers located in Country L, which are owned and controlled by Nexcess.

Nexcess derives income from Singapore-based customers, who access and use the platform in Singapore; and from customers in various other jurisdictions, including Country L.

Customers contract directly with Nexcess. Payments are made into Nexcess' bank account in Country L.

From time to time, Nexcess declares dividends out of its profits. Dividends are paid to its Singapore-resident individual shareholders, to the Singapore-incorporated investment holding company, and to its non-resident shareholders.

No withholding tax is imposed on dividends in Country L.

You are required to discuss the Singapore income tax implications for Nexcess of the arrangements and activities described above. You should identify any ambiguities or additional facts that are required to determine the tax position with certainty, and support your analysis with reference to relevant legal authorities.

(25)

PART B

You are required to answer ONE question from this Part.

3. StrataVista Holdings Ltd (StrataVista) is a company incorporated and centrally managed in Country M, which has no double tax agreement with Singapore. The company is wholly owned by a mix of institutional investors, none of whom are resident in Singapore.

StrataVista is not registered in Singapore but has, over the past five years, invested in real estate in various jurisdictions as part of what it describes as a 'long-term asset diversification strategy'.

Three years ago, StrataVista acquired a commercial building in Singapore for SGD40 million. The building was purchased with a combination of equity and a bank loan from the Singapore branch of an international bank.

At the time of acquisition, internal documents described the property as a 'strategic long-term hold to generate stable rental yield'. However, the company also prepared a financial model showing potential redevelopment and resale scenarios within a three to five-year period if market conditions were favourable.

Following the acquisition, StrataVista leased the building to multiple tenants under short-term leases of one to two years. It engaged a Singapore-based property manager to handle tenant relations, maintenance, and rent collection. The rental income was paid into a Singapore bank account.

During the holding period:

- StrataVista incurred significant expenditure on refurbishments, including upgrading common areas and reconfiguring certain floors to attract higher-paying tenants.
- It also claimed deductions for interest on the loan, property management fees, and repair costs in the third year of ownership.
- A property developer approached StrataVista with an unsolicited offer to purchase the building for SGD65 million.
- Around the same time, StrataVista had begun preliminary discussions with architects regarding a potential redevelopment of the site.
- The board of StrataVista resolved to accept the offer and dispose of the building without proceeding with redevelopment.

The sale was completed shortly thereafter.

You are required to discuss the Singapore income tax implications for StrataVista of the scenario described above. You should identify any ambiguities or additional facts that are required to determine the tax position with certainty, and support your analysis with reference to relevant legal authorities.

(20)

4. Greta Koh is an individual born and raised in Country D. She had been living and working in Country D for most of her career and was treated as a tax resident there.

On 1 July 2024, Greta relocated to Singapore to take up a senior executive role with a Singapore-incorporated technology company, Onyx Systems Pte Ltd (Onyx). She signed a two-year employment contract and leased an apartment in Singapore for the same period. Greta also moved some personal belongings to Singapore, but retained ownership of her home in Country D, where her spouse and children continue to reside.

Greta travels frequently between Singapore and Country D. During the calendar year ending 31 December 2025 she spent approximately 210 days in Singapore. The remaining days were spent in Country D, including extended stays with her family.

Country D treats Greta as a tax resident under its domestic law, on the basis that her permanent home and family remain there.

Singapore and Country D have a comprehensive double tax agreement (DTA), based on the OECD Model Tax Convention.

During the relevant period, Greta derived the following income:

- 1) Employment income from Onyx for services performed in Singapore and during business trips to other countries. Her salary is paid into a Singapore bank account.
- 2) Consulting fees from an independent advisory arrangement with a company in Country D. Most of the consulting work is performed remotely while Greta is in Singapore, although some work is carried out during visits to Country D. Fees are paid into Greta's bank account in Country D.
- 3) Dividends from shares in a listed company in Country D. These dividends are paid into Greta's Country D bank account and are not remitted to Singapore.
- 4) Interest income from a fixed deposit held with a Singapore bank.
- 5) Rental income from her residential property in Country D, which continues to be leased to tenants.

Greta has not formally severed her tax residence status in Country D.

You are required to discuss the Singapore income tax implications for Greta of the scenario described above and occurring from 1 January 2024 to 31 December 2025. You should support your analysis with reference to relevant statutory provisions and DTA principles. (20)

PART C

You are required to answer TWO questions from this Part.

5. Apex Global Pte Ltd (Apex) is a company incorporated and tax resident in Singapore. Apex holds investments in several overseas entities and operates a branch in one jurisdiction.

During the calendar year ending 31 December 2025, Apex received and remitted to Singapore the following:

Dividend from Titan Ltd

- Titan Ltd is a wholly owned subsidiary of Apex, and is listed in Country A.
- Country A has a headline corporate tax rate of 25%.
- Titan Ltd operates under a special economic zone incentive that taxes qualifying companies at 5%.
- Titan Ltd's profits for the year were taxed at this 5% rate before being distributed as dividends.
- Dividends are not subject to direct tax in Country A.

Dividend from Nova Corp

- Nova Corp is a company in which Apex holds a 15% share, and is listed in Country B.
- Country B has a headline corporate tax rate of 20%.
- Dividends are exempt from tax in Country B under a participation exemption regime.
- The dividend received by Apex was paid out of profits that had previously been subject to tax in Country B at the corporate level.

Dividend from Origin LLC

- Origin LLC a company in which Apex holds a 30% share, and is listed in Country C.
- Country C has a headline corporate tax rate of 12%.
- Origin LLC benefits from a special regime applicable to foreign-owned entities, under which its income is fully exempt from tax.
- The dividend received by Apex was paid out of these exempt profits.
- Dividends are not subject to direct tax in Country C.

Branch profits from Apex's branch in Country D

- Country D has a headline corporate tax rate of 30%. Apex's branch income was taxed in Country D at that rate.

Apex seeks to rely on the foreign-sourced income exemption under Singapore law.

You are required to discuss whether the foreign-sourced income received by Apex qualifies for exemption from Singapore income tax. You should support your analysis with reference to relevant statutory provisions and principles. You may assume that all countries have double tax agreements with Singapore.

(15)

6. Lumiere Living Pte Ltd (Lumiere) is a company incorporated and registered for GST in Singapore. The company operates a lifestyle business that includes retail sales, digital content, and consultancy services.

During the relevant accounting period, Lumiere undertook the following transactions:

- 1) Sale of home décor products to customers in Singapore through its retail store.
- 2) Export of furniture to customers in Australia, with the goods shipped directly from Singapore.
- 3) Provision of interior design consultancy services to a corporate client in Malaysia. The services were performed partly in Singapore and partly on-site in Malaysia.
- 4) Sale of downloadable design templates through its website, to customers located both in Singapore and overseas.
- 5) Receipt of dividend income from investments in shares of a Singapore-listed company.
- 6) Renting out a residential property in Singapore that it owns.
- 7) Incurring of GST, on expenses relating to both its taxable retail business and its residential rental activity.

You are required to discuss the GST implications of the transactions described above. You should identify any ambiguities or additional facts that are required to determine the GST treatment with certainty, and support your analysis with reference to relevant statutory provisions and principles.

(15)

7. **You are required to discuss the extent to which Singapore's tax regime, particularly in light of recent Base Erosion and Profit Shifting developments, is conducive to the growth of high-technology and research-driven industries.**

You should support your analysis with reference to relevant statutory provisions, policy developments, and international frameworks.

(15)

8. "Singapore's low corporate tax rate and its system of tax incentives for attracting multinational businesses may face significant challenges under the OECD's Pillar Two Global Minimum Tax framework. However, the actual impact on Singapore's tax competitiveness and revenue base is far from clear."

You are required to critically discuss this statement, considering the interaction between Singapore's current tax regime and Pillar Two. You should outline how Pillar Two works, how Singapore may respond, and the potential implications for multinational enterprises operating in Singapore.

(15)

**AGREEMENT BETWEEN THE REPUBLIC OF SINGAPORE AND THE FEDERAL REPUBLIC OF GERMANY
FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL**

The Republic of Singapore and the Federal Republic of Germany, desiring to conclude an Agreement for the Avoidance of Double Taxation with Respect to Taxes on Income and on Capital to promote their mutual economic relations, have agreed as follows:

ARTICLE 1 - PERSONAL SCOPE

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

ARTICLE 2 - TAXES COVERED

1. This Agreement shall apply to taxes on income and on capital imposed on behalf of a Contracting State, of a Land or a political subdivision or a local authority thereof, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property and taxes on capital appreciation.
3. The existing taxes to which this Agreement shall apply are in particular:
 - (a) in the Federal Republic of Germany:
the income tax (Einkommensteuer),
the corporation tax (Körperschaftsteuer),
the capital tax (Vermögensteuer), and
the trade tax (Gewerbsteuer)
including the supplements levied thereon
(hereinafter referred to as "German tax");
 - (b) in Singapore: the
income tax
(hereinafter referred to as "Singapore tax").
4. The Agreement shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any substantive changes which have been made in their respective taxation laws.

ARTICLE 3 - GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term "Federal Republic of Germany" means the territory of the Federal Republic of Germany, as well as the area of the sea-bed, its subsoil and the superjacent water column adjacent to the territorial sea, insofar as the Federal Republic of Germany exercises there, in conformity with international law and its national legislation, sovereign rights and jurisdiction to explore and exploit the natural resources;
 - (b) the term "Singapore" means the territory of the Republic of Singapore, as well as the area of the sea-bed, its subsoil and the superjacent water column adjacent to the territorial sea, insofar as the Republic of Singapore exercises there, in conformity with international law and its national legislation, sovereign rights and jurisdiction to explore and exploit the natural resources;
 - (c) the terms "a Contracting State" and "the other Contracting State" mean the Federal Republic of Germany or Singapore as the context requires;
 - (d) the term "person" includes an individual, a company and any other body of persons;
 - (e) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
 - (f) 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;
 - (g) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise which has its place of effective management in a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
 - (h) the term "national" means:
 - (aa) in respect of the Federal Republic of Germany:

any German within the meaning of the Basic Law of the Federal Republic of Germany or any legal person, partnership or association deriving its status as such from the laws in force in the Federal Republic of Germany;

(bb) in respect of Singapore:

any individual possessing the nationality of Singapore or any legal person, partnership or association deriving its status as such from the laws in force in Singapore;

(i) the term "competent authority" means:

(aa) in the case of the Federal Republic of Germany, the Federal Ministry of Finance or the agency to which it has delegated its powers;

(bb) in the case of Singapore, the Minister for Finance or his authorised representative.

2. As regards the application of this Agreement at any time by a Contracting State any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

ARTICLE 4 - RESIDENT

1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that State, a Land and any political subdivision or local authority or statutory body thereof.
2. Where by reason of the provisions of paragraph 1 above an individual is a resident of both Contracting States, then his status shall be determined as follows:
 - (a) he shall be deemed to be a resident of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
 - (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
 - (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
 - (d) in any other case, the competent authorities of the Contracting States shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 above a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the State in which its place of effective management is situated.

ARTICLE 5 - PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
2. The term "permanent establishment" includes especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;
 - (d) a factory;
 - (e) a workshop; and
 - (f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.
3. A building site or construction or installation or assembly project constitutes a permanent establishment only if it lasts more than six months.
4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:
 - (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
 - (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
 - (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

- (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
 - (e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;
 - (f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (e) above, provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
5. Notwithstanding the provisions of paragraphs 1 and 2 above, where a person – other than an agent of an independent status to whom paragraph 6 below applies – is acting on behalf of an enterprise and has, and habitually exercises, in a Contracting State an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.
 6. An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.
 7. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

ARTICLE 6 - INCOME FROM IMMOVABLE PROPERTY

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other State.
2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 above 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 above shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

ARTICLE 7 - BUSINESS PROFITS

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
3. In determining the profits of a permanent establishment, there shall be allowed as deductions all expenses, including executive and general administrative expenses, which would be deductible if the permanent establishment were an independent enterprise, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.
4. Insofar 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 contained in this Article.
5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
6. For the purposes of the preceding paragraphs of this Article, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

7. This Article shall also apply to income of a resident of a Contracting State who carries on business in the other Contracting State as a partner of a partnership. It shall further apply to remuneration received by a partner from the partnership for activities in the service of the partnership and for the granting of loans or the provisions of assets to the partnership, where such remuneration is attributable under the tax law of the Contracting State in which the permanent establishment is situated to the income derived by a partner from that permanent establishment.
8. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 - SHIPPING AND AIR TRANSPORT

1. Profits from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
2. For the purpose of this Article, profits from the operation of ships or aircraft in international traffic also include:
 - (a) income from the rental on a bareboat basis of ships or aircraft; and
 - (b) income from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers) used for the transport of goods or merchandise;
 where such rental, use or maintenance, as the case may be, is incidental to the operation of ships or aircraft in international traffic.
3. If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the Contracting State in which the home harbour of the ship is situated, or, if there is no such home harbour, in the Contracting State of which the operator of the ship is a resident.
4. The provisions of paragraph 1 above shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

ARTICLE 9 - ASSOCIATED ENTERPRISES

1. Where
 - (a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
 - (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,
 and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent 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.
2. Where a Contracting State includes in the profits of an enterprise of that State – and taxes accordingly - profits on which an enterprise of the other Contracting State has been charged to tax in that other State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.

ARTICLE 10 - DIVIDENDS

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. However, such dividends may also 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 of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed:
 - (a) 5 per cent of the gross amount of the dividends if the beneficial owner (other than an individual or a partnership) holds directly at least 10 per cent of the capital of the company paying the dividends;
 - (b) 15 per cent of the gross amount of the dividends in all other cases.
 This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.
3. Notwithstanding the provisions of paragraphs 1 and 2 above, in the Federal Republic of Germany, income of a sleeping partner (“stiller Gesellschafter”) from his participation as such or from a “partiarisches Darlehen” or a “Gewinnobligation” that is deductible in determining the profits of the debtor may be taxed in the Federal Republic of Germany according to its laws.
4. As long as Singapore does not impose a tax on dividends in addition to the tax chargeable on the profits or income of a company, dividends paid by a company which is a resident of Singapore to a resident of the

Federal Republic of Germany shall be exempt from any tax in Singapore which may be chargeable on dividends in addition to the tax chargeable on the profits or income of the company. Under the full imputation system currently adopted in Singapore, the tax deductible from dividends is a tax on the profits or income of the company and not a tax on dividends within the meaning of this Article. If subsequent to the signing of the Agreement, Singapore imposes a tax on dividends in addition to the tax chargeable in respect of the profits or income of a company which is a resident of Singapore, such tax may be charged but the tax so charged on the dividends derived by a resident of the Federal Republic of Germany who is the beneficial owner of such dividends shall be in accordance with the provisions of paragraph 2.

5. The term "dividends" as used in this Article means income from shares, "jouissance" shares or "jouissance" rights, mining shares, founders' shares or other income which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident and includes distributions of an investment fund or investment trust. In the Federal Republic of Germany, the term "dividends" includes also income derived by a sleeping partner ("stiller Gesellschafter") from his participation as such or from a "partiarisches Darlehen" or a "Gewinnobligation".
6. The provisions of paragraphs 1 and 2 above shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
7. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

ARTICLE 11 - INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such 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 of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 8 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2 above,
 - (a) interest arising in the Federal Republic of Germany and paid to the Government of Singapore, the Monetary Authority of Singapore and the Board of Commissioners of Currency, the Government of Singapore Investment Corporation Pte. Ltd. or any other similar institution as may be agreed from time to time between the competent authorities of the Contracting States and interest paid in consideration of a loan guaranteed by ECICS Credit Insurance Ltd. shall be exempt from German tax;
 - (b) interest arising in Singapore and paid to the Federal Republic of Germany, a Land, a political subdivision or a local authority thereof, the Deutsche Bundesbank, the Kreditanstalt für Wiederaufbau, the DEG – Deutsche Investitions – und Entwicklungsgesellschaft mbH or any other similar institution as may be agreed from time to time between the competent authorities of the Contracting States and interest paid in consideration of a loan guaranteed by HERMES-Deckung shall be exempt from Singapore tax.
4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article. However, the term "interest" shall not include income dealt with in Article 10.
5. The provisions of paragraphs 1, 2 and 3 above shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
6. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, a Land, a political subdivision, a local authority or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

ARTICLE 12 - ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such 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 of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 8 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, and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.
4. The provisions of paragraphs 1 and 2 above shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
5. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a Land, a political subdivision, a local authority or a resident of that State. 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 or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

ARTICLE 13 - CAPITAL GAINS

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.
2. Gains derived by a resident of a Contracting State from the alienation of shares and similar rights in a company, the assets of which derive at least 75 per cent of their value directly or indirectly from immovable property situated in the other Contracting State may be taxed in that other State. This shall not apply to shares traded on a recognised Stock Exchange.
3. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.
4. Gains from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
5. Gains from the alienation of any property other than that referred to in paragraphs 1 to 4 above shall be taxable only in the Contracting State of which the alienator is a resident.
6. Where an individual was a resident of a Contracting State for a period of 5 years or more and has become a resident of the other Contracting State, paragraph 5 above shall not prevent the first-mentioned State from taxing under its domestic law the capital appreciation of shares in a company resident in the first-mentioned State for the period of residency of that individual in the first-mentioned State. Where the first-mentioned Contracting State has taxed the appreciation of capital pursuant to the first sentence, this appreciation of

capital shall not be included in the determination of the subsequent appreciation of capital by the other Contracting State.

ARTICLE 14 - INDEPENDENT PERSONAL SERVICES

1. Income derived by an individual who is a resident of a Contracting State from the performance of professional services or other activities of an independent character shall be taxable only in that State except in the following circumstances when such income may also be taxed in the other Contracting State:
 - (a) if he has a fixed base regularly available to him in the other State for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that other State; or
 - (b) if his presence in the other State is for a period or periods exceeding in the aggregate 183 days in the calendar year concerned; in that case, only so much of the income as is derived from his activities performed in that other State may be taxed in that other State.
2. The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, dentists, lawyers, engineers, architects and accountants.

ARTICLE 15 - DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of Articles 16, 18 and 19, 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 above, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if:
 - (a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in any twelve-month period commencing or ending in the calendar 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, and
 - (d) the remuneration is subject to tax in the first-mentioned State.
3. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise which operates the ship or aircraft is situated. However, if the remuneration is derived by a resident of the other Contracting State, it may also be taxed in that other State.

ARTICLE 16 - DIRECTORS' FEES

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

ARTICLE 17 - ARTISTES AND SPORTSMEN

1. Notwithstanding the provisions of Articles 7, 14 and 15, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Contracting State may be taxed in that other State.
2. Notwithstanding the provisions of Article 12, the income derived by the person mentioned in paragraph 1 above from his personal activities exercised in the other Contracting State shall also include:
 - (a) remuneration of any kind paid for the use of or the right to use his name, picture or other personal rights; and
 - (b) income derived from any right for the recording and transmission of his artistic or athletic performances by radio, television or any other media,

provided that such remuneration or income is effectively connected with his personal activities exercised in the other Contracting State.
3. Where income as defined in paragraphs 1 and 2 above accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the Contracting State in which the activities of the entertainer or sportsman are exercised.

4. Paragraphs 1 and 3 above shall not apply to income accruing from the exercise of activities by artistes or sportsmen in a Contracting State where the visit to that State is financed entirely or mainly from public funds of a State, a Land, a political subdivision or a local authority thereof or by a recognised charitable organisation in the Federal Republic of Germany or by a statutory body in Singapore. In such a case the income shall be taxable only in the Contracting State of which the person is a resident.

ARTICLE 18 - PENSIONS, ANNUITIES AND SIMILAR PAYMENTS

1. Pensions and similar payments or annuities paid to a resident of a Contracting State from the other Contracting State shall be taxable only in the first-mentioned State.
2. Notwithstanding the provisions of paragraph 1 above, payments received by an individual being a resident of a Contracting State from the statutory social insurance of the other Contracting State shall be taxable only in that other State.
3. Notwithstanding the provisions of paragraph 1 above, recurrent or non-recurrent payments made by one of the Contracting States or a political subdivision thereof to a person resident in the other Contracting State for damages sustained as a result of war or political persecution or of military or civil service (including restitution payments) shall be taxable only in the first-mentioned State.
4. The term "annuities" means certain amounts payable periodically at stated times, for life or for a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

ARTICLE 19 - GOVERNMENT SERVICE

1. Salaries, wages and other similar remuneration, other than pensions, paid by a Contracting State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law of that State to an individual in respect of services rendered to that State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law shall be taxable only in that State. However, such salaries, wages and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and if the individual is a resident of that State and:
 - (a) is a national of that State; or
 - (b) did not become a resident of that State solely for the purpose of rendering the services.
2. Notwithstanding the provisions of Article 18,
 - (a) Pensions paid by a Contracting State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law of that State to an individual in respect of services rendered to that State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law shall be taxable only in that State.
 - (b) However, such pensions shall be taxable only in the other Contracting State if the individual is a resident of that State and a national of that State.
3. The provisions of Articles 15, 16 and 18 shall apply to salaries, wages and other similar remuneration and pensions in respect of services rendered in connection with a business carried on by a Contracting State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law of that State.
4. The provisions of paragraph 1 above shall likewise apply in respect of salaries, wages and other similar remuneration paid, under a development assistance programme of a Contracting State, a Land, a political subdivision or a local authority thereof or some other legal entity under public law of that State, out of funds exclusively supplied by that State, Land, political subdivision, local authority or other legal entity under public law, to a specialist or volunteer seconded to the other Contracting State with the consent of that other State.
5. The provisions of paragraph 1 above shall likewise apply in respect of salaries, wages and other similar remuneration paid by or for the Goethe Institute of the Federal Republic of Germany. Corresponding treatment of the salaries, wages and other similar remuneration of other comparable institutions of the Contracting States may be arranged by the competent authorities by mutual agreement. If such salaries, wages and other similar remuneration are not taxed in the State where the institution was founded, the provisions of Article 15 shall apply.

ARTICLE 20 - VISITING PROFESSORS, TEACHERS AND STUDENTS

1. An individual who visits a Contracting State at the invitation of that State or of a university, college, school, museum or other cultural institution of that State or under an official programme of cultural exchange for a period not exceeding two years solely for the purpose of teaching, giving lectures or carrying out research at such institution and who is, or was immediately before that visit, a resident of the other Contracting State shall be exempt from tax in the first-mentioned State on his remuneration for such activity, provided that such remuneration is paid to him from outside that State.
2. Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the

purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that State, provided that such payments arise from sources outside that State.

ARTICLE 21 - OTHER INCOME

1. Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.
2. The provisions of paragraph 1 above shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

ARTICLE 22 - REMITTANCE CLAUSE

1. Where this Agreement provides (with or without other conditions) that income from sources in a Contracting State shall be exempt from tax, or taxed at a reduced rate, in that State and under the laws in force in the other Contracting State the said income is subject to tax by reference to the amount thereof which is remitted to or received in that other State and not by reference to the full amount thereof, then the exemption or reduction of tax to be allowed under this Agreement in the first-mentioned State shall apply only to so much of the income as is remitted to or received in the other State.
2. However, this limitation does not apply to income derived, in the case of Singapore, by the Government of Singapore including its agencies and statutory bodies, and, in the case of the Federal Republic of Germany, by the Federal Republic of Germany, a Land, a political subdivision or a local authority thereof. This limitation also does not apply to income derived by any person of a Contracting State approved by the competent authority of that State.

ARTICLE 23 - CAPITAL

1. Capital represented by immovable property, owned by a resident of a Contracting State and situated in the other Contracting State, may be taxed in that other State.
2. Capital represented by movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State, or by movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, may be taxed in that other State.
3. Capital represented by ships and aircraft operated in international traffic, and by movable property pertaining to the operation of such ships and aircraft, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
4. All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

ARTICLE 24 - AVOIDANCE OF DOUBLE TAXATION IN THE STATE OF RESIDENCE

1. Tax shall be determined in the case of a resident of the Federal Republic of Germany as follows:
 - (a) Unless foreign tax credit is to be allowed under sub-paragraph (b), there shall be exempted from the assessment basis of the German tax any item of income arising in Singapore and any item of capital situated within Singapore which, according to this Agreement, may be taxed in Singapore.
 In the case of items of income from dividends the preceding provision shall apply only to such dividends as are paid to a company (not including partnerships) being a resident of the Federal Republic of Germany by a company being a resident of Singapore at least 10 per cent of the capital of which is owned directly by the German company and which were not deducted when determining the profits of the company distributing these dividends.
 There shall be exempted from the assessment basis of the taxes on capital any shareholding the dividends of which, if paid, would be exempted according to the foregoing sentences.
 - (b) Subject to the provisions of German tax law regarding credit for foreign tax, there shall be allowed as a credit against German tax payable in respect of the following items of income the Singapore tax paid under the laws of Singapore and in accordance with this Agreement:
 - (aa) dividends not dealt with in sub-paragraph (a) above;
 - (bb) interest;
 - (cc) royalties;
 - (dd) items of income that may be taxed in Singapore according to paragraph 2 of Article 13;
 - (ee) items of income that may be taxed in Singapore according to paragraph 3 of Article 15;

- (ff) directors' fees as defined in Article 16;
- (gg) items of income as defined in Article 17.
- (c) The provisions of sub-paragraph (b) above shall apply instead of the provisions of sub-paragraph (a) above to items of income as defined in Articles 7 and 10 and to the assets from which such income is derived if the resident of the Federal Republic of Germany does not prove that the gross income of the permanent establishment in the business year in which the profit has been realized or of the company resident in Singapore in the business year for which the dividends were paid was derived exclusively or almost exclusively from activities within the meaning of nos. 1 to 6 of paragraph 1 of section 8 of the German Law on External Tax Relations (Aussensteuergesetz); the same shall apply to immovable property used by a permanent establishment (paragraph 4 of Article 6) and to profits from the alienation of such immovable property (paragraph 1 of Article 13) and of the movable property forming part of the business property of the permanent establishment (paragraph 3 of Article 13).
- (d) The Federal Republic of Germany, however, retains the right to take into account in the determination of its rate of tax the items of income and capital, which are under the provisions of this Agreement exempted from German tax.
- (e) Notwithstanding the provisions of sub-paragraph (a) double taxation shall be avoided by allowing a tax credit as laid down in sub-paragraph (b):
 - (aa) if in the Contracting States items of income or capital are placed under differing provisions of this Agreement or attributed to different persons (except pursuant to Article 9) and this conflict cannot be settled by a procedure in accordance with paragraph 3 of Article 26 and if as a result of this difference in placement or attribution the relevant income or capital would remain untaxed or be taxed lower than without this conflict or
 - (bb) if after due consultation with the competent authority of Singapore the Federal Republic of Germany notifies through diplomatic channels of other items of income to which it intends to apply the provisions of subparagraph (b). Double taxation is then avoided for the notified income by allowing a tax credit from the first day of the calendar year next following that in which the notification was made.
- (f) For the purposes of credit referred to in sub-paragraph (b), where the rate of Singapore tax on interest to which paragraph 2 of Article 11 applies is reduced below 8 per cent of the gross amount of such interest by virtue of special incentive measures designed to promote economic development in Singapore, the amount of Singapore tax shall be deemed to be 8 per cent of the gross amount of such interest.
- (g) For the purposes of credit referred to in sub-paragraph (b), where the rate of Singapore tax on royalties to which paragraph 2 of Article 12 applies is reduced below 8 per cent of the gross amount of such royalties by virtue of special incentive measures designed to promote economic development in Singapore, the amount of Singapore tax shall be deemed to be 8 per cent of the gross amount of such royalties.
- (h) The provisions of sub-paragraphs (f) and (g) shall cease to have effect for interest and royalties which arise or accrue in Singapore after 31 December 2005.

2. Tax shall be determined in the case of a resident of Singapore as follows:

Where a resident of Singapore derives income from the Federal Republic of Germany which, in accordance with the provisions of this Agreement, may be taxed in the Federal Republic of Germany, Singapore shall, subject to its laws regarding the allowance as a credit against Singapore tax of tax payable in any country other than Singapore, allow the German tax paid, whether directly or by deduction, as a credit against the Singapore tax payable on the income of that resident. Where such income is a dividend paid by a company (not including a partnership) which is a resident of the Federal Republic of Germany to a resident of Singapore which is a company owning directly or indirectly not less than 10 per cent of the share capital of the first-mentioned company, the credit shall take into account the German tax paid by that company on the portion of its profits out of which the dividend is paid.

ARTICLE 25 - NON-DISCRIMINATION

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances, especially with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
3. Nothing in this Article shall be construed as obliging a Contracting State to grant to:

- (a) residents of the other Contracting State any personal allowances, reliefs and reductions for tax purposes which it grants to its own residents; or
 - (b) nationals of the other Contracting State those personal allowances, reliefs and reductions for tax purposes which it grants to its own nationals who are not residents of that State or to such other persons who have been granted such personal allowances, reliefs and reductions under the taxation laws of that State as at the date of the signing of this Agreement.
4. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, or paragraph 6 of Article 12, apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State. Similarly, any debts of an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable capital of such enterprise, be deductible under the same conditions as if they had been contracted to a resident of the first-mentioned State.
 5. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
 6. In this Article, the term "taxation" means taxes which are the subject of this Agreement.

ARTICLE 26 - MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the Contracting State of which he is a resident or, if his case comes under paragraph 1 of Article 25, to that of the Contracting State of which he is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.
2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.
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 Agreement. They may also consult together for the avoidance of double taxation in cases not provided for in the Agreement.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

ARTICLE 27 - EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is necessary for carrying out the provisions of this Agreement or of the domestic laws of the Contracting States concerning taxes covered by the Agreement insofar as the taxation thereunder is not contrary to the Agreement. Any information received by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the Agreement. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.
2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
 - (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or to supply information the disclosure of which would be contrary to public policy.

ARTICLE 28 - REFUND OF WITHHOLDING TAX

1. If in one of the Contracting States the taxes on dividends, interest, royalties or other items of income derived by a person who is a resident of the other Contracting State are levied by withholding at source, the right of the first-mentioned State to apply the withholding of tax at the rate provided under its domestic law shall not be affected by the provisions of this Agreement. The tax withheld at source shall be refunded on application by the taxpayer if and to the extent that it is reduced by this Agreement or ceases to apply.
2. Refund applications must be submitted by the end of the fourth year following the calendar year in which the withholding tax was applied to the dividends, interest, royalties or other items of income.
3. The Contracting State in which the items of income arise may ask for a certificate by the competent authority on the residence in the other Contracting State.
4. The competent authorities may by mutual agreement implement the provisions of this Article and if necessary establish other procedures for the implementation of tax reductions or exemptions provided for under this Agreement.

ARTICLE 29 - APPLICATION OF THE AGREEMENT IN SPECIAL CASES

1. This Agreement shall not be interpreted to mean that a Contracting State is prevented from applying its domestic legal provisions on the prevention of tax evasion or tax avoidance.
2. If the above provisions result in double taxation, the competent authorities shall consult pursuant to paragraph 3 of Article 26 on how to avoid double taxation.

ARTICLE 30 - MEMBERS OF DIPLOMATIC MISSIONS AND CONSULAR POSTS

1. Nothing in this Agreement shall affect the fiscal privileges of members of a diplomatic mission, a consular post or an international organisation under the general rules of international law or under the provisions of special agreements.
2. Insofar as, to the extent that, due to fiscal privileges granted to diplomatic agents or consular officers under the general rules of international law or under the provisions of special international agreements, items of income or capital are not subject to tax in the receiving State, the sending State shall have the right to tax such items of income or capital.
3. Notwithstanding the provisions of Article 4, an individual who is a member of a diplomatic mission, a consular post or a permanent mission or a Contracting State which is situated in the other Contracting State or in a third State shall be deemed for the purposes of this Agreement to be a resident of the sending State if:
 - (a) in accordance with international law he is not liable to tax in the receiving State in respect of items of income from sources outside that State; and
 - (b) he is liable in the sending State to the same obligations in relation to tax on his total income or on capital as are residents of that State.
4. This Agreement shall not apply to international organisations, to organs or officials thereof, and to members of a diplomatic mission or consular post of a third State and persons related to them, being present in a Contracting State but not being treated in either Contracting State for purposes of taxes on income and on capital as residents are treated.

ARTICLE 31 - ENTRY INTO FORCE

1. This Agreement shall be ratified and the instruments of ratification shall be exchanged at Berlin as soon as possible.
2. This Agreement shall enter into force on the day of the exchange of the instruments of ratification and shall have effect:
 - (a) in the Federal Republic of Germany:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which the Agreement entered into force;
 - (bb) in the case of other taxes, in respect of taxes levied for any assessment period beginning on or after the first day of January of the calendar year next following that in which the Agreement entered into force;
 - (b) in Singapore:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which the Agreement entered into force;
 - (bb) in the case of other taxes, in respect of taxes levied on any basis period beginning on or after the first day of January of the calendar year next following that in which the Agreement entered into force.

3. The Agreement between the Republic of Singapore and the Federal Republic of Germany for the Avoidance of Double Taxation with respect to Taxes on Income and Capital signed on 19th February 1972 shall cease to have effect for all cases covered by this Agreement as from the date on which the provisions of this Agreement commence to have effect.

ARTICLE 32 - TERMINATION

This Agreement shall remain in effect indefinitely but either of the Contracting States may, on or before the thirtieth day of June in any calendar year beginning after the expiration of a period of five years from the date of its entry into force, give the other Contracting State, through diplomatic channels, written notice of termination and, in such event, this Agreement shall cease to have effect:

- (a) in the Federal Republic of Germany:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which notice of termination is given;
 - (bb) in the case of other taxes, in respect of taxes levied for any assessment period beginning on or after the first day of January of the calendar year next following that in which notice of termination is given;
- (b) in Singapore:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which notice of termination is given;
 - (bb) in the case of other taxes, in respect of taxes levied on any basis period beginning on or after the first day of January of the calendar year next following that in which notice of termination is given.

ARTICLE 33 - PROTOCOL

The attached Protocol shall form an integral part of this Agreement.

Done at Singapore this 28th day of June 2004 in two originals, each in the English and German languages, both texts being equally authentic.

For the Republic of Singapore
Koh Cher Siang
Commissioner of Inland Revenue

For the Federal Republic of Germany
Andreas Michaelis
Ambassador

PROTOCOL

PROTOCOL TO THE AGREEMENT BETWEEN THE REPUBLIC OF SINGAPORE AND THE FEDERAL REPUBLIC OF GERMANY FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL SIGNED ON 28TH JUNE 2004 AT SINGAPORE.

On signing the agreement between the Republic of Singapore and the Federal Republic of Germany for the Avoidance of Double Taxation with respect to Taxes on Income and on Capital the Contracting States have agreed on the following provisions which shall form an integral part of the said Agreement:

- 1. With reference to Article 4:

The term "statutory body" means a body constituted by any statute of a Contracting State and performing functions which would otherwise be performed by the Government of that Contracting State.

The competent authority of a Contracting State shall upon request confirm to the competent authority of the other Contracting State whether a particular entity is a statutory body of the first-mentioned Contracting State.
- 2. With reference to Article 7:
 - (a) In the case of contracts, in particular for the survey, supply, installation or construction of industrial, commercial or scientific equipment or premises, or of public works, where the enterprise has a permanent establishment in the other Contracting State, the profits of such permanent establishment shall not be determined on the basis of the total amount of the contract, but only on the basis of that part of the contract which is effectively carried out by the permanent establishment in the Contracting State in which it is situated. Profits derived from the supply of goods to that permanent establishment or profits related to the part of the contract which is carried out in the Contracting State in which the head office of the enterprise is situated shall be taxable only in that State.

- (b) Payments received as a consideration for technical services, including studies or surveys of a scientific, geological or technical nature, or for engineering contracts including blue prints related thereto, or for consultancy or supervisory services shall be deemed to be payments to which the provisions of Article 7 or Article 14 of the Agreement apply.
- 3. With reference to Articles 8 and 23:
The provisions of Articles 8 and 23 of the Agreement shall apply to any item of income derived from the Federal Republic of Germany, or to any item of capital situated within the Federal Republic of Germany owned, by a company or a body of persons treated as an entity for tax purposes which is a resident of Singapore more than 50 per cent of the capital of which is owned directly or indirectly by persons who are not residents of Singapore, only if such company or body of persons proves that the Singapore tax appropriate to the income is equal to the Singapore tax which would have been appropriate to such income if the Singapore tax were computed without regard to any provision identical or similar to the provisions of section 13A of the Singapore Income Tax Act.
- 4. With reference to Article 24 paragraph 1 sub-paragraph (e)(bb):
The Federal Republic of Germany shall not make use of the right of notification until five years have elapsed since the entry into force of the Agreement.
- 5. With reference to Article 25:
Nothing in this Article shall prevent the Republic of Singapore from applying section 42 A of the Income Tax Act (Chapter 134).
- 6. With reference to Article 27:
If personal data are exchanged under this Agreement, the following additional provisions shall apply subject to the legal provisions in effect for each Contracting State:
 - (a) The recipient shall upon request inform the supplying agency about the purpose for which the supplied data was used.
 - (b) The supplying agency shall be obliged to ensure that the data to be supplied are accurate and that they are necessary for and commensurate with the purpose for which they are supplied. If it emerges that inaccurate data, or data which should not have been supplied, have been supplied, the recipient shall be informed of this without delay. The recipient shall be obliged to correct or to delete such data.
 - (c) The Contracting States shall be obliged to keep official records of the supply and receipt of personal data.
 - (d) The supplying and the receiving agencies shall be obliged to take effective measures to protect the personal data supplied against unauthorised access, unauthorised alteration and unauthorised disclosure.

For the Republic of Singapore
Koh Cher Siang
Commissioner of Inland Revenue

For the Federal Republic of Germany
Andreas Michaelis
Ambassador

ANNEX A

PROTOCOL AMENDING THE AGREEMENT SIGNED ON 28 JUNE 2004 BETWEEN THE REPUBLIC OF SINGAPORE AND THE FEDERAL REPUBLIC OF GERMANY FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL

The Republic of Singapore and the Federal Republic of Germany, desiring to amend the Agreement signed on 28 June 2004 between the Republic of Singapore and the Federal Republic of Germany for the Avoidance of Double Taxation with respect to Taxes on Income and on Capital, and the attached Protocol signed on 28 June 2004, hereinafter referred to as "the Agreement", have agreed as follows:

ARTICLE 1

The preamble of the Agreement shall be replaced by the following:

"The Republic of Singapore and Federal Republic of Germany, intending to eliminate double taxation with respect to the taxes covered by this Agreement without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Agreement for the indirect benefit of residents of third jurisdictions), have agreed as follows:"

ARTICLE 2

Paragraph 3 of Article 5 of the Agreement shall be replaced by the following paragraph:

- “3. A building site or construction or installation or assembly project constitutes a permanent establishment only if it lasts more than twelve months.”

ARTICLE 3

Article 10 of the Agreement shall be amended as follows:

1. Sub-paragraph (b) of paragraph 2 shall be replaced by the following sub-paragraph:
“(b) 10 per cent of the gross amount of the dividends in all other cases;”
2. A new sub-paragraph (c) shall be inserted after sub-paragraph (b) of paragraph 2:
“(c) notwithstanding the provisions of sub-paragraphs (a) and (b), 15 per cent of the gross amount of the dividends if the company paying the dividend is a real estate investment company or trust, as the case may be.”
3. A new paragraph 3 shall be inserted after paragraph 2:
“3. For the purpose of Article 10 of the Agreement, the term “company” shall include:
(a) in the case of the Federal Republic of Germany, a real estate investment company that is a company according to paragraph 1 of Section 1 of the German Act on German Real Estate Stock Corporations with Listed Shares (REIT Act); and
(b) in the case of Singapore, a real estate investment trust that is a trust constituted as a collective investment scheme authorised under Section 286 of the Securities and Futures Act (Cap. 289) and listed on the Singapore Exchange, and that invests or proposes to invest in immovable property and immovable property-related assets, and that is not taxed at the trustee level pursuant to Section 43(2A) of the Singapore Income Tax Act (Cap. 134).”
4. The current paragraph 3 shall be renumbered as paragraph 4.
5. The current paragraph 4 shall be renumbered as paragraph 5 and the following sentence shall be deleted:
“Under the full imputation system currently adopted in Singapore, the tax deductible from dividends is a tax on the profits or income of the company and not a tax on dividends within the meaning of this Article.”
6. The current paragraphs 5 through 7 shall be renumbered as paragraphs 6 through 8.

ARTICLE 4

Article 11 of the Agreement shall be amended as follows:

1. Paragraph 1 shall be replaced by the following paragraph:
“1. Interest arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.”
2. Paragraphs 2, 3 and 6 shall be deleted.
3. Paragraph 5 shall be deleted and replaced by the following paragraph:
“3. The provisions of paragraph 1 above shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.”
4. Paragraphs 4 and 7 shall be renumbered as paragraphs 2 and 4 respectively.

ARTICLE 5

Article 12 of the Agreement shall be amended as follows:

1. In respect of paragraph 2, the term “8 per cent” shall be replaced by “5 per cent”.
2. In respect of paragraph 3, the phrase “or for the use of, or the right to use, industrial, commercial or scientific equipment,” shall be deleted.

ARTICLE 6

Article 13 of the Agreement shall be amended as follows:

1. A new paragraph 3 shall be inserted after paragraph 2:
“3. Gains other than those referred to in paragraph 2 derived by a resident of a Contracting State from the alienation of shares, participations, or other rights representing more than 50 per cent of the vote, value or capital stock in a company which is a resident of the other Contracting State may be taxed in that other Contracting State if the alienator had held directly or indirectly such shares, participations, or other rights for a period of less than 12 months preceding such alienation.”

2. The current paragraphs 3 and 4 shall be renumbered as paragraphs 4 and 5 respectively.
3. The current paragraph 5 shall be renumbered as paragraph 6 and shall be replaced by the following paragraph:
 “6. Gains from the alienation of any property other than that referred to in paragraphs 1 to 5 above shall be taxable only in the Contracting State of which the alienator is a resident.”
4. The current paragraph 6 shall be renumbered as paragraph 7 and shall be replaced by the following paragraph:
 “7. Where an individual was a resident of a Contracting State for a period of 5 years or more and has become a resident of the other Contracting State, paragraph 6 above shall not prevent the first-mentioned State from taxing under its domestic law the capital appreciation of shares in a company resident in the first-mentioned State for the period of residency of that individual in the first-mentioned State. Where the first-mentioned Contracting State has taxed the appreciation of capital pursuant to the first sentence, this appreciation of capital shall not be included in the determination of the subsequent appreciation of capital by the other Contracting State.”

ARTICLE 7

Article 18 of the Agreement shall be amended as follows:

1. Paragraph 4 shall be renumbered as paragraph 5.
2. A new paragraph 4 shall be inserted after paragraph 3:
 “4. Notwithstanding the provisions of paragraph 1 above:
 - (a) in the case of Singapore, withdrawals made by a resident of the Federal Republic of Germany from his Supplementary Retirement Scheme account under Section 10L of the Singapore Income Tax Act (Cap. 134) shall be taxable only in Singapore;
 - (b) in the case of the Federal Republic of Germany, a pension, similar remuneration or annuity arising in the Federal Republic of Germany, which is attributable in whole or in part to contributions which for more than 5 years in the Federal Republic of Germany
 - (aa) did not form part of the taxable income from employment; or
 - (bb) were tax-deductible; or
 - (cc) were tax-relieved in some other ways
 shall be taxable only in the Federal Republic of Germany.”

ARTICLE 8

Paragraph 2 of Article 22 of the Agreement shall be replaced by the following paragraph:

- “2. Paragraph 1 above shall not be construed to apply:
 - (a) in the case of Singapore:
 - (aa) when Singapore exempts income referred to in sub-paragraph (b) of paragraph 2 of Article 24 of the Agreement; in such case, the exemption or reduction of tax to be allowed under this Agreement in the Federal Republic of Germany shall apply to the amount of income from sources in the Federal Republic of Germany that is exempted from tax in Singapore; and
 - (bb) to income derived by the Government of Singapore and any statutory body thereof, GIC Private Limited, and the Central Bank of Singapore; and
 - (b) in the case of the Federal Republic of Germany, to income derived by the Federal Republic of Germany, a Land, a political subdivision or a local authority thereof.”

ARTICLE 9

Article 24 of the Agreement shall be amended as follows:

1. In respect of sub-paragraph (c) of paragraph 1, the term “(paragraph 3 of Article 13)” shall be replaced by “(paragraph 4 of Article 13)”.
2. Sub-paragraphs (f) through (h) of paragraph 1 shall be deleted.
3. Paragraph 2 shall be replaced by the following paragraph:
 “2. Tax shall be determined in the case of a resident of Singapore as follows:
 - (a) Where a resident of Singapore derives income from the Federal Republic of Germany which, in accordance with the provisions of this Agreement, may be taxed in the Federal Republic of Germany, Singapore shall, subject to its laws regarding the allowance as a credit against Singapore tax of tax payable in any country other than Singapore, allow the German tax paid, whether directly or by deduction, as a credit against the Singapore tax payable on the income of that resident. Where such income is a dividend paid by a company (not including a partnership) which is a resident of the Federal Republic of Germany to a resident of Singapore which is a

company owning directly or indirectly not less than 10 per cent of the share capital of the first-mentioned company, the credit shall take into account the German tax paid by that company on the portion of its profits out of which the dividend is paid.

- (b) Where a resident of Singapore derives income from the Federal Republic of Germany and remits such income to Singapore, Singapore shall, subject to the conditions of exemption for income received from outside Singapore provided for in Sections 13(7A), 13(8) and 13(12) of the Singapore Income Tax Act (Cap. 134) or any identical or substantially similar provisions enacted after the signature of the Agreement, being satisfied, exempt such income from tax in Singapore."

ARTICLE 10

In respect of the first sentence of paragraph 4 of Article 25 of the Agreement, the term "paragraph 7 of Article 11" shall be replaced by "paragraph 4 of Article 11".

ARTICLE 11

A new paragraph 5 shall be added after paragraph 4 of Article 26 of the Agreement:

- "5. Where,
- (a) under paragraph 1, a person has presented a case, except a case that is not eligible for arbitration, to the competent authority of a Contracting State on the basis that the actions of one or both of the Contracting States have resulted for that person in taxation not in accordance with the provisions of this Agreement, and
- (b) the competent authorities are unable to reach an agreement to resolve that case pursuant to paragraph 2 within three years from the date when all the information required by the competent authorities in order to address the case has been provided to both competent authorities, any unresolved issues arising from the case shall be submitted to arbitration if the person so requests in writing. These unresolved issues shall not, however, be submitted to arbitration if a final decision on these issues has already been rendered by a court or administrative tribunal of either State. Unless a person directly affected by the case does not accept the mutual agreement that implements the arbitration decision, that decision shall be binding on both Contracting States and shall be implemented notwithstanding any time limits in the domestic laws of these States. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this paragraph."

ARTICLE 12

Article 27 of the Agreement shall be replaced by the following Article:

"ARTICLE 27 - EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of a Contracting State, of a Land or a political subdivision or a local authority thereof, insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Articles 1 and 2.
2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. 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.
3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
 - (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).
4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be

construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

5. In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person."

ARTICLE 13

Article 29 of the Agreement shall be amended as follows:

1. Paragraph 1 shall be preceded by the following new paragraph 1:
"1. Notwithstanding any provisions of this Agreement, a benefit under this Agreement shall not be granted in respect of an item of income or capital if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of this Agreement."
2. The current paragraphs 1 and 2 shall be renumbered as paragraphs 2 and 3 respectively.

ARTICLE 14

The Protocol to the Agreement shall be amended as follows:

1. Paragraph 4 shall be deleted.
2. Paragraph 5 shall be renumbered as paragraph 4.
3. A new paragraph 5 shall be inserted after paragraph 4:
"5. With reference to paragraph 5 of Article 26:
The following cases are not eligible for arbitration under paragraph 5 of Article 26 of the Agreement:
(a) any case in which a domestic law or tax treaty anti-abuse rule (e.g. Parts 4, 5 and 7 of the German External Tax Relations Act (Außensteuergesetz), Section 42 of the German Fiscal Code (Abgabenordnung), Section 50d Paragraph 3 of the German Income Tax Act (Einkommensteuergesetz)) has been applied;
(b) any case involving conduct for which the taxpayer, a person acting on his or her behalf, or a related person has been found guilty by a court for a tax offence or has been subject to the imposition of a serious penalty;
(c) any case concerning items of income or capital that are not taxed by a Contracting State because they are not included in the taxable base in that Contracting State or because they are subject to an exemption or zero tax rate provided under the domestic tax law of that Contracting State;
(d) any case that falls within the scope of application of the Convention on the Elimination of Double Taxation in Connection with the Adjustment of Profits of Associated Enterprises (90/436/EEC) as amended, or any subsequent regulation;
(e) any case involving the application of any domestic law or tax treaty provision to items of income or capital resulting in the avoidance of double taxation by the credit method instead of the exemption method;
(f) any facts determined as part of a "mutual agreement on facts" (tatsächliche Verständigung) defined in the German Federal Ministry of Finance circular of 30 July 2008 (Federal Tax Gazette I 2008, p. 831), as amended, or in any subsequent regulation, between the tax administration of a Contracting State and the taxpayer;
(g) any case involving the application of domestic general anti-avoidance rules contained in Section 33 of the Singapore Income Tax Act (Cap. 134), case law or judicial doctrines, and any subsequent provisions replacing, amending or updating these anti-avoidance rules."
4. Sub-paragraph (a) of paragraph 6 shall be replaced by the following sub-paragraph:
"(a) The receiving agency shall on request inform the supplying agency on a case-by-case basis about the use of the supplied data and the results achieved thereby."
5. Two new paragraphs 7 and 8 shall be added after paragraph 6:
"7. With reference to Article 27:
It is understood that both Contracting States will explore ways to enhance bilateral cooperation as regards the exchange of information in tax matters.
8. With reference to paragraph 2 of Article 27:

Information that has been received under paragraph 1 of Article 27 by a Contracting State and that is disclosed in public court proceedings or in judicial decisions may only be used by the Contracting State for the purposes specified in Article 27."

ARTICLE 15

1. This Protocol shall be subject to ratification and the instruments of ratification shall be exchanged at Singapore as soon as possible.
2. This Protocol shall enter into force on the date on which the instruments of ratification are exchanged and shall have effect:
 - (a) in the Federal Republic of Germany:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which this Protocol entered into force;
 - (bb) in the case of other taxes, in respect of taxes levied for any assessment period beginning on or after the first day of January of the calendar year next following that in which this Protocol entered into force;
 - (cc) regarding Article 27, in respect of requests made on or after the date of entry into force concerning information that relates to any assessment period or any chargeable event in accordance with the law of the requesting Contracting State.
 - (b) in Singapore:
 - (aa) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which this Protocol entered into force;
 - (bb) in the case of other taxes, in respect of taxes levied for any basis period beginning on or after the first day of January of the calendar year next following that in which this Protocol entered into force;
 - (cc) regarding Article 27, in respect of requests made on or after the date of entry into force concerning information that relates to any taxable period or any chargeable event in accordance with the law of the requesting Contracting State.

ARTICLE 16

This Protocol shall remain in force as long as the Agreement remains in force.

Done in duplicate at Berlin on 9th December 2019 in the English and German languages, both texts being equally authentic.

For the Republic of Singapore
LEE CHONG HOCK

For the Federal Republic of Germany
PETRA SIGMUND

ANNEX B

AGREEMENT BETWEEN THE REPUBLIC OF SINGAPORE AND THE FEDERAL REPUBLIC OF GERMANY FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND CAPITAL

The Republic of Singapore and the Federal Republic of Germany, desiring to conclude an Agreement for the avoidance of double taxation with respect to taxes on income and capital, have agreed as follows:

ARTICLE 1 - PERSONAL SCOPE

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

ARTICLE 2 - TAXES COVERED

1. This Agreement shall apply to taxes on income and on capital imposed on behalf of each Contracting State or of its Laender, political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, as well as taxes on capital appreciation.
3. The existing taxes to which this Agreement shall apply are, in particular:
 - (a) in the Federal Republic of Germany:

- the Einkommensteuer (income tax) including the Ergänzungsabgabe (surcharge) thereon,
 - the Körperschaftsteuer (corporation tax) including the Ergänzungsabgabe (surcharge) thereon,
 - the Vermögensteuer (capital tax) and
 - the Gewerbesteuer (trade tax) (hereinafter referred to as "German tax");
- (b) in Singapore: the income tax (hereinafter referred to as "Singapore tax").
4. This Agreement shall also apply to any identical or substantially similar taxes which are subsequently imposed in addition to, or in place of, the existing taxes.
5. The provisions of this Agreement in respect of taxation of income or capital shall likewise apply to the German trade tax, computed on a basis other than income or capital.

ARTICLE 3 - GENERAL DEFINITIONS

1. In this Agreement, unless the context otherwise requires:
- (a) the term "Federal Republic of Germany", when used in a geographical sense, means the territory in which the Basic Law for the Federal Republic of Germany is in force, as well as any area adjacent to the territorial waters of the Federal Republic of Germany designated, in accordance with international law as related to the rights which the Federal Republic of Germany may exercise with respect to the sea bed and sub-soil and their natural resources, as domestic area for tax purposes;
 - (b) the term "Singapore" means the Republic of Singapore, and, when used in a geographical sense, the territory of Singapore as well as any area adjacent to the territorial waters of Singapore designated in accordance with international law as related to the rights which Singapore may exercise with respect to the sea bed and sub-soil and their natural resources, as domestic area for tax purposes;
 - (c) the terms "a Contracting State" and "the other Contracting State" mean the Federal Republic of Germany or Singapore, as the context requires;
 - (d) the term "person" includes an individual, a company and any body of persons treated as an entity for tax purposes;
 - (e) the term "company" means any body corporate or any entity, which is treated as a body corporate for tax purposes;
 - (f) the terms "resident of a Contracting State" and "resident of the other Contracting State" mean a person who is a resident of the Federal Republic of Germany or a person who is a resident of Singapore, 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 "citizen" means:
 - (aa) in respect of the Federal Republic of Germany any German in the meaning of Article 116, paragraph 1, of the Basic Law for the Federal Republic of Germany and any legal person, partnership and association deriving its status as such from the law in force in the Federal Republic of Germany;
 - (bb) in respect of Singapore any citizen of Singapore and any legal person, partnership and association deriving its status as such from the law in force in Singapore;
 - (i) the term "competent authority" means in the case of the Federal Republic of Germany the Federal Minister for Economics and Finance, and in the case of Singapore the Minister for Finance or his authorized representative.
2. As regards the application of the Agreement 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 Agreement.

ARTICLE 4 - FISCAL DOMICILE

1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the law of the State, is liable to taxation therein by reason of his domicile, residence, place of management or any other criterion of a similar nature.
2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then this case shall be determined in accordance with the following rules:
- (a) he shall be deemed to be a resident of the Contracting State in which he has a permanent home available to him. If he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident of the Contracting State with which his personal and economic relations are closest (centre of vital interests);

- (b) if the Contracting State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either Contracting State, he shall be deemed to be a resident of the Contracting State in which he has an habitual abode;
 - (c) if he has an habitual abode in both Contracting States or in neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the Contracting State in which its place of effective management is situated.

ARTICLE 5 - PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, 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 farm or plantation;
 - (g) a mine, oil well, quarry or other place of extraction of natural resources;
 - (h) a building site or construction or assembly project which exists for more than six 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:-
 - (a) 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;
 - (b) he has, and habitually exercises in that State, an authority to fill orders on behalf of the enterprise from a stock of goods or merchandise which he maintains in that State and which belongs to 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 make either company a permanent establishment of the other.

ARTICLE 6 - IMMOVABLE PROPERTY

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 rights to variable or fixed payments as consideration for the working of, or the right to work, mines, oil wells, quarries or other places of extraction of natural resources. Ships, boats and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting or use in any other form of immovable property.

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

ARTICLE 7 - BUSINESS PROFITS

1. The profits of an enterprise of a Contracting State shall be taxable only in the 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. No profits shall be attributed to a permanent establishment by reason of the mere purchase by the permanent establishment of goods or merchandise for the enterprise.
5. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 - SHIPS AND AIRCRAFT

1. Profits of an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that State.
2. The provisions of paragraph 1 shall likewise apply in respect of participations in pools, in a joint business or in an international operation agency of any kind by enterprises engaged in the operation of ships or aircraft in international traffic.

ARTICLE 9 - RELATED PERSONS

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 10 - DIVIDENDS

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. However, such dividends may be taxed in the Contracting State of which the company paying the dividends is a resident, and according to the law of that State, but the tax so charged shall not exceed:
 - (a) 10 per cent of the gross amount of the dividends if the recipient is a company which owns directly at least 25 per cent of the capital of the company paying the dividends;
 - (b) in all other cases, 15 per cent of the gross amount of the dividends.
3. Notwithstanding the provisions of paragraph 2, German tax on dividends paid to a company which is a resident of Singapore by a company which is a resident of the Federal Republic of Germany, at least 25 per cent of the capital of which is owned directly or indirectly by the former company itself, or by it together with other persons controlling it or being under common control with it, may be charged at a rate exceeding 15 per cent but not exceeding 27 per cent if the rate of German corporation tax on distributed profits is lower than that on undistributed profits and the difference between those two rates is 15 percentage points or more.
4. Notwithstanding the provisions of paragraph 2, as long as Singapore does not impose a tax on dividends in addition to the tax chargeable on the profits or income of a company, dividends paid by a company which is a resident of Singapore to a resident of the Federal Republic of Germany shall be exempt from any tax in Singapore which may be chargeable on dividends in addition to the tax chargeable on the profits or income of the company.

Provided that nothing in this paragraph shall affect the provisions of Singapore law under which the tax in respect of a dividend paid by a company which is a resident of Singapore from which Singapore tax has been, or has been deemed to be deducted, may be adjusted by reference to the rate of tax appropriate to the Singapore year of assessment immediately following that in which the dividend was paid.

5. The term "dividends" as used in this Article means income from shares 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 and includes distributions of an investment trust, and also includes in the case of the Federal Republic of Germany the income derived by a sleeping partner from his participation as such.
6. The provisions of paragraphs 1 to 4 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 7 shall apply.
7. 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 11 - INTEREST

1. Interest derived from a Contracting State by a resident of the other Contracting State may be taxed in that other State.
2. However, such interest may be taxed in the Contracting State from which it is derived, and according to the law of that State, but the tax so charged shall not exceed 10 per cent of the gross amount of such interest.
3. Notwithstanding the provisions of paragraph 2, interest derived from a Contracting State shall be exempt from tax in that State if the interest is received by
 - (a) the other Contracting State, a Land, a political subdivision or a local authority thereof, or
 - (b) in the case of the Federal Republic of Germany, the "Deutsche Bundesbank", the "Kreditanstalt für Wiederaufbau" or the "Deutsche Gesellschaft für wirtschaftliche Zusammenarbeit (Entwicklungsgesellschaft)", and in the case of Singapore, the Board of Commissioners of Currency or the Monetary Authority of Singapore.

The competent authorities of the Contracting States shall determine by mutual agreement any other governmental institution to which this paragraph shall apply.
4. 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 to income from money lent by the taxation law of the State from which the income is derived.
5. The provisions of paragraphs 1 to 3 shall not apply if the recipient of the interest, being a resident of a Contracting State, has in the other Contracting State from which the interest is derived a permanent establishment with which the debt-claim from which the interest arises is effectively connected. In such a case, the provisions of Article 7 shall apply.
6. Interest shall be deemed to be derived from a Contracting State when the payer is that State itself, a Land, a political subdivision, a local authority or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment, then such interest shall be deemed to be derived from the Contracting State in which the permanent establishment is situated.
7. 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 Agreement.

ARTICLE 12 - ROYALTIES

1. Royalties derived from a Contracting State by a resident of the other Contracting State shall be taxable only in that other State.
2. Notwithstanding the provisions of paragraph 1, royalties received as consideration for the use of, or the right to use, any copyright of literary or artistic work, including cinematograph films or tapes for television or broadcasting, may be taxed in, and according to the law of, the Contracting State from which they are derived.

3. The term "royalties" as used in this Article means payments of any kind received as consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work, including cinematograph films or tapes for television or broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.
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 from which the royalties are derived 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 7 shall apply.
5. Royalties derived by a resident of a Contracting State shall be deemed to be derived from the other Contracting State when such royalties are so derived from that other State according to the law of that other State.
6. 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 Agreement.

ARTICLE 13 - CAPITAL GAINS

1. Gains from the alienation of immovable property, as defined in paragraph 2 of Article 6, 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, including such gains from the alienation of such a permanent establishment (alone or together with the whole enterprise), may be taxed in the other State. However, gains from the alienation of movable property of the kind referred to in paragraph 3 of Article 22 shall be taxable only in the Contracting State in which such movable property is taxable according to the said Article.
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 14 - PERSONAL SERVICES

1. Subject to the provisions of Articles 15 to 19, salaries, wages, or other similar compensation or remuneration derived by a resident of a Contracting State in respect of personal services (including professional services) shall be taxable only in that State, unless the services are rendered in the other Contracting State. If the services are so rendered, such compensation or remuneration as is derived therefrom may be taxed in that other State.
2. Notwithstanding the provisions of paragraph 1, compensation or remuneration derived by a resident of a Contracting State in respect of services rendered in the other Contracting State shall be taxable only in the first-mentioned State if
 - (a) the recipient is present in the order State for a period or periods not exceeding in the aggregate 183 days during the calendar year;
 - (b) the compensation or remuneration is paid by, or on behalf of, a person who is not resident of the other State;
 - (c) the compensation or remuneration is not borne by a permanent establishment which the person paying the compensation or remuneration has in the other State; and
 - (d) the compensation or remuneration is subject to tax in the first-mentioned State.
3. Notwithstanding the provisions of paragraph 1, compensation or remuneration derived by a resident of a Contracting State in respect of an employment exercised aboard a ship or aircraft in international traffic shall be taxable only in that State.

ARTICLE 15 - PUBLIC ENTERTAINERS

1. The provisions of paragraph 2 of Article 14 shall apply to salaries, wages, or other similar compensation or remuneration in respect of personal services (including professional services) rendered in a Contracting State by public entertainers (such as stage, motion picture, radio or television artistes, musicians and athletes) only if the visit to that Contracting State is substantially supported directly or indirectly from funds created by the other Contracting State, a Land, a political subdivision or a local authority thereof.
2. Notwithstanding anything contained in this Agreement, where the services mentioned in paragraph 1 are provided in a Contracting State by an enterprise of the other Contracting State then the profits derived from providing those services by such an enterprise may be taxed in the first-mentioned State unless the provision

of such services by such enterprise is substantially supported directly or indirectly from funds created by that other State, a Land, a political subdivision or a local authority thereof.

ARTICLE 16 - DIRECTORS' FEES

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 17 - PENSIONS

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 18 - PUBLIC FUNDS

1. Subject to the provisions of Article 17, remuneration paid by, or out of funds created by a Contracting State, a Land, a political subdivision or a local authority thereof to any individual in respect of an employment shall be taxable only in that State. If however, the employment is exercised in the other Contracting State by a resident of that State not being a citizen of the first-mentioned State, the remuneration shall be taxable only in that other State.
2. The provisions of Articles 14 to 16 shall apply to remuneration in respect of an employment in connection with any business carried on by a Contracting State, a Land, a political subdivision or a local authority thereof for the purpose of profits.

ARTICLE 19 - TEACHERS, STUDENTS AND TRAINEES

1. A professor or teacher who is, or immediately before was, a resident of a Contracting State and who visits the other Contracting State for a period not exceeding two years for the purpose of carrying out advanced study or research or for teaching at a recognized university, college or other similar institution not operated for the purposes of profit shall not be taxed in that other State on his remuneration for such work, provided that such remuneration is derived by him from outside that other State.
2. An individual who was a resident of a Contracting State immediately before visiting the other Contracting State and is temporarily present in that other State solely as a student at a university, college, school or other similar educational institution in that other State or as a business apprentice (including in the case of the Federal Republic of Germany a Volontär or a Praktikant) shall, from the date of his first arrival in that other State in connection with that visit, be exempt from tax in that other State
 - (a) on all remittances from abroad for purposes of his maintenance, education or training; and
 - (b) for a period not exceeding three years, on any remuneration not exceeding 6,000 DM or the equivalent in Singapore dollars for the calendar year for personal services rendered in that other Contracting State with a view to supplementing the resources available to him for such purposes.
3. An individual who was a resident of a Contracting State immediately before visiting the other Contracting State and is temporarily present in that other State solely for the purpose of study, research or training as a recipient of a grant, allowance or award from a scientific, educational, religious or charitable organisation or under a technical assistance program entered into by the Government of a Contracting State shall, for a period not exceeding two years from the date of his first arrival in that other State in connection with that visit, be exempt from tax in that other State on
 - (a) the amount of such grant, allowance or award;
 - (b) all remittances from abroad for the purposes of his maintenance, education or training; and
 - (c) any remuneration not exceeding 6 000 DM or the equivalent in Singapore dollars for the calendar year for personal services rendered in that other State, provided that such services form part of his study, research or training.

ARTICLE 20 - INCOME NOT EXPRESSLY MENTIONED

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

ARTICLE 21 - LIMITATION OF RELIEF

Where, under any provision of this Agreement, income derived from a Contracting State, except interest to which paragraph 3 of Article 11 applies, is relieved from tax in that State and, under the law in force in the other Contracting State, such income is subject to tax by reference to the amount thereof which is remitted to or received in that other State and not by reference to the full amount thereof, then the relief to be allowed under this Agreement in the first-mentioned State shall apply only to so much of the income as is remitted to or received in the other State.

ARTICLE 22 - CAPITAL

1. Capital represented by immovable property, as defined in paragraph 2 of Article 6, may be taxed in the Contracting State in which such property is situated.
2. Capital represented by movable property forming part of the business property of a permanent establishment of an enterprise may be taxed in the Contracting State in which the permanent establishment is situated.
3. Ships and aircraft operated in international traffic by an enterprise of a Contracting State and movable property pertaining to the operation of such ships and aircraft, shall be taxable only in that State.
4. All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

ARTICLE 23 - RELIEF FROM DOUBLE TAXATION

1. Tax shall be determined in the case of a resident of the Federal Republic of Germany as follows:
 - (a) Unless the provisions of sub-paragraph (b) apply, there shall be excluded from the basis upon which German tax is imposed, any item of income derived from, and any item of capital situated within Singapore, which, according to this Agreement, may be taxed in Singapore. The Federal Republic of Germany, however, retains the right to take into account in the determination of its rate of tax the items of income and capital so excluded. In the case of income from dividends, the foregoing provisions of this sub-paragraph shall apply only to such dividends as are paid to a company being a resident of the Federal Republic of Germany by a company being a resident of Singapore if at least 25 per cent of the capital of the Singapore company is owned directly by the German company. There shall also be excluded from the basis upon which German tax is imposed any shareholding, the dividends of which, if paid, would be excluded from the basis upon which tax is imposed according to the immediately foregoing sentence.
 - (b) Subject to the provisions of German tax law regarding credit for foreign tax, there shall be allowed as a credit against German income tax or corporation tax payable in respect of the following items of income derived from Singapore, the Singapore tax paid under the laws of Singapore and in accordance with this Agreement on
 - (aa) dividends to which sub-paragraph (a) does not apply;
 - (bb) interest to which paragraph 2 of Article 11 applies;
 - (cc) royalties to which paragraph 2 of Article 12 applies;
 - (dd) income to which article 15 applies;
 - (ee) remuneration to which Article 16 applies.
 The credit shall not, however, exceed that part of the German tax, as computed before the credit is given, which is appropriate to such items of income.
 - (c) For purposes of credit referred to in sub-paragraph (b), where the rate of Singapore tax on interest to which paragraph 2 of Article 11 applies is reduced below 10 per cent of the gross amount of such interest by virtue of special incentive measures designed to promote economic development in Singapore, the amount of Singapore tax shall be deemed to be 10 per cent of the gross amount of such interest.
 - (d) For purposes of taxation of royalties to which paragraph 2 of Article 12 does not apply, where such royalties would, but for paragraph 1 of Article 12, have been exempted from Singapore tax by virtue of special incentive measures designed to promote economic development in Singapore, there shall be allowed as a credit as referred to in sub-paragraph (b) an amount of 10 per cent of the gross amount of such royalties.
2. Tax shall be determined in the case of a resident of Singapore as follows:
 - (a) Subject to the provisions of Singapore tax law regarding credit for foreign tax, there shall be allowed as a credit against Singapore tax payable in respect of any item of income derived from, and any item of capital situated within the Federal Republic of Germany, the German tax paid under the laws of the Federal Republic of Germany and in accordance with this Agreement. The credit shall not, however, exceed that part of the Singapore tax, as computed before the credit is given, which is appropriate to such item of income.
 - (b) Where such income is a dividend paid by a company which is a resident of the Federal Republic of Germany to a company which is a resident of Singapore and which owns directly or indirectly not less than 25 per cent of the capital of the German company, the credit shall take into account (in addition to any German tax on dividends) the German corporation tax payable in respect of its profits by the company paying the dividends.

ARTICLE 24 - NON-DISCRIMINATION

1. The citizens 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 citizens of that other State in the same circumstances are or may be subjected.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities or any other personal circumstances which it grants to its own residents.
3. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled directly or indirectly by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned State are or may be subjected.

ARTICLE 25 - MUTUAL AGREEMENT PROCEDURE

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 Agreement, 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 this Agreement.
3. The competent authorities of the Contracting State shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Agreement. They may also consult together for the elimination of double taxation in cases not provided for in this Agreement.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of applying the provisions of this Agreement.

ARTICLE 26 - EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is necessary for the carrying out of this Agreement. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons, authorities or courts other than those concerned with the assessment, collection or prosecution in respect of taxes which are the subject of this Agreement.
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.

ARTICLE 27 - DIPLOMATIC AND CONSULAR PRIVILEGES

Nothing in this Agreement shall affect diplomatic or consular privileges under the general rules of international law or under the provisions of special international agreements.

ARTICLE 28 - LAND BERLIN

This Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Republic of Singapore within three months from the date of entry into force of this Agreement.

ARTICLE 29 - ENTRY INTO FORCE

1. This Agreement shall be ratified and the instruments of ratification shall be exchanged as soon as possible.
2. This Agreement shall enter into force on the day after the date of exchange of the instruments of ratification and shall have effect:

- (a) in the Federal Republic of Germany in respect of taxes which are levied for any assessment period beginning on or after January 1, 1968;
- (b) in Singapore in respect of taxes which are levied for any year of assessment beginning on or after January 1, 1969.

ARTICLE 30 - TERMINATION

This Agreement shall continue in effect indefinitely, but either of the Contracting States may, on or before the Thirtieth day of June in any calendar year beginning after the expiration of a period of five years from the date of its entry into force, give to the other Contracting State, through diplomatic channels, written notice of termination and, in such event, this Agreement shall cease to be effective:

- (a) in the Federal Republic of Germany in respect of taxes which are levied for any assessment period following that in which the notice of termination is given;
- (b) in Singapore in respect of taxes which are levied for any year of assessment following the year after the year in which the notice of termination is given.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE at Singapore this 19th day of February, 1972, four originals, two each in the English and German languages, all the texts being equally authentic.

For the Government of the Republic of Singapore:
HON SUI SEN

For the Government of the Federal Republic of Germany:
WILHELM LÖER

PROTOCOL (1972)

The Republic of Singapore and the Federal Republic of Germany have agreed at the Signing at Singapore on 19th February, 1972, of the Agreement between the two States for the avoidance of double taxation with respect to taxes on income and capital upon the following provisions which shall form an integral part of the said Agreement.

1. With reference to Article 5,
it is understood that an enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State if it carries on supervisory activities in that other State for more than six months in connection with a construction, installation or assembly project which is being undertaken in that other State.
2. With reference to Articles 8 and 22,
the provisions of Articles 8 and 22 of the Agreement shall apply to any item of income derived from the Federal Republic of Germany, or to any item of capital situated within the Federal Republic of Germany owned, by a company or a body of persons treated as an entity for tax purposes which is a resident of Singapore more than 50 per cent of the capital of which is owned directly or indirectly by persons who are not residents of Singapore, only if such company or body of persons proves that the Singapore tax appropriate to the income is equal to the Singapore tax which would have been appropriate to such income if the Singapore tax were computed without regard to any provision identical or similar to the provisions of section 13A of the Singapore Income Tax Ordinance as inserted by the Income Tax (Amendment) Act, 1969.
3. With reference to Article 23,
notwithstanding the provisions of paragraph 1, sub-paragraph (a), of Article 23 of the Agreement, the provisions of paragraph 1, sub-paragraph (b), of that Article shall apply likewise to the profits of, and to the capital represented by property forming part of the business property of, a permanent establishment; to dividends paid by, and to the shareholding in, a company; or to gains referred to in paragraph 2 of Article 13 of the Agreement, provided that the resident of the Federal Republic of Germany concerned does not prove that the receipts of the permanent establishment or company are derived exclusively or almost exclusively
 - (a) from producing or selling goods or merchandise, rendering engineering services, or doing banking or insurance business, within Singapore, or
 - (b) from dividends paid by one or more companies, being residents of Singapore, more than 25 per cent of the capital of which is owned by the first-mentioned company, which themselves derive their receipts exclusively or almost exclusively from producing or selling goods and merchandise, rendering engineering services, or doing banking or insurance business, within Singapore.

For the Government of the Republic of Singapore:
HON SUI SEN

For the Government of the Federal Republic of Germany:
WILHELM LÖER

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE AND THE GOVERNMENT OF IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Government of the Republic of Singapore and the Government of Ireland, desiring to conclude an Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, have agreed as follows:

ARTICLE 1 – PERSONS COVERED

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

ARTICLE 2 – TAXES COVERED

1. This Agreement shall apply to taxes on income imposed by a Contracting State, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of movable or immovable property.
3. The existing taxes to which the Agreement shall apply are in particular:
 - (a) in the case of Ireland:
 - (i) the income tax;
 - (ii) the income levy;
 - (iii) the corporation tax; and
 - (iv) the capital gains tax;(hereinafter referred to as "Irish tax");
 - (b) in the case of Singapore:
 - the income tax(hereinafter referred to as "Singapore tax").
4. The Agreement shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any substantial changes which have been made in their respective taxation laws.

ARTICLE 3 – GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term "Ireland" includes any area outside the territorial waters of Ireland which has been or may hereafter be designated under the laws of Ireland concerning the Exclusive Economic Zone and the Continental Shelf, as an area within which Ireland may exercise such sovereign rights and jurisdiction as are in conformity with international law;
 - (b) the term "Singapore" means the Republic of Singapore and, when used in a geographical sense, includes its land territory, internal waters and territorial sea, as well as any maritime area situated beyond the territorial sea which has been or might in the future be designated under its national law, in accordance with international law, as an area within which Singapore may exercise sovereign rights or jurisdiction with regards to the sea, the sea-bed, the subsoil and the natural resources;
 - (c) the terms "a Contracting State" and "the other Contracting State" mean Ireland or Singapore as the context requires;
 - (d) the term "person" includes an individual, a company and any other body of persons;
 - (e) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
 - (f) 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;
 - (g) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
 - (h) the term "competent authority" means:
 - (i) in the case of Ireland, the Revenue Commissioners or their authorised representative;
 - (ii) in the case of Singapore, the Minister for Finance or his authorised representative;

- (i) the term "national" means:
 - (i) in the case of Ireland, any citizen of Ireland and any legal person, association or other entity deriving its status as such from the laws in force in Ireland;
 - (ii) in the case of Singapore, any individual possessing the nationality of Singapore and any legal person, partnership or association deriving its status as such from the laws in force in Singapore.
- 2. As regards the application of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

ARTICLE 4 – RESIDENT

- 1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that State, a local authority or statutory body thereof.
- 2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his status shall be determined as follows:
 - (a) he shall be deemed to be a resident only of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
 - (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident only of the State in which he has an habitual abode;
 - (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident only of the State of which he is a national;
 - (d) in any other case, the competent authorities of the Contracting States shall settle the question by mutual agreement.
- 3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident only of the State in which its place of effective management is situated.

ARTICLE 5 – PERMANENT ESTABLISHMENT

- 1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
- 2. The term "permanent establishment" includes especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;
 - (d) a factory;
 - (e) a workshop; and
 - (f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.
- 3. The term "permanent establishment" also includes a building site, a construction, installation or assembly project, or supervisory activities connected therewith, but only where such site, project or activities continue for a period of more than 12 months;
- 4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:
 - (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
 - (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
 - (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or of collecting information, for the enterprise;
 - (e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;

- (f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
5. Notwithstanding the provisions of paragraphs 1 and 2, where a person - other than an agent of an independent status to whom paragraph 6 applies - is acting on behalf of an enterprise and has, and habitually exercises, in a Contracting State an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.
6. An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.
7. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

ARTICLE 6 – INCOME FROM IMMOVABLE PROPERTY

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other State.
2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

ARTICLE 7 – BUSINESS PROFITS

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
3. In determining the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere.
4. Insofar 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 contained in this Article.
5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.
7. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 – SHIPPING AND AIR TRANSPORT

1. Profits of an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that State.

2. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency.
3. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic shall include:
 - (a) profits from the rental on a bareboat basis of ships or aircraft; and
 - (b) profits from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers), used for the transport of goods or merchandise;

where such rental or such use, maintenance or rental, as the case may be, is incidental to the operation of ships or aircraft in international traffic.

ARTICLE 9 – ASSOCIATED ENTERPRISES

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

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent 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.
2. Where a Contracting State includes, in accordance with the provisions of paragraph 1, in the profits of an enterprise of that State - and taxes accordingly - profits on which an enterprise of the other Contracting State has been charged to tax in that other State and where the competent authorities of the Contracting State agree, upon consultation, that all or part of the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of the tax charged therein on those agreed profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement.

ARTICLE 10 – DIVIDENDS

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State shall, if the recipient is the beneficial owner of the dividends, be taxable only in that other State.
2. The provisions of paragraph 1 shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.
3. The term "dividends" as used in this Article means income from 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 laws of the State of which the company making the distribution is a resident and also includes any other item which, under the laws of the Contracting State of which the company making the distribution is a resident, is treated as a dividend.
4. The provisions of paragraph 1 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other State, nor subject the company's undistributed profits to a tax on undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

ARTICLE 11 – INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such 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 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.

3. Notwithstanding the provisions of paragraph 2, interest arising in a Contracting State and paid to the Government of the other Contracting State shall be exempt from tax in the first-mentioned State.
4. For the purpose of paragraph 3, the term "Government":
 - (a) in the case of Singapore, means the Government of Singapore and shall include:
 - (i) the Monetary Authority of Singapore and the Board of Commissioners of Currency;
 - (ii) the Government of Singapore Investment Corporation Pte Ltd;
 - (iii) a statutory body; or
 - (iv) any institution wholly or mainly owned by the Government of Singapore as may be agreed from time to time between the competent authorities of the Contracting States;
 - (b) in the case of Ireland, means the Government of Ireland and shall include:
 - (i) the Central Bank of Ireland;
 - (ii) the National Treasury Management Agency;
 - (iii) the National Pensions Reserve Fund;
 - (iv) a statutory body; or
 - (v) any institution wholly or mainly owned by the Government of Ireland as may be agreed from time to time between the competent authorities of the Contracting States.
5. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures as well as all other income assimilated to income from money lent by the laws of the State in which the income arises but does not include any income which is treated as a dividend under Article 10. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.
6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
7. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.
8. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

ARTICLE 12 – ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such 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 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.
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, and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case, the provisions of Article 7 or Article 14, as the case may be, shall apply.

5. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. 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 or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

ARTICLE 13 – CAPITAL GAINS

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.
2. For the purposes of paragraph 1, gains from the alienation of immovable property situated in the other Contracting State shall include gains from shares (including stock and any security), other than shares quoted on a stock exchange, deriving their value or the greater part of their value directly or indirectly from immovable property situated in that other State.
3. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.
4. Gains derived by an enterprise of a Contracting State from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in that State.
5. Gains from the alienation of any property other than that referred to in the preceding paragraphs of this Article shall be taxable only in the Contracting State of which the alienator is a resident.
6. The provisions of paragraph 5 shall not affect the right of a Contracting State to levy, according to its law, a tax on gains from the alienation of any property derived by an individual who is a resident of the other Contracting State and has been a resident of the first-mentioned State at any time during the five years immediately preceding the alienation of the property if the property was held by the individual before he became a resident of that other State.

ARTICLE 14 – INDEPENDENT PERSONAL SERVICES

1. Income derived by an individual who is a resident of a Contracting State from the performance of professional services or other activities of an independent character shall be taxable only in that State except in the following circumstances when such income may also be taxed in the other Contracting State:
 - (a) if he has a fixed base regularly available to him in the other State for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that other State; or
 - (b) if his stay in the other State is for a period or periods exceeding in the aggregate 183 days within any twelve-month period; in that case, only so much of the income as is derived from his activities performed in that other State may be taxed in that other State.
2. The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

ARTICLE 15 – DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of Articles 16, 18 and 19, 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 calendar 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 derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Contracting State shall be taxable only in that State. However, if the remuneration is derived by a resident of the other Contracting State, it may also be taxed in that other State.

ARTICLE 16 – DIRECTORS' FEES

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

ARTICLE 17 – ARTISTES AND SPORTSMEN

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Contracting State may be taxed in that other State.
2. Where income in respect of personal activities exercised by an entertainer or a sportsman in his capacity as such accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the Contracting State in which the activities of the entertainer or sportsman are exercised.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, income derived from activities as defined in paragraph 1 performed in a Contracting State by entertainers or sportsmen shall be exempt from tax in the Contracting State in which those activities are exercised if the visit to that Contracting State is wholly or substantially supported by public funds of the Government, a local authority or a statutory body of the other Contracting State.

ARTICLE 18 – PENSIONS AND ANNUITIES

1. Subject to the provisions of paragraph 2 of Article 19, pensions and other similar remuneration paid to a resident of a Contracting State in consideration of past employment and any annuity paid to such a resident in consideration of past employment shall be taxable only in that State.
2. The term "annuity" means a stated sum payable periodically at stated times during life or during a specified or ascertainable period of time under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

ARTICLE 19 – GOVERNMENT SERVICE

1. (a) Salaries, wages and other similar remuneration, other than a pension, paid by a Contracting State, a local authority or a statutory body thereof to an individual in respect of services rendered to that State, authority or body shall be taxable only in that State.
- (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and the individual is a resident of that State who:
 - (i) is a national of that State; or
 - (ii) did not become a resident of that State solely for the purpose of rendering the services.
2. (a) Any pension paid by, or out of funds created by, a Contracting State, a local authority or a statutory body thereof to an individual in respect of services rendered to that State, authority or body shall be taxable only in that State.
- (b) However, such pension shall be taxable only in the other Contracting State if the individual is a resident of, and a national of, that State.
3. The provisions of Articles 15, 16, 17 and 18 shall apply to salaries, wages and other similar remuneration, and to pensions, in respect of services rendered in connection with a business carried on by a Contracting State, a local authority or a statutory body thereof.

ARTICLE 20 – STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of his

education or training receives for the purpose of his maintenance, education or training shall not be taxed in that State, provided that such payments arise from sources outside that State.

ARTICLE 21 – OTHER INCOME

1. Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.
2. The provisions of paragraph 1 of this Article shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6 of this Agreement, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which income is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14 of this Agreement, as the case may be, shall apply.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, items of income of a resident of a Contracting State not dealt with in the foregoing Articles of this Agreement and arising in the other Contracting State may be taxed in that other Contracting State.

ARTICLE 22 – OFFSHORE ACTIVITIES

1. The provisions of this Article shall apply notwithstanding any other provision of this Agreement.
2. A person who is a resident of Singapore and carries on activities offshore in Ireland in connection with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Ireland shall, subject to paragraphs 3 and 4 of this Article, be deemed in relation to those activities to be carrying on business in Ireland through a permanent establishment or fixed base situated therein.
3. The provisions of paragraph 2 shall not apply where the activities are carried on for a period not exceeding 30 days in the aggregate in any twelve-month period. However, for the purposes of this paragraph:
 - (a) activities carried on by an enterprise associated with another enterprise shall be regarded as carried on by the enterprise with which it is associated if the activities in question are substantially the same as those carried on by the last-mentioned enterprise;
 - (b) two enterprises shall be deemed to be associated if one is controlled directly or indirectly by the other, or both are controlled directly or indirectly by a third person or persons.
4. Salaries, wages and similar remuneration derived by a resident of Singapore in respect of an employment connected with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Ireland may, to the extent that the duties are performed offshore in Ireland, be taxed in Ireland. However, such remuneration shall be taxable only in Singapore if the employment is carried on offshore for an employer who is not a resident of Ireland and for a period or periods not exceeding in the aggregate 30 days in any twelvemonth period.
5. Gains derived by a resident of Singapore from the alienation of:
 - (a) exploration or exploitation rights; or
 - (b) property situated in Ireland and used in connection with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Ireland; or
 - (c) shares, other than shares traded on a recognised Stock Exchange, deriving their value or the greater part of their value directly or indirectly from such rights or such property or from such rights and such property taken together; may be taxed in Ireland. In this paragraph "exploration or exploitation rights" means rights to assets to be produced by the exploration or exploitation of the seabed and subsoil and their natural resources in Ireland, including rights to interests in or to the benefit of such assets.

ARTICLE 23 – ELIMINATION OF DOUBLE TAXATION

1. Subject to the provisions of the laws of Ireland regarding the allowance as a credit against Irish tax of tax payable in a territory outside Ireland (which shall not affect the general principle hereof) –
 - (a) Singapore tax payable under the laws of Singapore and in accordance with this Agreement, whether directly or by deduction, on profits, income or gains from sources within Singapore (excluding in the case of a dividend tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any Irish tax computed by reference to the same profits, income or gains by reference to which Singapore tax is computed.
 - (b) In the case of a dividend paid by a company which is a resident of Singapore to a company which is a resident of Ireland and which controls directly or indirectly 10 per cent or more of the voting power in the company paying the dividend, the credit shall take into account (in addition to any Singapore tax creditable under the provisions of subparagraph (a) of this paragraph) Singapore tax payable by the company in respect of the profits out of which such dividend is paid.

2. In Singapore, double taxation shall be avoided as follows:

Where a resident of Singapore derives income from Ireland which, in accordance with the provisions of this Agreement, may be taxed in Ireland, Singapore shall, subject to its laws regarding the allowance as a credit against Singapore tax of tax payable in any country other than Singapore, allow the Irish tax paid, whether directly or by deduction, as a credit against the Singapore tax payable on the income of that resident. Where such income is a dividend paid by a company which is a resident of Ireland to a resident of Singapore which is a company owning directly or indirectly not less than 10 per cent of the share capital of the first-mentioned company, the credit shall take into account the Irish tax paid by that company on the portion of its profits out of which the dividend is paid.

3. For the purposes of paragraph 1 of this Article profits, income and gains owned by a resident of a Contracting State which may be taxed in the other Contracting State in accordance with this Agreement shall be deemed to be derived from sources in that other Contracting State.
4. Where in accordance with any provisions of this Agreement income derived by a resident of a Contracting State is exempt from tax in that State, such State may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.

ARTICLE 24 – NON-DISCRIMINATION

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances, in particular with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
3. Nothing in this Article shall be construed as obliging a Contracting State to grant to:
 - (a) residents of the other Contracting State any personal allowances, reliefs and reductions for tax purposes which it grants to its own residents; or
 - (b) nationals of the other Contracting State those personal allowances, reliefs and reductions for tax purposes which it grants to its own nationals who are not residents of that State or to such other persons as may be specified in the taxation laws of that State.
4. Except where the provisions of paragraph 1 of Article 9, paragraph 8 of Article 11, or paragraph 6 of Article 12, apply, interest (other than interest that has been treated as a dividend under Article 10), royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State.
5. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
6. Where a Contracting State grants tax incentives to its nationals designed to promote economic or social development in accordance with its national policy and criteria, it shall not be construed as discrimination under this Article.
7. The provisions of this Article shall apply to the taxes which are the subject of this Agreement.

ARTICLE 25 – MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the Contracting State of which he is a resident or, if his case comes under paragraph 1 of Article 24, to that of the Contracting State of which he is a national. The case must be presented within 3 years from the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.
2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.
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 Agreement.

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

ARTICLE 26 – EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement 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 Agreement. The exchange of information is not restricted by Articles 1 and 2.
2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. 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.
3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
 - (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).
4. If information is requested by a Contracting State in accordance with the provisions of this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 of this Article but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.
5. In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

ARTICLE 27 – MEMBERS OF DIPLOMATIC MISSIONS AND CONSULAR POSTS

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

ARTICLE 28 – ENTRY INTO FORCE

1. Each of the Contracting States shall notify to the other the completion of the procedures required by its law for the bringing into force of this Agreement.
2. The Agreement shall enter into force on the date of the later of these notifications and its provisions shall have effect:
 - (a) in Ireland:
 - (i) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year in which the Agreement entered into force;
 - (ii) in the case of other taxes, in respect of taxes levied for any assessment period beginning on or after the first day of January of the calendar year in which the Agreement entered into force;
 - (b) in Singapore:
 - (i) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year in which the Agreement entered into force;
 - (ii) in the case of other taxes, in respect of taxes levied on any basis period beginning on or after the first day of January of the calendar year in which the Agreement entered into force.

ARTICLE 29 – TERMINATION

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

- (a) in Ireland:
 - (i) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which notice of termination is given;
 - (ii) in the case of other taxes, in respect of taxes levied for any assessment period beginning on or after the first day of January of the calendar year next following that in which notice of termination is given;
- (b) in Singapore:
 - (i) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January of the calendar year next following that in which notice of termination is given;
 - (ii) in the case of other taxes, in respect of taxes levied on any basis period beginning on or after the first day of January of the calendar year next following that in which notice of termination is given.

IN WITNESS WHEREOF the undersigned, duly authorised thereto, have signed this Agreement.

DONE in duplicate at Singapore on this 28th day of October 2010 in the English language.

For the Government of
the Republic of Singapore
S ISWARAN
Senior Minister of State for Trade and
Industry and Education

For the Government of
Ireland
CONOR LENIHAN T.D.
Minister for Science, Technology,
Innovation and Natural Resources

PROTOCOL

At the time of the signing of the Agreement between the Government of the Republic of Singapore and the Government of Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, both Governments have agreed the following provisions, which shall form an integral part of the Agreement:

1. With reference to Article 5
It is understood that the term "permanent establishment" also includes the furnishing of services by an enterprise of a Contracting State through employees or other personnel engaged by the enterprise for such purpose, but only where the activities of such employees or personnel are performed in the territory of the other Contracting State for a period or periods aggregating more than 183 days within any twelve-month period.
2. With reference to paragraph 4(a)(iii) and 4(b)(iv) of Article 11
It is understood that the term, "a statutory body", shall not include any entity conducting commercial activities.
3. With reference to paragraph 1(a) of Article 19
It is understood that where an item of income of a resident of a Contracting State is not taxable in either State, then the provisions of paragraph 1(a) shall not apply to such income.
4. With reference to paragraph 2 of Article 23
Where a resident of Singapore derives income from Ireland and Singapore accords exemption on the income in accordance with sections 13(8) to 13(11) of the Income Tax Act (Cap. 34, Revised Edition 2008) (or the same provisions re-enacted in future editions of the Singapore Income Tax Act or have been modified in minor aspects only after the date of signature of this Agreement), the condition of the exemption stated in section 13(9)(b) shall be considered fulfilled notwithstanding that the highest rate of tax levied in Ireland on the gains or profits from any trade or business carried on by a company in Ireland is 12.5%.
If, subsequent to the signing of the Agreement, the highest rate of tax levied in Ireland on the gains or profits from any trade or business carried on by a company in Ireland is modified to a rate other than 12.5%, the competent authorities of Singapore and Ireland shall consult each other with a view to determining whether exemption shall continue to be accorded by Singapore.
5. With reference to paragraph 4 of Article 24
It is understood that, when a Contracting State allows a deduction of expenses paid to a non-resident, nothing in this paragraph shall be construed as preventing such Contracting State from imposing any obligation to withhold tax from such a payment.

IN WITNESS WHEREOF the undersigned, duly authorised thereto, have signed this Agreement.

DONE in duplicate at Singapore on this 28th day of October 2010 in the English language.

For the Government of the Republic of Singapore
S ISWARAN
Senior Minister of State for Trade and
Industry and Education

For the Government of Ireland
CONOR LENIHAN T.D.
Minister for Science, Technology,
Innovation and Natural Resources

ANNEX A

EFFECTS OF THE MLI ON THIS AGREEMENT

1. Deletion and replacement of the Preamble

The Preamble of this Agreement is deleted and replaced by the following:

“The Government of the Republic of Singapore and the Government of Ireland, desiring to further develop their economic relationship and to enhance their cooperation in tax matters, intending to eliminate double taxation with respect to the taxes covered by this Agreement without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Agreement for the indirect benefit of residents of third jurisdictions), have agreed as follows:”.

2. Amendment of Article 9

Paragraph 2 of Article 9 (Associated Enterprises) of this Agreement is deleted and replaced by the following:

“2. Where a Contracting State includes in the profits of an enterprise of that Contracting State — and taxes accordingly — profits on which an enterprise of the other Contracting State has been charged to tax in that other Contracting State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Contracting State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Contracting State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.”.

3. Amendment of Article 25

In paragraph 3 of Article 25 (Mutual Agreement Procedure), the words “They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.” are inserted immediately after the words “interpretation or application of the Agreement.”.

4. New Article 25A to 25H (arbitration provisions)

The following articles shall be inserted immediately after Article 25 (Mutual Agreement Procedure). However, the articles shall not apply to this Agreement if a Contracting State raises an objection under Article 28(2)(b) of the MLI to the reservations that had been made by the other Contracting State under Article 28(2)(a) of the MLI. Such an objection may be raised by:

- (a) Singapore, by 28 January 2020; or
- (b) Ireland, by 20 December 2019.

“ARTICLE 25A – MANDATORY BINDING ARBITRATION

1. Where:

- (a) under Article 25 (Mutual Agreement Procedure), a person has presented a case to the competent authority of a Contracting State on the basis that the actions of one or both of the Contracting States have resulted for that person in taxation not in accordance with the provisions of the Agreement; and
- (b) the competent authorities are unable to reach an agreement to resolve that case pursuant to Article 25 (Mutual Agreement Procedure) within a period of two years beginning on the start date referred to in paragraph 8 or 9, as the case may be (unless, prior to the expiration of that period the competent authorities of the Contracting States have agreed to a different time period with respect to that case and have notified the person who presented the case of such agreement), any unresolved issues arising from the case shall, if the person so requests in writing, be submitted to arbitration in the manner described in this Article and Articles 25B to 25H, according to any rules or procedures agreed upon by the competent authorities of the Contracting States pursuant to the provisions of paragraph 10.

2. Where a competent authority has suspended the mutual agreement procedure referred to in paragraph 1 because a case with respect to one or more of the same issues is pending before court or

- administrative tribunal, the period provided in sub-paragraph (b) of paragraph 1 will stop running until either a final decision has been rendered by the court or administrative tribunal or the case has been suspended or withdrawn. In addition, where a person who presented a case and a competent authority have agreed to suspend the mutual agreement procedure, the period provided in sub-paragraph (b) of paragraph 1 will stop running until the suspension has been lifted.
3. Where both competent authorities agree that a person directly affected by the case has failed to provide in a timely manner any additional material information requested by either competent authority after the start of the period provided in sub-paragraph (b) of paragraph 1, the period provided in sub-paragraph (b) of paragraph 1 shall be extended for an amount of time equal to the period beginning on the date by which the information was requested and ending on the date on which that information was provided.
 4. (a) The arbitration decision with respect to the issues submitted to arbitration shall be implemented through the mutual agreement concerning the case referred to in paragraph 1. The arbitration decision shall be final.
 - (b) The arbitration decision shall be binding on both Contracting States except in the following cases:
 - (i) if a person directly affected by the case does not accept the mutual agreement that implements the arbitration decision. In such a case, the case shall not be eligible for any further consideration by the competent authorities. The mutual agreement that implements the arbitration decision on the case shall be considered not to be accepted by a person directly affected by the case if any person directly affected by the case does not, within 60 days after the date on which notification of the mutual agreement is sent to the person, withdraw all issues resolved in the mutual agreement implementing the arbitration decision from consideration by any court or administrative tribunal or otherwise terminate any pending court or administrative proceedings with respect to such issues in a manner consistent with that mutual agreement.
 - (ii) if a final decision of the courts of one of the Contracting States holds that the arbitration decision is invalid. In such a case, the request for arbitration under paragraph 1 shall be considered not to have been made, and the arbitration process shall be considered not to have taken place (except for the purposes of Articles 25C (Confidentiality of Arbitration Proceedings) and 25G (Costs of Arbitration Proceedings)). In such a case, a new request for arbitration may be made unless the competent authorities agree that such a new request should not be permitted.
 - (iii) if a person directly affected by the case pursues litigation on the issues which were resolved in the mutual agreement implementing the arbitration decision in any court or administrative tribunal.
 5. The competent authority that received the initial request for a mutual agreement procedure as described in sub-paragraph (a) of paragraph 1 shall, within two calendar months of receiving the request:
 - (a) send a notification to the person who presented the case that it has received the request; and
 - (b) send a notification of that request, along with a copy of the request, to the competent authority of the other Contracting State.
 6. Within three calendar months after a competent authority receives the request for a mutual agreement procedure (or a copy thereof from the competent authority of the other Contracting State) it shall either:
 - (a) notify the person who has presented the case and the other competent authority that it has received the information necessary to undertake substantive consideration of the case; or
 - (b) request additional information from that person for that purpose.
 7. Where pursuant to sub-paragraph (b) of paragraph 6, one or both of the competent authorities have requested from the person who presented the case additional information necessary to undertake substantive consideration of the case, the competent authority that requested the additional information shall, within three calendar months of receiving the additional information from that person, notify that person and the other competent authority either:
 - (a) that it has received the requested information; or
 - (b) that some of the requested information is still missing.
 8. Where neither competent authority has requested additional information pursuant to sub-paragraph (b) of paragraph 6, the start date referred to in paragraph 1 shall be the earlier of:
 - (a) the date on which both competent authorities have notified the person who presented the case pursuant to sub-paragraph (a) of paragraph 6; and
 - (b) the date that is three calendar months after the notification to the competent authority of the other Contracting State pursuant to sub-paragraph (b) of paragraph 5.
 9. Where additional information has been requested pursuant to sub-paragraph (b) of paragraph 6, the start date referred to in paragraph 1 shall be the earlier of:

- (a) the latest date on which the competent authorities that requested additional information have notified the person who presented the case and the other competent authority pursuant to sub-paragraph (a) of paragraph 7; and
 - (b) the date that is three calendar months after both competent authorities have received all information requested by either competent authority from the person who presented the case.

If, however, one or both of the competent authorities send the notification referred to in sub-paragraph (b) of paragraph 7, such notification shall be treated as a request for additional information under sub-paragraph (b) of paragraph 6.
10. The competent authorities of the Contracting States shall by mutual agreement (pursuant to Article 25 (Mutual Agreement Procedure)) settle the mode of application of the provisions contained in this Article and Articles 25B to 25H, including the minimum information necessary for each competent authority to undertake substantive consideration of the case. Such an agreement shall be concluded before the date on which unresolved issues in a case are first eligible to be submitted to arbitration and may be modified from time to time thereafter.
11. Notwithstanding the preceding paragraphs of this Article:
 - (a) any unresolved issue arising from a mutual agreement procedure case otherwise within the scope of the arbitration process provided for by this Agreement shall not be submitted to arbitration, if a decision on this issue has already been rendered by a court or administrative tribunal of either Contracting State;
 - (b) if, at any time after a request for arbitration has been made and before the arbitration panel has delivered its decision to the competent authorities of the Contracting States, a decision concerning the issue is rendered by a court or administrative tribunal of one of the Contracting States, the arbitration process shall terminate.
12. The provisions of this Article and Articles 25B to 25H shall not apply —
 - (a) to any case involving the application of Singapore's general anti-avoidance rules contained in section 33 of the Act, case law or juridical doctrines, and any subsequent provisions (as notified by Singapore to the Depositary of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting done at Paris on 24 November 2016 (as amended from time to time)) that replace, amend or update these anti-avoidance rules;
 - (b) to any case involving the application of any provisions of Singapore's law (including legislative provisions, case law, judicial doctrines and penalties) that are analogous to those governing the cases in sub-paragraph (c) or (d), including any subsequent provisions which replace, amend or update those provisions. The competent authority of Singapore will consult with the competent authority of Ireland in order to specify any such analogous provisions which exist under Singapore law pursuant to paragraph 10;
 - (c) to any case connected with actions for which the taxpayer or a related person (or a person acting for either the taxpayer or a related person) is liable to a penalty in Ireland as a result of deliberate behaviour in accordance with Section 1077E Taxes Consolidation Act 1997 and any subsequent provisions (as notified by Ireland to the Depositary of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting done at Paris on 24 November 2016 (as amended from time to time)) that replace, amend or update Section 1077E Taxes Consolidation Act 1997. For this purpose, 'deliberate behaviour' is to be interpreted in accordance with the guidance contained in the Code of Practice for Revenue Audits and other Compliance Interventions, which will be reviewed on an on-going basis and may be modified to reflect changes in legislation and emerging practices.
 - (d) to any case involving the application of Ireland's domestic anti-avoidance rules contained in Section 811 and Section 811A Taxes Consolidation Act 1997, and any subsequent provisions (as notified by Ireland to the Depositary of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting done at Paris on 24 November 2016 (as amended from time to time)) that replace, amend or update these anti-avoidance rules.
13. This Article and Articles 25B to 25H —
 - (a) shall have effect with respect to cases presented to the competent authority of a Contracting State under Article 25 (Mutual Agreement Procedure) on or after 1 May 2019; and
 - (b) shall apply to a case presented to the competent authority of a Contracting State under Article 25 prior to 1 May 2019 only to the extent that the competent authorities of both Contracting States agree that it will apply to that specific case.

ARTICLE 25B – APPOINTMENT OF ARBITRATORS

1. Except to the extent that the competent authorities of the Contracting States mutually agree on different rules, paragraphs 2 through 4 shall apply for the purposes of Articles 25A to 25H.
2. The following rules shall govern the appointment of the members of an arbitration panel:

- (a) The arbitration panel shall consist of three individual members with expertise or experience in international tax matters.
 - (b) Each competent authority shall appoint one panel member within 60 days of the date of the request for arbitration under paragraph 1 of Article 25A (Mandatory Binding Arbitration). The two panel members so appointed shall, within 60 days of the latter of their appointments, appoint a third member who shall serve as Chair of the arbitration panel. The Chair shall not be a national or resident of either Contracting State.
 - (c) Each member appointed to the arbitration panel must be impartial and independent of the competent authorities, tax administrations, and ministries of finance of the Contracting States and of all persons directly affected by the case (as well as their advisors) at the time of accepting an appointment, maintain his or her impartiality and independence throughout the proceedings, and avoid any conduct for a reasonable period of time thereafter which may damage the appearance of impartiality and independence of the arbitrators with respect to the proceedings.
3. In the event that the competent authority of a Contracting State fails to appoint a member of the arbitration panel in the manner and within the time periods specified in paragraph 2 or agreed to by the competent authorities of the Contracting States, a member shall be appointed on behalf of that competent authority by the highest ranking official of the Centre for Tax Policy and Administration of the Organisation for Economic Co-operation and Development that is not a national of either Contracting State.
 4. If the two initial members of the arbitration panel fail to appoint the Chair in the manner and within the time periods specified in paragraph 2 or agreed to by the competent authorities of the Contracting States, the Chair shall be appointed by the highest ranking official of the Centre for Tax Policy and Administration of the Organisation for Economic Co-operation and Development that is not a national of either Contracting State.

ARTICLE 25C – CONFIDENTIALITY OF ARBITRATION PROCEEDINGS

1. Solely for the purposes of the application of Articles 25A to 25H and 26 and of the provisions of the domestic laws of the Contracting States related to the exchange of information, confidentiality, and administrative assistance, members of the arbitration panel and a maximum of three staff per member (and prospective arbitrators solely to the extent necessary to verify their ability to fulfil the requirements of arbitrators) shall be considered to be persons or authorities to whom information may be disclosed. Information received by the arbitration panel or prospective arbitrators and information that the competent authorities receive from the arbitration panel shall be considered information that is exchanged under Article 26 (Exchange of Information).
2. The competent authorities of the Contracting States shall ensure that members of the arbitration panel and their staff agree in writing, prior to their acting in an arbitration proceeding, to treat any information relating to the arbitration proceeding consistently with the confidentiality and nondisclosure obligations described in Article 26 (Exchange of Information) and under the applicable laws of the Contracting States.

ARTICLE 25D – RESOLUTION OF A CASE PRIOR TO THE CONCLUSION OF THE ARBITRATION

For the purposes of Articles 25 and 25A to 25H, the mutual agreement procedure, as well as the arbitration proceeding, with respect to a case shall terminate if, at any time after a request for arbitration has been made and before the arbitration panel has delivered its decision to the competent authorities of the Contracting States:

- (a) the competent authorities of the Contracting States reach a mutual agreement to resolve the case; or
- (b) the person who presented the case withdraws the request for arbitration or the request for a mutual agreement procedure.

ARTICLE 25E – TYPE OF ARBITRATION PROCESS

1. Except to the extent that the competent authorities of the Contracting States mutually agree on different rules, the following rules shall apply with respect to an arbitration proceeding pursuant to Articles 25A to 25H:
 - (a) After a case is submitted to arbitration, the competent authority of each Contracting State shall submit to the arbitration panel, by a date set by agreement, a proposed resolution which addresses all unresolved issue(s) in the case (taking into account all agreements previously reached in that case between the competent authorities of the Contracting States). The proposed resolution shall be limited to a disposition of specific monetary amounts (for example, of income or expense) or, where specified, the maximum rate of tax charged pursuant to the Agreement, for each adjustment or similar issue in the case. In a case in which the competent authorities of the Contracting States have been unable to reach agreement on an issue regarding the conditions

for application of a provision of the Agreement (hereinafter referred to as a “threshold question”), such as whether an individual is a resident or whether a permanent establishment exists, the competent authorities may submit alternative proposed resolutions with respect to issues the determination of which is contingent on resolution of such threshold questions.

- (b) The competent authority of each Contracting State may also submit a supporting position paper for consideration by the arbitration panel. Each competent authority that submits a proposed resolution or supporting position paper shall provide a copy to the other competent authority by the date on which the proposed resolution and supporting position paper were due. Each competent authority may also submit to the arbitration panel, by a date set by agreement, a reply submission with respect to the proposed resolution and supporting position paper submitted by the other competent authority. A copy of any reply submission shall be provided to the other competent authority by the date on which the reply submission was due.
 - (c) The arbitration panel shall select as its decision one of the proposed resolutions for the case submitted by the competent authorities with respect to each issue and any threshold questions, and shall not include a rationale or any other explanation of the decision. The arbitration decision will be adopted by a simple majority of the panel members. The arbitration panel shall deliver its decision in writing to the competent authorities of the Contracting States. The arbitration decision shall have no precedential value.
2. Prior to the beginning of arbitration proceedings, the competent authorities of the Contracting States shall ensure that each person that presented the case and their advisors agree in writing not to disclose to any other person any information received during the course of the arbitration proceedings from either competent authority or the arbitration panel. The mutual agreement procedure under Article 25, as well as the arbitration proceeding under Articles 25A to 25H, with respect to the case shall terminate if, at any time after a request for arbitration has been made and before the arbitration panel has delivered its decision to the competent authorities of the Contracting States, a person that presented the case or one of that person's advisors materially breaches that agreement.

ARTICLE 25F – AGREEMENT ON A DIFFERENT RESOLUTION

Notwithstanding paragraph 4 of Article 25A (Mandatory Binding Arbitration), an arbitration decision pursuant to Articles 25A to 25H shall not be binding on the Contracting States and shall not be implemented if the competent authorities of the Contracting States agree on a different resolution of all unresolved issues within three calendar months after the arbitration decision has been delivered to them.

ARTICLE 25G – COSTS OF ARBITRATION PROCEEDINGS

In an arbitration proceeding under Articles 25A to 25H, the fees and expenses of the members of the arbitration panel, as well as any costs incurred in connection with the arbitration proceedings by the Contracting States, shall be borne by the Contracting States in a manner to be settled by mutual agreement between the competent authorities of the Contracting States. In the absence of such agreement, each Contracting State shall bear its own expenses and those of its appointed panel member. The cost of the chair of the arbitration panel and other expenses associated with the conduct of the arbitration proceedings shall be borne by the Contracting States in equal shares.

ARTICLE 25H – COMPATIBILITY

1. Any unresolved issue arising from a mutual agreement procedure case otherwise within the scope of the arbitration process provided for in this Article and Articles 25A to 25G shall not be submitted to arbitration if the issue falls within the scope of a case with respect to which an arbitration panel or similar body has previously been set up in accordance with a bilateral or multilateral convention that provides for mandatory binding arbitration of unresolved issues arising from a mutual agreement procedure case.
2. Nothing in this Article and Articles 25A to 25G shall affect the fulfilment of wider obligations with respect to the arbitration of unresolved issues arising in the context of a mutual agreement procedure resulting from other conventions to which the Contracting States are or will become parties.”.

5. New Article 27A

The following new Article 27A is inserted immediately after Article 27 (Members of Diplomatic Missions and Consular Posts):

“ARTICLE 27A – PREVENTION OF TREATY ABUSE

1. Notwithstanding any provisions of this Agreement, a benefit under this Agreement shall not be granted in respect of an item of income or capital if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any

arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of this Agreement.

2. Where a benefit under this Agreement is denied to a person under provisions of this Agreement that deny all or part of the benefits that would otherwise be provided under this Agreement where the principal purpose or one of the principal purposes of any arrangement or transaction, or of any person concerned with an arrangement or transaction, was to obtain those benefits, the competent authority of the Contracting State that would otherwise have granted this benefit shall nevertheless treat that person as being entitled to this benefit, or to different benefits with respect to a specific item of income or capital, if such competent authority, upon request from that person and after consideration of the relevant facts and circumstances, determines that such benefits would have been granted to that person in the absence of the transaction or arrangement. The competent authority of the Contracting State to which a request has been made under this paragraph by a resident of the other Contracting State shall consult with the competent authority of that other Contracting State before rejecting the request.”.

6. Entry into effect

The effects of the MLI on this Agreement, as laid out in this Annex, shall have effect in Singapore:

- (a) for paragraph 3 of this Annex on the amendment of Article 25 (Mutual Agreement Procedure), for a case presented on or after 1 May 2019, without regard to the basis period to which the case relates. However, paragraph 3 of this Annex shall not apply to a case that was not eligible to be presented immediately before 1 May 2019;
- (b) for paragraph 4 of this Annex on the arbitration provisions, with respect to any tax paid, deemed paid or liable to be paid, before, on or after 1 May 2019; (c) for all other paragraphs in this Annex:
 - (i) with respect to taxes withheld at source, in respect of amounts paid, deemed paid or liable to be paid (whichever is the earliest), on or after 1 January 2020; and
 - (ii) with respect to taxes other than those withheld at source, where the income is derived or received in a basis period beginning on or after 1 November 2019.