

STATES OF JERSEY



RATIFICATION OF THE AGREEMENTS FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS BETWEEN THE STATES OF JERSEY AND THE NORDIC COUNTRIES (DENMARK, THE FAROES, FINLAND, GREENLAND, ICELAND, NORWAY AND SWEDEN)

**Lodged au Greffe on 10th February 2009
by the Chief Minister**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to ratify the agreements for the exchange of information relating to tax matters between the States of Jersey and the Nordic countries of Denmark, the Faroes, Finland, Greenland, Iceland, Norway and Sweden as set out in the Appendix to the Report of the Chief Minister dated 1st December 2008.

CHIEF MINISTER

REPORT

Agreements to be entered into with Denmark, the Faroes, Finland, Greenland, Iceland, Norway and Sweden for the exchange of information relating to tax matters

1. The States are asked to ratify the signed agreements to be entered into with Denmark, the Faroes, Finland, Greenland, Iceland, Norway and Sweden for the exchange of information relating to tax matters attached as an Appendix to this report.

Background

2. In February 2002 Jersey entered into a political commitment to support the OECD's tax initiative on transparency and information exchange through the negotiation of tax information exchange agreements with each of the OECD Member States.
3. The Council of Ministers current negotiating strategy in respect of tax information exchange agreements is –
 - to build up good political and economic relationships with individual countries, particularly those in the European Union;
 - to obtain general support for the Island where matters affecting the Island are being considered within international fora;
 - to obtain the removal of key barriers to market access, such as black lists;
 - to recognise that all the Island's wishes may not be achieved to the outset, and establish a platform from which to build in securing further benefits in the future;
 - to press for action to be taken by the OECD Member States against the non-committed/non-co-operative jurisdictions who may otherwise be gaining advantage from that position.
4. The Council of Ministers have also seen the negotiation of tax information exchange agreements as one of balance between –
 - the impact on business arising from the perception that Jersey is ahead of its competitors on transparency;
 - the impact on business of negative action taken by OECD/EU Member States against non-co-operative jurisdictions, if they should decide that Jersey is in that category;
 - the impact on business of the positive action taken by OECD/EU Member States when they recognise Jersey as a co-operative jurisdiction.
5. The action the Island has taken in signing tax information exchange agreements has been recognised by the international community. On 21st October 2008 at a Conference on the Fight against International Tax Evasion and Avoidance: Improving Transparency and Stepping Up the Exchange of Information on Tax Matters, held in Paris, the Secretary General of the OECD, commented favourably on the action taken by Jersey in negotiating tax information exchange agreements and stated that what is now required is "a clear political recognition being given to those offshore financial centres that have made progress". In the Summary of Conclusions of the Paris Conference it is stated that the participating countries

“recognise the efforts made by certain jurisdictions [such as Jersey] that have set out a new direction for their financial centres and have signed tax information exchange agreements, which constitute effective instruments of fighting international tax fraud and evasion”.

6. Jeffrey Owens, the Head of the OECD Centre for Tax Policy and Administration, said at the signing of the tax information exchange agreements with the Nordic countries in Helsinki on 28th October that “we at the OECD recognise the importance of the progress Jersey has made in signing TIEAs, and in receiving clear political endorsement from OECD member countries. To show that the choice Jersey has made is the right one we recognise the need for firm action to be taken with regard to those jurisdictions that are not showing the same commitment to tax information exchange”. The G20 Summit in Washington held on 15th November 2008 also issued a declaration which called upon national and regional authorities to implement national and international measures and protect the global financial system from unco-operative and non-transparent jurisdictions that pose risks of illicit financial activity.
7. The procedure adopted in respect of individual agreements is for industry to be consulted and for the views of industry to be taken into account by the Council of Ministers in deciding whether to support the signing of a tax information exchange agreement. If the Council of Ministers decide that it would be in the Island’s best interests for an agreement to be signed, both parties to the agreement then exchange signed agreements which allows both to start their ratification procedures contemporaneously. Agreements are signed by the Chief Minister in accordance with the provisions of Article 18(2) of the States of Jersey Law 2005 and paragraph 1.8.5 of the Strategic Plan 2006-2011 adopted by the States on 28th June 2006. Subsequent to the signing by the Chief Minister, agreements are presented to the States for ratification, are published, entered into the official record and regulations are made for the agreements to enter into force when the domestic procedures of the other party also have been completed.
8. The States on 29th January 2008 adopted the Taxation (Exchange of Information with Third Countries) (Jersey) Regulations 2008 (R&O.23/2008). The Schedule to these Regulations lists the Third Countries, and includes the taxes covered by the Agreements being entered into. As further agreements are entered into, the Regulations need to be amended to include in the Schedule the jurisdiction and taxes concerned. The necessary Regulations to provide for the inclusion in the Schedule of the 7 Nordic countries and the relevant taxes are being presented to the States for adoption subsequent to the ratification of the Agreements for the exchange of information relating to tax matters being entered into with the countries concerned (see P.21/2009).
9. The Agreements do not come into force until both of the parties concerned have completed their own domestic procedures. The date when an agreement is to come into force is included in a forthcoming Schedule attached to the Regulations.

Agreements with the Nordic countries

10. The negotiations with the Nordic countries produced agreement on the following, attached as an Appendix to this report.
 - (a) a tax information exchange agreement which is consistent with the agreements signed previously with other countries such as the United States of America in 2002, the Kingdom of the Netherlands in 2007 and the Federal Republic of Germany in 2008.

The agreement provides for the exchange of information on tax matters on request, however that request has to be formulated in writing with the greatest detail possible. There can be no “fishing expedition”. The agreements only come into force once the States have ratified them and have approved the necessary Regulations, and the other countries concerned have completed their own domestic procedures;

- (b) an agreement for the avoidance of double taxation of individuals in respect of income from employment, payments received by students for maintenance, education and training;

- (c) an agreement for the avoidance of double taxation in respect of enterprises operating ships or aircraft in international traffic;
- (d) an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises;
- (e) a political declaration which –
 - recognises Jersey's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime;
 - welcomes Jersey as a member of the community of nations committed to international co-operation and full and effective information exchange on tax matters, and wishes to assure the government of Jersey that Jersey will be fully and equally treated as such;
 - provides for a continued dialogue to examine what measures could be adopted to further enhance and broaden the political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

The negotiation of the agreements has helped to establish a good relationship with the Nordic countries and has helped improve their understanding of and influence favourably their attitude towards the Island. The agreements are considered to enhance the Island's international personality and generally to lead to a more favourable response to the Island on a wide range of market access and other economic/political issues.

Financial/manpower implications

There are no implications for the financial or manpower resources of the States arising from the ratification and implementation of the agreements with the Nordic countries.

1st December 2008

DENMARK

**AGREEMENT BETWEEN JERSEY AND DENMARK FOR THE EXCHANGE OF INFORMATION
RELATING TO TAX MATTERS**

Whereas Jersey and Denmark (“the parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with Denmark;

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

Whereas the parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the parties have agreed to conclude the following Agreement which contains obligations on the part of Denmark and Jersey only:

Article 1

Scope of the Agreement

The parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested party is not obliged to provide information which is neither held by its authorities nor in the possession of or obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;
 - (b) in the case of Denmark:
 - (i) the income tax to the State (indkomstskatten til staten),

- (ii) the income tax to the municipalities (den kommunale indkomstskat), and
- (iii) value added tax (merværdiafgift).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the parties so agree. The competent authority of each party shall notify the other of substantial changes in laws which may affect the obligations of that party pursuant to this Agreement.

Article 3

Definitions

1. In this Agreement:
 - (a) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (b) “Denmark” means the Kingdom of Denmark including any area outside the territorial sea of Denmark which in accordance with international law has been or may hereafter be designated under Danish laws as an area within which Denmark may exercise sovereign rights with respect to the exploration and exploitation of the natural resources of the sea-bed or its subsoil and the superjacent waters and with respect to other activities for the exploration and economic exploitation of the area; the term does not comprise the Faroe Islands and Greenland;
 - (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
 - (d) ”competent authority” means, in the case of Jersey the Treasury and Resources Minister or his authorised representative; in the case of Denmark, the Minister for Taxation or his authorized representative;
 - (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
 - (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting party;
 - (g) “information gathering measures” means laws and administrative or judicial procedures enabling a requested party to obtain and provide the information requested;
 - (h) “information” means any fact, statement, document or record in whatever form;
 - (i) “person” means a natural person, a company or any other body or group of persons;
 - (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
 - (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
 - (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or

redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;

- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the parties;
- (n) “requested party” means the party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting party” means the party to this Agreement submitting a request for or having received information from the requested party;
- (p) “tax” means any tax covered by this Agreement;

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

Article 4

Exchange of Information Upon Request

1. The competent authority of the requested party shall provide upon request by the requesting party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested party if it had occurred in the territory of the requested party. The competent authority of the requesting party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested party is not sufficient to enable it to comply with the request for information, the requested party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting party with the information requested, notwithstanding that the requested party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting party, the competent authority of the requested party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

Provided that this Agreement does not create an obligation for a party to obtain or provide ownership information with respect to publicly traded companies or public collective investment schemes, unless

such information can be obtained without giving rise to disproportionate difficulties.

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting party, that if the requested information was within the jurisdiction of the requesting party then the competent authority of the requesting party would be able to obtain the information under the laws of the requesting party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested party shall acknowledge receipt of the request to the competent authority of the requesting party and shall use its best endeavours to forward the requested information to the requesting party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting party may request that the requested party allow representatives of the competent authority of the requesting party to enter the territory of the requested party, to the extent permitted under its domestic laws, to interview individuals and examine records with the written consent of the individuals or other persons concerned. The competent authority of the requesting party shall notify the competent authority of the requested party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting party, the competent authority of the requested party may permit representatives of the competent authority of the requesting party to attend a tax examination in the territory of the requested party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested party conducting the examination shall, as soon as possible, notify the competent authority of the requesting party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested party for the conduct of the examination. All decisions

regarding the conduct of the examination shall be made by the requested party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested party may decline to assist:
 - (a) where the request is not made in conformity with this Agreement;
 - (b) where the requesting party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
 - (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).
2. This Agreement shall not impose upon a requested party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.
3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.
4. The requested party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting party the competent authority of the requesting party would not be able to obtain under its laws or in the normal course of administrative practice.
5. The requested party may decline a request for information if the information is requested by the requesting party to administer or enforce a provision of the tax law of the requesting party, or any requirement connected therewith, which discriminates against a national or citizen of the requested party as compared with a national or citizen of the requesting party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the parties shall be kept confidential.
2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.
3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested party.
4. The information provided to a requesting party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested party shall consult with the competent authority of the requesting party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

(2) In addition to the agreements referred to in paragraph 1, the competent authorities of the parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

(3) Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other party at such address as may be notified by one party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

1. This Agreement shall remain in force until terminated by a Party.
2. Either Party may terminate the Agreement by giving written notice of termination at least three months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.
3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned being duly authorised in that behalf by the respective parties, have signed the Agreement.

Done at Helsinki, this 28th day of October, 2008, in duplicate in the English language.

For the Government of Jersey

For the Government of Denmark

**AGREEMENT BETWEEN JERSEY AND DENMARK
FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS**

The Government of Jersey and the Government of Denmark, desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28th October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,

have agreed as follows:

Article 1

Individuals Covered

This Agreement shall apply to individuals who are residents of one or both of the Parties.

Article 2

Taxes Covered

The existing taxes to which the Agreement shall apply are:

- (a) in the case of Jersey:
income tax
(hereinafter referred to as “Jersey tax”).
- (b) in the case of Denmark:
 - (i) the income tax to the State (indkomstskatten til staten),
 - (ii) the income tax to the municipalities (den kommunale indkomstskat)(hereinafter referred to as “Danish tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

General Definitions

For the purposes of this Agreement, unless the context otherwise requires:

- (a) the term “a Party” means Jersey or Denmark, as the context requires; the term “Parties” means Jersey and Denmark;
- (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (c) the term “Denmark” means the Kingdom of Denmark including any area outside the territorial sea of Denmark which in accordance with international law has been or may hereafter be designated under Danish laws as an area within which Denmark may exercise sovereign rights with respect

to the exploration and exploitation of the natural resources of the sea-bed or its subsoil and the superjacent waters and with respect to other activities for the exploration and economic exploitation of the area; the term does not comprise the Faroe Islands and Greenland;

- (c) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in Denmark, the Minister for Taxation or his authorized representative;
- (e) the term “enterprise” applies to the carrying on of any business;
- (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

Resident

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

Income from Employment

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned, and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party, and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party. Where a resident of Denmark derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Denmark.

Article 6

Directors' Fees

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

Article 7

Artistes and Sportsmen

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

Pensions

Pensions and other similar remuneration arising in a Party, payments under the social security legislation of a Party and payments under any other scheme out of funds created by a Party, may be taxed in that Party.

Article 9

Government Service

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.
 - (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.
2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

Students

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

Elimination of Double Taxation

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Denmark, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Denmark;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in Denmark;
- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Denmark, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from Denmark.

2. In Denmark double taxation shall be avoided as follows:

- (a) Subject to the provisions of sub-paragraph (c), where a resident of Denmark derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, Denmark shall allow as a deduction from the income tax of that resident, an amount equal to the income tax paid in Jersey;
- (b) Such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Jersey;
- (c) Where a resident of Denmark derives income which in accordance with the provisions of this Agreement shall be taxable only in Jersey, Denmark may include this income in the tax base, but

shall allow as a deduction from the income tax that part of the income tax which is attributable to the income derived from Jersey.

Article 12

Mutual Agreement Procedure

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in Denmark:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters shall have effect.

Article 14

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government of Jersey

For the Government of Denmark

**AGREEMENT BETWEEN JERSEY AND DENMARK FOR THE AVOIDANCE OF DOUBLE
TAXATION WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN
INTERNATIONAL TRAFFIC**

The Government of Jersey and the Government of Denmark, desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

have agreed as follows:

Article 1

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the terms “a Party” means Denmark or Jersey, as the context requires; the term “Parties” means Denmark and Jersey;
 - (b) the term “Denmark” means the Kingdom of Denmark including any area outside the territorial sea of Denmark which in accordance with international law has been or may hereafter be designated under Danish laws as an area within which Denmark may exercise sovereign rights with respect to the exploration and exploitation of the natural resources of the sea-bed or its subsoil and the superjacent waters and with respect to other activities for the exploration and economic exploitation of the area; the term does not comprise the Faroe Islands and Greenland;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;

- (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
- (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic.
- (j) the term “competent authority” means:
 - (i) in the case of Denmark, the Minister for Taxation or his authorised representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

Avoidance of Double Taxation

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

Mutual Agreement Procedure

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 4

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters shall have effect.

Article 5

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government of Jersey

For the Government of Denmark

**AGREEMENT BETWEEN JERSEY AND DENMARK ON THE ACCESS TO MUTUAL AGREEMENT
PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS OF ASSOCIATED
ENTERPRISES**

The Government of Jersey and the Government of Denmark, desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Jersey or Denmark as the context requires; the term “Parties” means Jersey and Denmark;
 - (b) the term “Denmark” means the Kingdom of Denmark including any area outside the territorial sea of Denmark which in accordance with international law has been or may hereafter be designated under Danish laws as an area within which Denmark may exercise sovereign rights with respect to the exploration and exploitation of the natural resources of the sea-bed or its subsoil and the superjacent waters and with respect to other activities for the exploration and economic exploitation of the area; the term does not comprise the Faroe Islands and Greenland;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Denmark, the Minister for Taxation or his authorized representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

1. Where:
 - (a) an enterprise of a Party participates directly or indirectly in the management, control or capital of an enterprise of the other Party, or

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

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

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party 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.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and Denmark for the exchange of information relating to tax matters.

In witness whereof the undersigned duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language

For the Government of Jersey

For the Government of Denmark

POLITICAL DECLARATION

Today, the Governments of Denmark and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Denmark and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Denmark and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Jersey and Denmark. The two former agreements prevent international double taxation by allocating taxing rights between Jersey and Denmark and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Denmark and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Denmark welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Denmark.

Denmark and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government of the
Kingdom of Denmark:

For the Government
of Jersey:

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THE FAROES

**AGREEMENT BETWEEN JERSEY AND THE FAROES FOR THE EXCHANGE OF INFORMATION
RELATING TO TAX MATTERS**

Whereas Jersey and the Faroes (“the Parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with the Faroes;

Whereas it is acknowledged that the Government of the Faroes concludes this agreement on behalf of the Kingdom of Denmark pursuant to the Act on the Conclusion of Agreements under International Law by the Government of the Faroes;

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

Whereas the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the Parties have agreed to conclude the following Agreement which contains obligations on the part of Jersey and the Faroes only:

Article 1

Scope of the Agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of or obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;

- (b) in the case of the Faroes:
 - (i) taxes on income or profit;
 - (ii) value added tax (VAT).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the Parties so agree. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

In this Agreement:

- (a) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (b) “The Faroes” means the landmass of the Faroes and their territorial waters and any area outside the territorial waters where the Faroes according to Faroese legislation and in accordance with international law, may exercise rights with respect to the seabed and subsoil and their natural resources;
- (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (d) “competent authority” means, in the case of Jersey the Treasury and Resources Minister or his authorised representative; and in the case of the Faroes, the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
- (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
- (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting Party;
- (g) “information gathering measures” means laws and administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;
- (h) “information” means any fact, statement, document or record in whatever form;
- (i) “person” means a natural person, a company or any other body or group of persons;
- (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;

- (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement;

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

Article 4

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b)
 - (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
 - (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested Party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting Party may request that the requested Party allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party

conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:
 - (a) where the request is not made in conformity with this Agreement;
 - (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty;
or
 - (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).
2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.
3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.
4. The requested Party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting Party the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.
5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.
2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.
3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.
4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

(2) In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

(3) Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

1. This Agreement shall remain in force until terminated by a Party.
2. Either Party may terminate the Agreement by giving written notice of termination at least three months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.
3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned being duly authorised in that behalf by the respective Parties, have signed the Agreement.

Done at Helsinki this 28th day of October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE FAROES:**

**AGREEMENT
BETWEEN
JERSEY
AND
THE FAROES**

FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS

The Government of Jersey and the Government of the Faroes,

- desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28th October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,
- considering that the Government of the Faroes concludes this agreement on behalf of the Kingdom of Denmark pursuant to the Act on the Conclusion of Agreements under International Law by the Government of the Faroes,

have agreed as follows:

Article 1

INDIVIDUALS COVERED

This Agreement shall apply to individuals who are residents of one or both of the Parties.

Article 2

TAXES COVERED

The existing taxes to which the Agreement shall apply are:

- (a) in the case of Jersey:
income tax
(hereinafter referred to as “Jersey tax”).
- (b) in the case of the Faroes:
taxes on income or profit
(hereinafter referred to as “Faroese tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or the Faroes, as the context requires; the term “Parties” means Jersey and the Faroes;
 - (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (c) the term “the Faroes” means the landmass of the Faroes and their territorial waters and any area outside the territorial waters where the Faroes according to Faroese legislation and in accordance with international law, may exercise rights with respect to the seabed and subsoil and their natural resources;
 - (d) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in the Faroes, the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
 - (e) the term “enterprise” applies to the carrying on of any business;
 - (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

RESIDENT

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the

Parties shall settle the question by mutual agreement.

Article 5

INCOME FROM EMPLOYMENT

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party; and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party.

Article 6

DIRECTORS' FEES

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

Article 7

ARTISTES AND SPORTSMEN

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

PENSIONS

Pensions and other similar remuneration arising in a Party, payments under the social security legislation of a Party and payments under any other scheme out of funds created by a Party, may be taxed in that Party.

Article 9

GOVERNMENT SERVICE

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.
 - (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.
2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

ELIMINATION OF DOUBLE TAXATION

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in The Faroes, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in The Faroes;
 - (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in The Faroes;
 - (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in the Faroes, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from the Faroes.
2. In the Faroes double taxation shall be avoided as follows:

Subject to the provisions of the laws of the Faroes regarding the allowance as a credit against Faroese tax of tax payable in a territory outside the Faroes (which shall not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of the Faroes derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, the Faroes shall allow as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Jersey;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Jersey;
- (iii) where a resident of the Faroes derives income which, in accordance with the provisions of this Agreement shall be taxable only in Jersey, the Faroes may include this income in the tax base, but shall allow as a deduction from the income tax that part of the income tax which is attributable to the income derived from Jersey.

Article 12

MUTUAL AGREEMENT PROCEDURE

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in the Faroes:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next

following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters shall have effect.

Article 14

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government of
Jersey:

For the Government of
the Faroes:

.....

.....

**AGREEMENT BETWEEN JERSEY AND THE FAROES FOR THE AVOIDANCE OF DOUBLE
TAXATION WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN
INTERNATIONAL TRAFFIC**

The Government of Jersey and the Government of the Faroes,

- desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,
- considering that the Government of the Faroes concludes this agreement on behalf of the Kingdom of Denmark pursuant to the Act on the Conclusion of Agreements under International Law by the Government of the Faroes,

have agreed as follows:

Article 1

DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the terms “a Party” means the Faroes or Jersey, as the context requires; the term “Parties” means the Faroes and Jersey;
 - (b) the term “the Faroes” means the landmass of the Faroes and their territorial waters and any area outside the territorial waters where the Faroes according to Faroese legislation and in accordance with international law, may exercise rights with respect to the seabed and subsoil and their natural resources;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;

- (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
 - (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
 - (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic.
- (j) the term “competent authority” means:
- (i) in the case of the Faroes the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

AVOIDANCE OF DOUBLE TAXATION

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any

difficulties or doubts arising as to the interpretation or application of the Agreement.

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

ARTICLE 4

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters shall have effect.

ARTICLE 5

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE FAROES:**

**AGREEMENT BETWEEN JERSEY AND THE FAROES ON THE ACCESS TO MUTUAL
AGREEMENT PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS OF
ASSOCIATED ENTERPRISES**

The Government of Jersey and the Government of the Faroes,

- desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,
- considering that the Government of the Faroes concludes this agreement on behalf of the Kingdom of Denmark pursuant to the Act on the Conclusion of Agreements under International Law by the Government of the Faroes,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Jersey or the Faroes as the context requires; the term “Parties” means Jersey and the Faroes;
 - (b) the term “the Faroes” means the landmass of the Faroes and their territorial waters and any area outside the territorial waters where the Faroes according to Faroese legislation and in accordance with international law, may exercise rights with respect to the seabed and subsoil and their natural resources;
 - (c) the term Jersey means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of the Faroes, the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

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

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

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party 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.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. here an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between Jersey and the Faroes for the exchange of information relating to tax matters.

In witness whereof the undersigned duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE FAROES:**

POLITICAL DECLARATION

Today, the Governments of the Faroes and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

The Faroes and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

The Faroes and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between the Faroes and Jersey. The two former agreements prevent international double taxation by allocating taxing rights between the Faroes and Jersey and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, the Faroes and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

The Faroes welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of the Faroes.

The Faroes and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government of
Jersey:

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For the Government of
the Faroes:

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FINLAND

**AGREEMENT
BETWEEN JERSEY AND THE REPUBLIC OF FINLAND FOR
THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

Whereas Jersey and the Republic of Finland ("the Parties") have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with the Republic of Finland;

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD's principles of effective exchange of information;

Whereas the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the Parties have agreed to conclude the following Agreement which contains obligations on the part of Jersey and the Republic of Finland only:

Article 1

Scope of the Agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of or obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;
 - (b) in the case of Finland:
 - (i) the state income taxes (valtion tuloverot; de statliga inkomstskatterna);
 - (ii) the corporate income tax (yhteisöjen tulovero; inkomstskatten för samfund);

- (iii) the communal tax (kunnallisvero; kommunalskatten);
- (iv) the church tax (kirkollisvero; kyrkoskatten);
- (v) the tax withheld at source from interest (korkotulon lähdevero; källskatten på ränteinkomst);
- (vi) the tax withheld at source from non-residents' income; (rajoitetusti verovelvollisen lähdevero; källskatten för begränsat skattskyldig);
- (vii) the withholding tax for foreign employees (ulkomailta tulevan palkansaajan lähdevero; källskatten för löntagare från utlandet);
- (viii) the value added tax (arvonlisävero; mervärdesskatt).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the Parties so agree. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

1. In this Agreement:
 - (a) "Jersey" means the Bailiwick of Jersey, including its territorial sea;
 - (b) "Finland" means the Republic of Finland and, when used in a geographical sense, means the territory of the Republic of Finland, and any area adjacent to the territorial waters of the Republic of Finland within which, under the laws of Finland and in accordance with international law, the rights of Finland with respect to the exploration for and exploitation of the natural resources of the sea bed and its sub-soil and of the superjacent waters may be exercised;
 - (c) "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
 - (d) "competent authority" means, in the case of Jersey the Treasury and Resources Minister or his authorised representative; and in the case of Finland, the Ministry of Finance, its authorised representative or the authority which, by the Ministry of Finance, is designated as competent authority;
 - (e) "criminal laws" means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
 - (f) "criminal tax matters" means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting Party;
 - (g) "information gathering measures" means laws and administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;
 - (h) "information" means any fact, statement, document or record in whatever form;

- (i) “person” means a natural person, a company or any other body or group of persons;
- (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
- (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement;

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

Article 4

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing;

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested Party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting Party may request that the requested Party allow

representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:

- (a) where the request is not made in conformity with this Agreement;
- (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
- (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).

2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.

3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

4. The requested Party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting Party the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.

5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.

2. Such information shall be disclosed only to persons or authorities (including courts and

administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.

3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

(2) In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

(3) Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

1. This Agreement shall remain in force until terminated by a Party.

2. Either Party may terminate the Agreement by giving written notice of termination at least three months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned being duly authorised in that behalf by the respective Parties, have signed the Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
FINLAND**

**AGREEMENT
BETWEEN JERSEY AND THE REPUBLIC OF FINLAND FOR
THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS**

The Government of Jersey and the Government of the Republic of Finland, desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28th October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,

have agreed as follows:

Article 1

INDIVIDUALS COVERED

This Agreement shall apply to individuals who are residents in one or both of the Parties.

Article 2

TAXES COVERED

1. The existing taxes to which the Agreement shall apply are:

(a) in the case of Jersey:

income tax

(hereinafter referred to as “Jersey tax”).

(b) in the case of Finland:

(i) the state income tax (earned income);

(ii) the communal tax;

(iii) the church tax;

(iv) the tax withheld at source from non-residents’ income;

(hereinafter referred to as “Finnish tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

GENERAL DEFINITIONS

For the purposes of this Agreement, unless the context otherwise requires:

(a) the term “a Party” means Jersey or Finland, as the context requires; the term “Parties” means Jersey and Finland;

- (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (c) the term “Finland” means the Republic of Finland and, when used in a geographical sense, means the territory of the Republic of Finland, and any area adjacent to the territorial waters of the Republic of Finland within which, under the laws of Finland and in accordance with international law, the rights of Finland with respect to the exploration for and exploitation of the natural resources of the sea bed and its sub-soil and of the superjacent waters may be exercised;
- (d) the term “competent authority” means;
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in the case of Finland the Ministry of Finance, its authorised representative or the authority which, by the Ministry of Finance, is designated as competent authority;
- (e) the term “enterprise” applies to the carrying on of any business;
- (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

RESIDENT

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

INCOME FROM EMPLOYMENT

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the

employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party; and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party.

Article 6

DIRECTORS' FEES

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

Article 7

ARTISTES AND SPORTSMEN

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

PENSIONS

1. Pensions paid and other benefits, whether periodic or lump-sum compensation, awarded under the social security legislation of a Party or under any public scheme organized by a Party for social welfare purposes, or any annuity arising in a Party, may be taxed in that Party.

2. The term “annuity” as used in this Article means a stated sum payable periodically to an individual at stated times during his 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 (other than services rendered).

Article 9

GOVERNMENT SERVICE

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.
- (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.

2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

ELIMINATION OF DOUBLE TAXATION

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Finland, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Finland;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in Finland;
- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Finland, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from Finland.

2. Subject to the provisions of Finnish law regarding the elimination of international double taxation (which shall not affect the general principle hereof), double taxation shall be eliminated in Finland as follows:

- (a) Where a resident of Finland derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, Finland shall allow as a deduction from the Finnish tax of that person, an amount equal to the Jersey tax paid under Jersey law and in accordance with the Agreement, as computed by reference to the same income by reference to which the Finnish tax is computed.
- (b) Where in accordance with any provision of the Agreement income derived by a resident of Finland is exempt from tax in Finland, Finland may nevertheless, in calculating the amount of tax on the remaining income of such person, take into account the exempted income.

Article 12

MUTUAL AGREEMENT PROCEDURE

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in Finland:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters shall have effect.

Article 14

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
FINLAND**

AGREEMENT

BETWEEN JERSEY AND THE REPUBLIC OF FINLAND FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN INTERNATIONAL TRAFFIC

The Government of Jersey and the Government of the Republic of Finland, desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

have agreed as follows:

Article 1

DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Finland or Jersey, as the context requires; the term “Parties” means Finland and Jersey;
 - (b) the term “Finland” means the Republic of Finland and, when used in a geographical sense, means the territory of the Republic of Finland, and any area adjacent to the territorial waters of the Republic of Finland within which, under the laws of Finland and in accordance with international law, the rights of Finland with respect to the exploration for and exploitation of the natural resources of the sea bed and its sub-soil and of the superjacent waters may be exercised;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;

- (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
- (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic.
- (j) the term “competent authority” means:
 - (i) in the case of Finland, the Ministry of Finance, its authorised representative or the authority which, by the Ministry of Finance, is designated as competent authority;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

AVOIDANCE OF DOUBLE TAXATION

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

ARTICLE 4

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters shall have effect.

ARTICLE 5

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
FINLAND**

AGREEMENT

BETWEEN JERSEY AND THE REPUBLIC OF FINLAND ON THE ACCESS TO MUTUAL AGREEMENT PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS OF ASSOCIATED ENTERPRISES

The Government of the Jersey and the Government of the Republic of Finland, desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Jersey or Finland as the context requires; the term “Parties” means Jersey and Finland;
 - (b) the term “Finland” means the Republic of Finland and, when used in a geographical sense, means the territory of the Republic of Finland, and any area adjacent to the territorial waters of the Republic of Finland within which, under the laws of Finland and in accordance with international law, the rights of Finland with respect to the exploration for and exploitation of the natural resources of the sea bed and its sub-soil and of the superjacent waters may be exercised;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Finland, the Ministry of Finance, its authorised representative or the authority which, by the Ministry of Finance, is designated as competent authority;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

1. Where:

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

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

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party shall make an appropriate adjustment to the amount of the tax charged therein on those profits, where that other Party considers the adjustment justified. In determining such adjustment, due regard shall be had to the other provisions of this Agreement.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

- 1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each

of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28th October 2008 between the Republic of Finland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
FINLAND**

POLITICAL DECLARATION

Today, the Governments of Finland and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Finland and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Finland and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Jersey and Finland. The two former agreements prevent international double taxation by allocating taxing rights between Jersey and Finland and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Finland and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Finland welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Finland.

Finland and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government of
the Republic of Finland:

.....

For the Government of
Jersey:

.....

GREENLAND

**AGREEMENT BETWEEN JERSEY AND GREENLAND FOR THE EXCHANGE OF INFORMATION
RELATING TO TAX MATTERS**

Whereas Jersey and Greenland (“the Parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with Greenland;

Whereas it is acknowledged that Greenland, under the terms of the legislation on Greenland Home Rule and on the conclusion of agreements under international law by the Greenland Government, has the jurisdiction to negotiate, conclude and enter into agreements on tax matters.

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

Whereas the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the Parties have agreed to conclude the following Agreement which contains obligations on the part of Jersey and Greenland only:

Article 1

Scope of the Agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of or obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;
 - (b) in the case of Greenland:

- (i) home rule tax (nuna tamakkerlugu akileraarut);
- (ii) special home rule tax (nuna tamakkerlugu akileraarut immikkut ittoq);
- (iii) municipal tax (kommuninut akileraarut);
- (iv) intermunicipal tax (kommuninut immikkut akileraarut);
- (v) company tax (selskabit akileraarutaat);
- (vi) dividend tax (iluanaarutisianit akileraarut); and
- (vii) royalty tax (atuisinnaanermut akileraarutit).
- (viii) labour market tax (sulisoqarnermut akitsuut).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the Parties so agree. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

In this Agreement:

- (a) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (b) “Greenland” means the landmass of Greenland and its territorial waters and any area outside the territorial waters where Denmark or Greenland according to domestic legislation and in accordance with international law, may exercise its rights with respect to the seabed and subsoil and their natural resources;
- (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (d) “competent authority” means, in the case of Jersey the Treasury and Resources Minister or his authorised representative; and in the case of Greenland, the minister of Finance or his delegate;
- (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
- (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting Party;
- (g) “information gathering measures” means laws and administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;
- (h) “information” means any fact, statement, document or record in whatever form;
- (i) “person” means a natural person, a company or any other body or group of persons;

- (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
- (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement.

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

Article 4

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;

- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested Party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting Party may request that the requested Party allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify

the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:

- (a) where the request is not made in conformity with this Agreement;
- (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
- (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).

2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.

3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

4. The requested Party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting Party the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.

5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.

2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.

3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

(2) In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

(3) Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

- 1. This Agreement shall remain in force until terminated by a Party.
- 2. Either Party may terminate the Agreement by giving written notice of termination at least three

months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned being duly authorised in that behalf by the respective Parties, have signed the Agreement.

Done at Helsinki this Tuesday of 28 October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
GREENLAND**

AGREEMENT

BETWEEN

JERSEY

AND

GREENLAND

FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS

The Government of Jersey and the Government of Greenland,

- desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28 October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,
- considering that Greenland, under the terms of the legislation on Greenland Home Rule and the conclusion of agreements under international law by the Greenland Government, has the jurisdiction to negotiate, conclude and enter into agreements on tax matters,

have agreed as follows:

Article 1

INDIVIDUALS COVERED

This Agreement shall apply to individuals who are residents of one or both of the Parties.

Article 2

TAXES COVERED

1. The existing taxes to which the Agreement shall apply are:
 - (a) in the case of Jersey:

income tax

(hereinafter referred to as “Jersey tax”).
 - (b) in the case of Greenland:
 - (i) home rule tax (nuna tamakkerlugu akileraarut);
 - (ii) special home rule tax (nuna tamakkerlugu akileraarut immikkut ittoq);
 - (iii) municipal tax (kommuninut akileraarut);
 - (iv) intermunicipal tax (kommuninut immikkut akileraarut).

(hereinafter referred to as “Greenlandic tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or Greenland, as the context requires; the term “Parties” means Jersey and Greenland;
 - (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (c) the term “Greenland” means the landmass of Greenland and its territorial waters and any area outside the territorial waters where Denmark or Greenland according to domestic legislation and in accordance with international law, may exercise its rights with respect to the seabed and subsoil and their natural resources;
 - (d) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in Greenland, the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
 - (e) the term “enterprise” applies to the carrying on of any business;
 - (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

RESIDENT

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);

- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

INCOME FROM EMPLOYMENT

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party; and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party. Where a resident of Greenland derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by Air Greenland, such remuneration shall be taxable only in Greenland.

Article 6

DIRECTORS' FEES

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

Article 7

ARTISTES AND SPORTSMEN

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

PENSIONS

Pensions and other similar remuneration arising in a Party, payments under the social security legislation of a Party and payments under any other scheme out of funds created by a Party, may be taxed in that Party.

Article 9

GOVERNMENT SERVICE

1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.

(b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.

2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

ELIMINATION OF DOUBLE TAXATION

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

(i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Greenland, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Greenland;

(ii) such deduction shall not, however, exceed that part of the income tax, as computed before the

credit is given, which is attributable to the income which may be taxed in Greenland;

- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Greenland, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from Greenland.
2. In Greenland double taxation shall be avoided as follows:
- (i) subject to the provisions of sub-paragraph (iii), where a resident of Greenland derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, Greenland shall allow as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Jersey;
 - (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Jersey;
 - (iii) where a resident of Greenland derives income which, in accordance with the provisions of this Agreement shall be taxable only in Jersey, Greenland may include this income in the tax base, but shall allow as a deduction from the income tax that part of the income tax which is attributable to the income derived from Jersey.

Article 12

MUTUAL AGREEMENT PROCEDURE

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be represented 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next

following that in which this Agreement enters into force;

(b) in Greenland:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters shall have effect.

Article 14

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this Tuesday of 28 October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

.....

**FOR THE GOVERNMENT
OF GREENLAND:**

.....

**AGREEMENT BETWEEN JERSEY AND GREENLAND FOR THE AVOIDANCE OF DOUBLE
TAXATION WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN
INTERNATIONAL TRAFFIC**

The Government of Jersey and the Government of Greenland,

- desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,
- considering that Greenland, under the terms of the legislation on Greenland Home Rule and on the conclusion of agreements under international law by the Greenland Government, has the jurisdiction to negotiate, conclude and enter into agreements on tax matters,

have agreed as follows:

-

Article 1

DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the terms “a Party” means Greenland or Jersey, as the context requires; the term “Parties” means Greenland and Jersey;
 - (b) the term “Greenland” means the landmass of Greenland and its territorial waters and any area outside the territorial waters where Denmark or Greenland according to domestic legislation and in accordance with international law, may exercise its rights with respect to the seabed and subsoil and their natural resources;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such

operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;

- (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
 - (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic.
- (j) the term “competent authority” means:
- (i) in the case of Greenland, the Minister of Finance or his authorised representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

AVOIDANCE OF DOUBLE TAXATION

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

4. The competent authorities of the Parties may communicate with each other directly for the purpose

of reaching an agreement in the sense of the preceding paragraphs.

Article 4

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters shall have effect.

Article 5

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this Tuesday of 28 October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
GREENLAND**

**AGREEMENT BETWEEN JERSEY AND GREENLAND ON THE ACCESS TO MUTUAL
AGREEMENT PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS OF
ASSOCIATED ENTERPRISES**

The Government of Jersey and the Government of Greenland,

- desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,
- considering that Greenland, under the terms of the legislation on Greenland Home Rule and on the conclusion of agreements under international law by Greenland Government, has the jurisdiction to negotiate, conclude and enter into agreements on tax matters,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or Greenland as the context requires; the term “Parties” means Greenland and Jersey;
 - (b) the term “Greenland” means the landmass of Greenland and its territorial waters and any area outside the territorial waters where Denmark or Greenland according to domestic legislation and in accordance with international law, may exercise its rights with respect to the seabed and subsoil and their natural resources;
 - (c) the term Jersey means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Greenland, the Minister of Finance or his authorized representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.
2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

1. Where:

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

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

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party 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.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and Greenland for the exchange of information relating to tax matters.

In witness whereof the undersigned duly authorised thereto have signed this Agreement.

Done at Helsinki, this Tuesday of 28 October 2008, in duplicate in the English language

**FOR THE GOVERNMENT OF
JERSEY**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
GREENLAND**

POLITICAL DECLARATION

Today, the Governments of Greenland and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Greenland and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both Parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Greenland and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Jersey and Greenland. The two former agreements prevent international double taxation by allocating taxing rights between Jersey and Greenland and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Greenland and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Greenland welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Greenland.

Greenland and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government of
Greenland:

For the Government of
Jersey:

.....

.....

ICELAND

**AGREEMENT BETWEEN JERSEY AND ICELAND
FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

WHEREAS Jersey and Iceland (“the Parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

WHEREAS it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with Iceland;

WHEREAS Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

WHEREAS the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

NOW, THEREFORE, the Parties have agreed to conclude the following Agreement which contains obligations on the part of Jersey and Iceland only:

Article 1

Scope of the Agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of or obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Iceland:
 - (i) the income taxes to the state (tekjuskattar ríkissjóðs); and
 - (ii) the income tax to the municipalities (útsvar til sveitarfélaganna); and
 - (iii) the value added tax (virðisaukaskattur);
 - (b) in the case of Jersey:

- (i) the income tax; and
- (ii) the goods and services tax.

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the Parties so agree. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

1. In this Agreement:
 - (a) “Iceland” means Iceland and, when used in a geographical sense, means the territory of Iceland, including its territorial sea, and any area beyond the territorial sea within which Iceland, in accordance with international law, exercises jurisdiction or sovereign rights with respect to the sea bed, its subsoil and its superjacent waters, and their natural resources;
 - (b) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
 - (d) “competent authority” means, in the case of Iceland, the Minister of Finance or his authorised representative; and in the case of Jersey the Treasury and Resources Minister or his authorised representative;
 - (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
 - (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting Party;
 - (g) “information gathering measures” means laws and administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;
 - (h) “information” means any fact, statement, document or record in whatever form;
 - (i) “person” means a natural person, a company or any other body or group of persons;
 - (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
 - (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
 - (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;

- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement;

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

Article 4

Exchange of Information upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested Party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting Party may request that the requested Party allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:
 - (a) where the request is not made in conformity with this Agreement;
 - (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty;
or
 - (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).
2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.
3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.
4. The requested Party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting Party the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.
5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.
2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.
3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.
4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing

assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

3. Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

1. This Agreement shall remain in force until terminated by a Party.

2. Either Party may terminate the Agreement by giving written notice of termination at least three months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned being duly authorised in that behalf by the respective Parties, have signed the Agreement.

Done at Helsinki this 28th day of October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF ICELAND:**

**AGREEMENT BETWEEN JERSEY AND ICELAND
FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS**

The Government of Jersey and the Government of Iceland, desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28 October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,

have agreed as follows:

Article 1

INDIVIDUALS COVERED

This Agreement shall apply to individuals who are residents of one or both of the Parties.

Article 2

TAXES COVERED

1. The existing taxes to which the Agreement shall apply are:

(a) in the case of Iceland:

the income taxes to the state (tekjuskattar ríkissjóðs); and

the income tax to the municipalities (útsvar til sveitarfélaganna),

(hereinafter referred to as “Icelandic tax”);

(b) in the case of Jersey:

income tax,

(hereinafter referred to as “Jersey tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:

(a) the term “a Party” means Iceland or Jersey, as the context requires; the term “Parties” means Iceland and Jersey;

(b) the term “Iceland” means Iceland and, when used in a geographical sense, means the territory of Iceland, including its territorial sea, and any area beyond the territorial sea within which Iceland, in accordance with international law, exercises jurisdiction or sovereign rights with respect to the sea bed, its subsoil and its superjacent waters, and their natural resources;

- (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (d) the term “competent authority” means:
 - (i) in Iceland, the Minister of Finance or his authorised representative or the authority which is designated as a competent authority for the purpose of this Agreement;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
- (e) the term “enterprise” applies to the carrying on of any business;
- (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

RESIDENT

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

INCOME FROM EMPLOYMENT

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period; or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party, and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party.

Article 6

DIRECTORS' FEES

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

Article 7

ARTISTES AND SPORTSMEN

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

PENSIONS

Pensions and other similar remuneration arising in a Party, payments under the social security legislation of a Party and payments under any other scheme out of funds created by a Party, may be taxed in that Party.

Article 9

GOVERNMENT SERVICE

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political

subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.

- (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.

2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

ELIMINATION OF DOUBLE TAXATION

1. In Iceland double taxation shall be avoided as follows:

Where a resident of Iceland derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, Iceland shall allow:

- (a) as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Jersey;
- (b) Such deduction in either case shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable, as the case may be, to the income which may be taxed in Jersey.
- (c) Where in accordance with any provision of the Agreement income derived by a resident of Iceland is exempt from tax in Iceland, Iceland may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.

2. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Iceland, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Iceland;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in Iceland;
- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Iceland, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the

income derived from Iceland.

Article 12

MUTUAL AGREEMENT PROCEDURE

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Iceland:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax matters shall have effect.

Article 14

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF ICELAND:**

**AGREEMENT BETWEEN JERSEY AND ICELAND
FOR THE AVOIDANCE OF DOUBLE TAXATION
WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT
IN INTERNATIONAL TRAFFIC**

The Government of Jersey and the Government of Iceland, desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

have agreed as follows:

Article 1

DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the terms “a Party” means Iceland or Jersey, as the context requires; the term “Parties” means Iceland and Jersey;
 - (b) the term “Iceland” means Iceland and, when used in a geographical sense, means the territory of Iceland, including its territorial sea, and any area beyond the territorial sea within which Iceland, in accordance with international law, exercises jurisdiction or sovereign rights with respect to the sea bed, its subsoil and its superjacent waters, and their natural resources;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise, carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;

- (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
- (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic;
- (j) the term “competent authority” means:
 - (i) in the case of Iceland, the Minister of Finance or his authorised representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

AVOIDANCE OF DOUBLE TAXATION

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 4

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax matters shall have effect.

Article 5

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF ICELAND:**

**AGREEMENT BETWEEN JERSEY AND ICELAND
ON THE ACCESS TO MUTUAL AGREEMENT PROCEDURES IN CONNECTION WITH THE
ADJUSTMENT OF PROFITS OF ASSOCIATED ENTERPRISES**

The Government of Jersey and the Government of Iceland, desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Iceland or Jersey as the context requires; the term “Parties” means Iceland and Jersey;
 - (b) the term “Iceland” means Iceland and, when used in a geographical sense, means the territory of Iceland, including its territorial sea, and any area beyond the territorial sea within which Iceland, in accordance with international law, exercises jurisdiction or sovereign rights with respect to the sea bed, its subsoil and its superjacent waters, and their natural resources;
 - (c) the term Jersey means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Iceland, the Minister of Finance or his authorized representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

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

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

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

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax

matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Iceland and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF ICELAND:**

POLITICAL DECLARATION

Today, the Governments of Iceland and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Iceland and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Iceland and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Iceland and Jersey. The two former agreements prevent international double taxation by allocating taxing rights between Iceland and Jersey and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Iceland and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Iceland welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Iceland.

Iceland and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government
of Iceland:

For the Government
of Jersey:

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NORWAY

AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF NORWAY FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS

Whereas the Government of the Jersey and the Government of the Kingdom of Norway (“the Parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the UK has the right to negotiate, conclude, perform and, subject to the terms of this Agreement, terminate a tax information exchange agreement with the Kingdom of Norway;

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

Whereas the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the Parties have agreed to conclude the following Agreement which contains obligations on the part of Jersey and the Kingdom of Norway only:

Article 1

Scope of the Agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning the taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of nor obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;
 - (b) in the case of Norway:
 - (i) the tax on general income (“skatt på alminnelig inntekt”);

- (ii) the tax on personal income (“skatt på personinntekt”);
- (iii) the special tax on petroleum income (“særlig skatt på petroleumsinntekt”);
- (iv) the resource rent tax on income from production of hydroelectric power (“grunnrenteskatt på inntekt fra produksjon av vannkraft”);
- (v) the withholding tax on dividends (“kildeskatt på utbytter”);
- (vi) the tax on Remuneration to non-resident artistes (“skatt på honorar til utenlandske artister m.v.”), etc.; and
- (vii) the value added tax (“merverdiavgift”).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes, if the Parties so agree. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

1. In this Agreement:

- (a) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (b) “Norway” means the Kingdom of Norway, and includes the land territory, internal waters, the territorial sea and the area beyond the territorial sea where the Kingdom of Norway, according to Norwegian legislation and in accordance with international law, may exercise her rights with respect to the seabed and subsoil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies (“biland”);
- (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (d) “competent authority” means, in the case of Jersey the Treasury and Resources Minister or his authorised representative; in the case of Norway, the Minister of Finance or the Minister’s authorised representative;
- (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
- (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal law of the requesting Party;
- (g) “information gathering measures” means laws and administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;
- (h) “information” means any fact, statement, document or record in whatever form;
- (i) “person” means a natural person, a company or any other body or group of persons;

- (j) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
- (l) “public collective investment scheme” means any scheme or fund, in which the purchase sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement;

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

Article 4

Exchange of Information upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;

- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and other persons, including in the case of collective investment schemes, information on shares, units and other interests;
- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing;

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is present in the requested Party or is in the possession of, or obtainable by, a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except where that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax Examinations Abroad

1. With reasonable notice the requesting Party may request that the requested Party allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify

the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:

- (a) where the request is not made in conformity with this Agreement;
- (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
- (c) where the disclosure of the information requested would be contrary to public policy (“ordre public”).

2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 4(4) shall not by reason of that fact alone be treated as such a secret or trade process.

3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

4. The requested Party shall not be required to obtain and provide information which if the requested information was within the jurisdiction of the requesting Party the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.

5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.

2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.

3. Such information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the requested Party.

4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual Agreement Procedures

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

2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

3. Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

- 1. This Agreement shall remain in force until terminated by a Party.
- 2. Either Party may terminate the Agreement by giving written notice of termination at least three

months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the three month period. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under this Agreement.

In witness whereof the undersigned, being duly authorised thereto, have signed the Agreement.

Done at Helsinki this 28th day of October 2008, in duplicate in the English language.

**FOR THE STATES
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF
NORWAY:**

AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS

The Government of the Jersey and the Government of Norway, desiring to supplement the Agreement for the exchange of information relating to tax matters concluded on 28 October 2008 by concluding an Agreement for the avoidance of double taxation on individuals with respect to taxes on income,

have agreed as follows:

Article 1

INDIVIDUALS COVERED

1. This Agreement shall apply to individuals who are residents of one or both of the Parties.
2. The Agreement does not apply to activities carried on in an area beyond the territorial sea where a Party, according to its legislation and in accordance with international law, may exercise its rights with respect to the seabed and subsoil and their natural resources.

Article 2

TAXES COVERED

1. The existing taxes to which the Agreement shall apply are:
 - (a) in the case of Jersey:
the income tax
(hereinafter referred to as “Jersey tax”).
 - (b) in the case of Norway:
 - (i) the tax on general income;
 - (ii) the tax on personal income;
 - (iii) the tax on Remuneration to non-resident artistes, etc.
(hereinafter referred to as Norwegian tax”).
2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or Norway as the context requires; the term “Parties” means Jersey and Norway;

- (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
- (c) the term “Norway” means the Kingdom of Norway, and includes the land territory and internal waters; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies (“biland”);
- (d) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in Norway the Minister of Finance or the Minister’s authorised representative;
- (e) the term “enterprise” applies to the carrying on of any business;
- (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

RESIDENT

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has a habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

INCOME FROM EMPLOYMENT

1. Subject to the provisions of Articles 6, 7, 8 and 9 salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party; and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party

3. Paragraph 2 of this Article shall not apply to remuneration derived by a resident of a Party in respect of an employment exercised in the other Party and paid by, or on behalf of, an employer who is not a resident of that other Party if:

- (a) the recipient renders services in the course of that employment to a person other than the employer and that person, directly or indirectly, supervises, directs or controls the manner in which those services are performed, and;
- (b) those services constitute an integral part of the business activities carried on by that person.

4. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a Party, may be taxed in that Party. Where a resident of Norway derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Norway.

Article 6

DIRECTORS' FEES

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

Article 7

ARTISTES AND SPORTSMEN

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

PENSIONS

Pensions and other similar remuneration paid to a resident of a Contracting Party in consideration of past employment may be taxed in that Contracting Party. Pensions and payments under the Social Security system, arising in a Contracting Party and paid to a resident of the other Contracting Party may also be taxed in the Party

in which they arise, and according to the laws of that Party. However, in the case of periodic pension payments including social security payments, the tax so charged shall not exceed 15 per cent of the gross amount of the payment.

Article 9

GOVERNMENT SERVICE

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.
 - (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.
2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

ELIMINATION OF DOUBLE TAXATION

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof):

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Norway, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Norway;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in Norway;
- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Norway, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from Norway.

2. In Norway double taxation shall be avoided as follows:

Subject to the provisions of the laws of Norway regarding the allowance as a credit against Norwegian tax of tax payable in a territory outside Norway (which shall not affect the general principle hereof) –

- (a) Where a resident of Norway derives income which, in accordance with the provisions of this Agreement, may be taxed in Jersey, Norway shall allow as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Jersey on that income. Such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Jersey.
- (b) Where in accordance with any provision of the Agreement income derived by a resident of Norway is exempt from tax in Norway, Norway may nevertheless include such income in the tax base, but shall allow as a deduction from the Norwegian tax on income that part of the income tax, as the case may be, which is attributable to the income derived from Jersey.

Article 12

MUTUAL AGREEMENT PROCEDURE

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in Norway:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters shall have effect.

Article 14

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such case, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters.

In witness whereof the undersigned, being duly authorised thereto, have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF
NORWAY:**

AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN INTERNATIONAL TRAFFIC

The Government of the Jersey and the Kingdom of Norway, desiring to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

have agreed as follows:

Article 1

DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the terms “a Party” means Norway or Jersey, as the context requires; the term “Parties” means Norway and Jersey;
 - (b) the term “Norway” means the Kingdom of Norway, and includes the land territory, internal waters, the territorial sea and the area beyond the territorial sea where the Kingdom of Norway, according to Norwegian legislation and in accordance with international law, may exercise her rights with respect to the seabed and subsoil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies (“biland”);
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
 - (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or

aircraft in international traffic;

- (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic.
- (j) the term “competent authority” means:
 - (i) in the case of Norway, the Minister of Finance or the Minister’s authorised representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

AVOIDANCE OF DOUBLE TAXATION

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. Gains derived from the alienation of ships or aircraft or movable property pertaining to the operation of ships and aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

3. The provisions of paragraphs 1 and 2 shall also apply to income and gains derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

ARTICLE 4

ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each

of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters shall have effect.

ARTICLE 5

TERMINATION

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters.

In witness whereof the undersigned, being duly authorised thereto, have signed this Agreement.

Done at Helsinki, this 28th day of October, 2008, in duplicate in the English language.

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF
NORWAY:**

**AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF NORWAY ON THE ACCESS TO
MUTUAL AGREEMENT PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS
OF ASSOCIATED ENTERPRISES**

The Government of Jersey and the Government of the Kingdom of Norway, desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises,

have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Jersey or Norway as the context requires; the term “Parties” means Jersey and Norway;
 - (b) the term “Norway” means the Kingdom of Norway, and includes the land territory, internal waters, the territorial sea and the area beyond the territorial sea where the Kingdom of Norway, according to Norwegian legislation and in accordance with international law, may exercise her rights with respect to the seabed and subsoil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies (“biland”);
 - (c) the term Jersey means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Norway, the Minister of Finance or the Minister’s authorised representative;
 - (ii) in the case of Jersey, the Treasury and Resources Minister or his authorised representative.

2. As regards the application of this Agreement at any time by a Party, 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 Party, for the purposes of the taxes to which the agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

1. Where:
 - (a) an enterprise of a Party participates directly or indirectly in the management, control or capital of an enterprise of the other Party, or

- (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Party and an enterprise of the other Party, and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party shall make an appropriate adjustment to the amount of the tax charged therein on those profits if that Party considers the adjustment justified. In determining such adjustment, due regard shall be had to the other provisions of this Agreement.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the latter of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1 of this Article, the Agreement shall only be applicable when the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the calendar year next following the end of the six months period.

2. Notwithstanding paragraph 1 of this Article, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between Jersey and the Kingdom of Norway for the exchange of information relating to tax matters.

In witness whereof the undersigned, being duly authorised thereto, have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language

**FOR THE GOVERNMENT
OF JERSEY:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF
NORWAY:**

POLITICAL DECLARATION

Today, the Governments of Norway and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Norway and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Norway and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Jersey and Norway. The two former agreements prevent international double taxation by allocating taxing rights between Jersey and Norway and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Norway and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Norway welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Norway.

Norway and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government
of the Kingdom of Norway:

For the Government
of Jersey:

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AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF SWEDEN FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS

Whereas the Government of the Jersey and the Government of the Kingdom of Sweden (“the Parties”) have long been active in international efforts in the fight against financial and other crimes, including the targeting of terrorist financing;

Whereas it is acknowledged that Jersey under the terms of its Entrustment from the United Kingdom has the right to negotiate, conclude, perform and subject to the terms of this Agreement terminate a tax information exchange agreement with the Kingdom of Sweden;

Whereas Jersey on 22 February 2002 entered into a political commitment to the OECD’s principles of effective exchange of information;

Whereas the Parties wish to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes;

Now, therefore, the Parties have agreed to conclude the following Agreement which contains obligations on the part of the Kingdom of Sweden and Jersey only:

Article 1

Scope of the agreement

The Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment, recovery and enforcement or collection of tax with respect to persons subject to such taxes, or to the investigation of tax matters or the criminal prosecution of tax matters in relation to such persons. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession of nor obtainable by persons who are within its territorial jurisdiction. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2

Taxes covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of Jersey:
 - (i) the income tax;
 - (ii) the goods and services tax;
 - (b) in the case of Sweden:
 - (i) the national income tax (den statliga inkomstskatten);

- (ii) the withholding tax on dividends (kupongskatten);
- (iii) the income tax on non-residents (den särskilda inkomstskatten för utomlands bosatta);
- (iv) the income tax on non-resident artistes and athletes (den särskilda inkomstskatten för utomlands bosatta artister m.fl.);
- (v) the municipal income tax (den kommunala inkomstskatten);
- (vi) the yield tax on pension funds (avkastningsskatten på pensionsmedel); and
- (vii) the value added tax (mervärdesskatten).

2. This Agreement shall apply also to any identical taxes imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. This Agreement shall apply also to any substantially similar taxes imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes if the Parties so agree. Furthermore, the taxes covered may be expanded or modified by mutual agreement of the Parties in the form of an exchange of letters. The competent authority of each Party shall notify the other of substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.

Article 3

Definitions

1. In this Agreement:
 - (a) “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (b) “Sweden” means the Kingdom of Sweden and, when used in a geographical sense, includes the national territory, the territorial sea of Sweden as well as other maritime areas over which Sweden in accordance with international law exercises sovereign rights or jurisdiction;
 - (c) “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
 - (d) “competent authority” means, in the case of Jersey, the Treasury and Resources Minister or his authorised representative; and in the case of Sweden, the Minister of Finance, his authorised representative or the authority which is designated as a competent authority for the purposes of this Agreement;
 - (e) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
 - (f) “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal laws of the requesting Party;
 - (g) “information gathering measures” means laws and administrative or judicial procedures enabling the requested Party to obtain and provide the information requested;
 - (h) “information” means any fact, statement, document or record in whatever form;
 - (i) “person” means a natural person, a company or any other body or group of persons;
 - (j) “publicly traded company” means any company whose principal class of shares is listed on a

recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;

- (k) “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
- (l) “public collective investment scheme” means any scheme or fund, in which the purchase, sale or redemption of shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
- (m) “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;
- (n) “requested Party” means the Party to this Agreement which is requested to provide or has provided information in response to a request;
- (o) “requesting Party” means the Party to this Agreement submitting a request for or having received information from the requested Party;
- (p) “tax” means any tax covered by this Agreement.

2. As regards the application of this Agreement at any time by a Party, 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 Party, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

Exchange of information upon request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use at its own discretion all relevant information gathering measures necessary to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Party shall ensure that it has the authority, subject to the terms of Article 1, to obtain and provide, through its competent authority and upon request:

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b) (i) information regarding the legal and beneficial ownership of companies, partnerships and

other persons, including in the case of collective investment schemes, information on shares, units and other interests;

- (ii) in the case of trusts, information on settlors, trustees, protectors and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

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

5. Any request for information shall be formulated with the greatest detail possible and shall specify in writing:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- (d) the tax purpose for which the information is sought;
- (e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- (f) grounds for believing that the information requested is held in the requested Party or is in the possession of or obtainable by a person within the jurisdiction of the requested Party;
- (g) to the extent known, the name and address of any person believed to be in possession of or able to obtain the information requested;
- (h) a statement that the request is in conformity with the laws and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
- (i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulty.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party as soon as possible.

Article 5

Tax examinations abroad

1. With reasonable notice, the requesting Party may request that the requested Party allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall notify the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.

2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to attend a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested Party conducting the examination.

Article 6

Possibility of declining a request

1. The competent authority of the requested Party may decline to assist:
 - (a) where the request is not made in conformity with this Agreement;
 - (b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty;
or
 - (c) where the disclosure of the information requested would be contrary to public policy (ordre public).

2. This Agreement shall not impose upon a requested Party any obligation to provide items subject to legal privilege, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in paragraph 4 of Article 4 shall not by reason of that fact alone be treated as such a secret or trade process.

3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

4. The requested Party shall not be required to obtain and provide information which, if the requested information was within the jurisdiction of the requesting Party, the competent authority of the requesting Party would not be able to obtain under its laws or in the normal course of administrative practice.

5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the requesting Party in the same circumstances.

Article 7

Confidentiality

1. All information provided and received by the competent authorities of the Parties shall be kept confidential.

2. Such information shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.

3. Such information may not be used for any purpose other than for the purposes stated in Article 1

without the express written consent of the competent authority of the requested Party.

4. The information provided to a requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 8

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party if the costs of providing information with respect to a specific request are expected to be significant.

Article 9

Mutual agreement procedures

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

2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Parties may mutually agree on the procedures to be used under Articles 4, 5 and 8.

3. Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreements entered into will be in writing directly to the competent authority of the other Party at such address as may be notified by one Party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorised representatives.

Article 10

Entry into force

This Agreement shall enter into force on the thirtieth day after the later of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect:

- (a) for criminal tax matters on that date; and
- (b) for all other matters covered in Article 1 on that date, but only in respect of any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force or, where there is no tax year, all charges to tax arising on or after that date.

Article 11

Termination

1. Either Party may terminate the Agreement by serving a notice of termination by letter to the other Party.

2. Such termination shall become effective on the first day of the month following the expiration of the period of six months after the date of receipt of notice of termination by the other Party. All requests received

up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3. If the Agreement is terminated the Parties shall remain bound by the provisions of Article 7 with respect to any information obtained under the Agreement.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government
of Jersey:

For the Government
of the Kingdom of
Sweden:

AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF SWEDEN FOR THE AVOIDANCE OF DOUBLE TAXATION ON INDIVIDUALS

The Government of Jersey and the Government of the Kingdom of Sweden, desiring to conclude an Agreement for the avoidance of double taxation on individuals with respect to taxes on income, have agreed as follows:

Article 1

Individuals covered

This Agreement shall apply to individuals who are residents in one or both of the Parties.

Article 2

Taxes covered

1. The existing taxes to which the Agreement shall apply are:
 - (a) in the case of Jersey:

income tax;

(hereinafter referred to as “Jersey tax”);
 - (b) in the case of Sweden:
 - (i) the national income tax (den statliga inkomstkatten);
 - (ii) the income tax on non-residents (den särskilda inkomstkatten för utomlands bosatta);
 - (iii) the income tax on non-resident artistes and athletes (den särskilda inkomstkatten för utomlands bosatta artister m.fl.); and
 - (iv) the municipal income tax (den kommunala inkomstkatten)

(hereinafter referred to as “Swedish tax”).

2. The Agreement shall apply also to any identical or substantially similar taxes that 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 Parties shall notify each other of any significant changes that have been made in their taxation laws concerning individuals.

Article 3

General definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or Sweden, as the context requires; the term “Parties” means Jersey and Sweden;
 - (b) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;

- (c) the term “Sweden” means the Kingdom of Sweden and, when used in a geographical sense, includes the national territory, the territorial sea of Sweden as well as other maritime areas over which Sweden in accordance with international law exercises sovereign rights or jurisdiction;
- (d) the term “competent authority” means;
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in the case of Sweden, the Minister of Finance, his authorised representative or the authority which is designated as a competent authority for the purposes of this Agreement;
- (e) the term “enterprise” applies to the carrying on of any business;
- (f) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 4

Resident

1. For the purposes of this Agreement, the term “resident of a Party” means in respect of an individual any individual who, under the laws of that Party, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature. This term, however, does not include an individual who is liable to tax in that Party in respect only of income from sources in that Party.

2. Where by reason of the provisions of paragraph 1 an individual is a resident in both Parties, their status shall be determined as follows:

- (a) he shall be deemed to be a resident only of the Party in which he has a permanent home available to him; if he has a permanent home available to him in both Parties, he shall be deemed to be a resident only of the Party with which his personal and economic relations are closer (centre of vital interests);
- (b) if the Party 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 Party, he shall be deemed to be a resident only of the Party in which he has an habitual abode;
- (c) if he has an habitual abode in both Parties or in neither of them, the competent authorities of the Parties shall settle the question by mutual agreement.

Article 5

Income from employment

1. Subject to the provisions of Articles 6, 7, 8 and 9, salaries, wages and other similar remuneration derived by a resident of a Party in respect of an employment shall be taxable only in that Party unless the employment is exercised in the other Party. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Party.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Party in respect of an employment exercised in the other Party shall be taxable only in the first-mentioned Party if:

- (a) the recipient is present in the other Party for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Party; and
- (c) the remuneration is not borne by a fixed place of business through which the business is wholly or partly carried on which the employer has in the other Party.

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 Party, may be taxed in that Party. Where a resident of Sweden derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Sweden.

Article 6

Directors' fees

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

Article 7

Artistes and sportsmen

1. Income derived by a resident of a Party as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Party, may be taxed in that other Party.

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 individual or legal entity, that income may be taxed in the Party in which the activities of the entertainer or sportsman are exercised.

Article 8

Pensions

1. Pensions and other similar remuneration, disbursements under the Social Security legislation and annuities arising in a Party and paid to a resident of the other Party may be taxed in the first-mentioned Party.

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 9

Government service

- 1.(a) Salaries, wages and other similar remuneration, other than a pension, paid by a Party or a political subdivision or a statutory body or a local authority thereof to an individual in respect of services rendered to that Party or subdivision or body or authority shall be taxable only in that Party.

- (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Party if the services are rendered in that Party and the individual is a resident of that Party who did not become a resident of that Party solely for the purpose of rendering the services.

2. The provisions of Articles 5, 6 and 7 shall apply to salaries, wages, and other similar remuneration in respect of services rendered in connection with a business carried on by a Party or a political subdivision or a statutory body or a local authority thereof.

Article 10

Students

Payments which a student or business apprentice who is or was immediately before visiting a Party a resident of the other Party and who is present in the first-mentioned Party 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 Party, provided that such payments arise from sources outside that Party.

Article 11

Elimination of double taxation

1. In Jersey double taxation shall be avoided as follows:

Subject to the provisions of the laws of Jersey regarding the allowances of credit against Jersey tax and tax payable in a territory outside Jersey (which will not affect the general principle hereof);

- (i) subject to the provisions of sub-paragraph (iii), where a resident of Jersey derives income which in accordance with the provisions of this Agreement, may be taxed in Sweden, Jersey shall allow as a credit from the Jersey tax on the income of that resident, an amount equal to the income tax paid in Sweden;
- (ii) such deduction shall not, however, exceed that part of the income tax, as computed before the credit is given, which is attributable to the income which may be taxed in Sweden;
- (iii) where a resident of Jersey derives income which, in accordance with the provisions of this Agreement shall be taxable only in Sweden, Jersey may include this income in the tax base, but shall allow as a credit from the Jersey tax that part of the income tax which is attributable to the income derived from Sweden.

2. In Sweden double taxation shall be avoided as follows:

- (a) Where a resident of Sweden derives income which under the laws of Jersey and in accordance with the provisions of this Agreement may be taxed in Jersey, Sweden shall allow – subject to the provisions of the laws of Sweden concerning credit for foreign tax (as it may be amended from time to time without changing the general principle hereof) – as a deduction from the tax on such income, an amount equal to the Jersey tax paid in respect of such income.
- (b) Where a resident of Sweden derives income which, in accordance with the provisions of this Agreement, shall be taxable only in Jersey, Sweden may, when determining the graduated rate of Swedish tax, take into account the income which shall be taxable only in Jersey.

Article 12

Mutual agreement procedure

1. Where an individual considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 13

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the later of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with.

2. The Agreement shall have effect:

(a) in Jersey:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force;

(b) in Sweden:

on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

3. Notwithstanding paragraph 2, this Agreement shall only have effect when the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters shall have effect.

Article 14

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government
of Jersey:

For the Government
of the Kingdom of
Sweden:

AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF SWEDEN FOR THE AVOIDANCE OF DOUBLE TAXATION ON ENTERPRISES OPERATING SHIPS OR AIRCRAFT IN INTERNATIONAL TRAFFIC

The Government of Jersey and the Government of the Kingdom of Sweden, desiring to conclude an Agreement for the avoidance of double taxation on enterprises operating ships or aircraft in international traffic, have agreed as follows:

Article 1

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “a Party” means Jersey or Sweden, as the context requires; the term “Parties” means Jersey and Sweden;
 - (b) the term “Sweden” means the Kingdom of Sweden and, when used in a geographical sense, includes the national territory, the territorial sea of Sweden as well as other maritime areas over which Sweden in accordance with international law exercises sovereign rights or jurisdiction;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (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 term “resident of a Party” means any person, who under the law of that Party is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (g) the term “enterprise of a Party” means an enterprise carried on by a resident of a Party;
 - (h) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a Party, except when the ship or aircraft is operated solely between places in the other Party;
 - (i) the term “income derived from the operation of ships or aircraft in international traffic” means revenues, gross receipts and profits derived from:
 - (i) such operation of ships or aircraft for the transport of passengers or cargo;
 - (ii) the rental on a charter basis of ships or aircraft where the rental is ancillary to the operation of ships or aircraft in international traffic;
 - (iii) the sale of tickets or similar documents and the provision of services connected with such operation, either for the enterprise itself or for any other enterprise, where such sale of tickets or similar documents or provision of services is directly connected with or ancillary to the operation of ships or aircraft in international traffic;
 - (iv) 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 the use, maintenance or rental is directly connected with or ancillary to the operation of ships or aircraft in international traffic;

- (v) interest on funds deposited directly in connection with the operation of ships or aircraft in international traffic;
- (j) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in the case of Sweden, the Minister of Finance, his authorised representative or the authority which is designated as a competent authority for the purposes of this Agreement.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 2

Avoidance of double taxation

1. Income derived from the operation of ships or aircraft in international traffic by an enterprise of a Party shall be taxable only in that Party.

2. The provisions of paragraph 1 shall also apply to income derived by an enterprise of a Party from the participation in a pool, a joint business or an international operating agency.

Article 3

Mutual agreement procedure

1. Where a person considers that the actions of one or both of the Parties 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 Parties, present his case to the competent authority of the Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the 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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 4

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the later of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of

January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1, this Agreement shall only have effect when the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters shall have effect.

Article 5

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government
of Jersey:

For the Government
of the Kingdom of
Sweden:

**AGREEMENT BETWEEN JERSEY AND THE KINGDOM OF SWEDEN ON THE ACCESS TO
MUTUAL AGREEMENT PROCEDURES IN CONNECTION WITH THE ADJUSTMENT OF PROFITS
OF ASSOCIATED ENTERPRISES**

The Government of the Jersey and the Government of the Kingdom of Sweden, desiring to conclude an agreement on the access to mutual agreement procedures in connection with the adjustment of profits of associated enterprises, have agreed as follows:

Article 1

Taxes covered

This Agreement shall apply to taxes on income and profits.

Article 2

Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term “Party” means Jersey or Sweden as the context requires; the term “Parties” means Jersey and Sweden;
 - (b) the term “Sweden” means the Kingdom of Sweden and, when used in a geographical sense, includes the national territory, the territorial sea of Sweden as well as other maritime areas over which Sweden in accordance with international law exercises sovereign rights or jurisdiction;
 - (c) the term “Jersey” means the Bailiwick of Jersey, including its territorial sea;
 - (d) the term “competent authority” means:
 - (i) in the case of Jersey, the Treasury and Resources Minister or his authorised representative;
 - (ii) in the case of Sweden, the Minister of Finance, his authorised representative or the authority which is designated as a competent authority for the purposes of this Agreement.

2. As regards the application of the Agreement at any time by a Party, 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 Party for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 3

Principles applying to the adjustment of profits of associated enterprises

1. Where:
 - (a) an enterprise of a Party participates directly or indirectly in the management, control or capital of an enterprise of the other Party, or
 - (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Party and an enterprise of the other Party, and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from

those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a Party includes in the profits of an enterprise of that Party – and taxes accordingly – profits on which an enterprise of the other Party has been charged to tax in that other Party and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Party if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Party 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.

Article 4

General provision

Where a Party intends to adjust the profits of an enterprise in accordance with the principles set out in Article 3, it shall in accordance with its laws inform the enterprise of the intended action in due time and give it the opportunity to inform the other enterprise so as to give that other enterprise the opportunity to inform in turn the other Party. However, the Party providing such information shall not be prevented from making the proposed adjustment.

Article 5

Mutual agreement procedures

1. Where an enterprise considers that, in any case to which this Agreement applies, the actions of one or both of the Parties result or will result for it in double taxation, it may, irrespective of the remedies provided by the domestic law of the Party concerned, present its case to the competent authority of the Party of which it is a resident. The case must be presented within three years of the first notification of the action which is contrary or is likely to be contrary to the principles set out in Article 3. The competent authority shall then without delay notify the competent authority of the other Party.

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 Party, 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 Parties.

3. The competent authorities of the Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.

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

Article 6

Entry into force

1. This Agreement shall enter into force on the thirtieth day after the later of the dates on which each of the Parties has notified the other in writing that the procedures required by its law have been complied with. The Agreement shall have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.

2. Notwithstanding paragraph 1, this Agreement shall only have effect when the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters shall have effect.

Article 7

Termination

1. This Agreement shall remain in force until terminated by a Party. Either Party may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year. In such event, the Agreement shall cease to have effect on taxes chargeable for any tax year beginning on or after the first day of January of the year next following the end of the six months period.

2. Notwithstanding paragraph 1, this Agreement will be terminated, without giving notice of termination, on the date of termination of the Agreement signed on 28 October 2008 between the Kingdom of Sweden and Jersey for the exchange of information relating to tax matters.

In witness whereof the undersigned being duly authorised thereto have signed this Agreement.

Done at Helsinki, this 28th day of October 2008, in duplicate in the English language.

For the Government
of Jersey:

For the Government
of the Kingdom of
Sweden:

POLITICAL DECLARATION

Today, the Governments of Sweden and Jersey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Sweden and Jersey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Sweden and Jersey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Jersey and Sweden. The two former agreements prevent international double taxation by allocating taxing rights between Jersey and Sweden and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Sweden and Jersey will continue the dialogue to examine what measures that could be adopted to further enhance and broaden their political and economic relationship including the further alleviation of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Sweden welcomes Jersey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the authorities of Sweden.

Sweden and Jersey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008

For the Government
of Sweden:

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For the Government
of Jersey:

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