
EXPLANATORY NOTE

(This note is not part of the Order)

The Schedule to this Order contains two Protocols (“the Protocols”) which further amend a convention between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Austria for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (“the Convention”). The Convention was scheduled to the Double Taxation Relief (Taxes on Income) (Austria) Order 1969 (S.I. 1970/1947) and previously amended by the arrangements scheduled to the Double Taxation Relief (Taxes on Income) (Austria) Order 1979 (S.I. 1979/117) and the Double Taxation Relief (Taxes on Income) (Austria) Order 1994 (S.I. 1994/768). This Order brings the Protocols into effect.

The Convention aims to eliminate the double taxation of income or gains arising in one country and paid to residents of the other country. It does this by allocating the taxing rights that each country has under its domestic law over the same income and gains, and/or by providing relief from double taxation. It also has specific measures which combat discriminatory tax treatment and provide for assistance in international tax enforcement. The Protocols continue that approach.

The Protocols replace Article 28 of the Convention by updating the exchange of information article to bring it into line with the new international standard for exchange of information as set out in the Model Tax Convention on Income and on Capital published by the Organisation for Economic Cooperation and Development (“OECD”). They also provide an explanation as to the interpretation and understanding of Article 28 of the Convention.

Article 1 provides for citation.

Article 2 makes a declaration as to the effect and content of the arrangements set out in the Protocols.

The Protocols will enter into force on the date of the later of the notifications by each country of the completion of its legislative procedures. They shall have effect for taxable periods beginning on or after 1st January of the year next following the date of entry into force.

The date of entry into force will, in due course, be published in the *London, Edinburgh and Belfast Gazettes*.

A full and final Impact Assessment has not been produced for this Order as a negligible impact on the private or voluntary sectors is foreseen.