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STATUTORY INSTRUMENTS

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**2001 No. 3925**

**INCOME TAX**

**The Double Taxation Relief (Taxes  
on Income) (Lithuania) Order 2001**

*Made - - - - 11th December 2001*

**THE DOUBLE TAXATION RELIEF (TAXES  
ON INCOME) (LITHUANIA) ORDER 2001**

1. This Order may be cited as the Double Taxation Relief...
2. It is hereby declared— (a) that the arrangements specified in...  
Signature

SCHEDULE —

**PART I — CONVENTION BETWEEN THE GOVERNMENT OF  
THE UNITED KINGDOM OF GREAT BRITAIN AND  
NORTHERN IRELAND AND THE GOVERNMENT OF THE  
REPUBLIC OF LITHUANIA FOR THE AVOIDANCE OF  
DOUBLE TAXATION AND THE PREVENTION OF FISCAL  
EVASION WITH RESPECT TO TAXES ON INCOME AND  
ON CAPITAL GAINS**

The Government of the United Kingdom of Great Britain and...  
Desiring to conclude a Convention for the avoidance of double...  
Have agreed as follows:

Article 1

**Personal scope**

This Convention shall apply to persons who are residents of...

Article 2

**Taxes covered**

1. This Convention shall apply to taxes on income and on...

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2. There shall be regarded as taxes on income and on...
3. The existing taxes to which the Convention shall apply are...
4. The Convention shall also apply to any identical or substantially...

### Article 3

#### **General definitions**

1. For the purposes of this Convention, unless the context otherwise...
2. A partnership deriving its status from Lithuanian law and which...
3. As regards the application of this Convention by a Contracting...

### Article 4

#### **Residence**

1. For the purposes of this Convention, the term “resident of...”
2. Where by reason of the provisions of paragraph (1) of...
3. Where by reason of the provisions of paragraph (1) of...

### Article 5

#### **Permanent establishment**

1. For the purposes of this Convention, the term “permanent establishment”...
2. The term “permanent establishment” includes especially: (a) a place of...
3. A building site, a construction, assembly or installation project constitutes...
4. Notwithstanding the preceding provisions of this Article, the term “permanent...”
5. Notwithstanding the provisions of paragraphs (1) and (2) of this...
6. An enterprise shall not be deemed to have a permanent...
7. The fact that a company which is a resident of...

### Article 6

#### **Income from immovable property**

1. Income derived by a resident of a Contracting State from...
2. The term “immovable property” shall have the meaning which it...
3. The provisions of paragraph (1) of this Article shall apply...
4. Where the ownership of shares or other corporate rights in...
5. The provisions of paragraphs (1), (3) and (4) of this...

### Article 7

#### **Business profits**

1. The profits of an enterprise of a Contracting State shall...
2. Subject to the provisions of paragraph (3) of this Article,...
3. In determining the profits of a permanent establishment, there shall...
4. No profits shall be attributed to a permanent establishment by...
5. For the purposes of the preceding paragraphs, the profits to...
6. Where profits include items of income or capital gains which...

## Article 8

### **Shipping and air transport**

1. Profits of an enterprise of a Contracting State from the...
2. For the purposes of this Article, profits of an enterprise...
3. The provisions of paragraphs (1) and (2) of this Article...

## Article 9

### **Associated enterprises**

1. Where: (a) an enterprise of a Contracting State participates directly...
2. Where a Contracting State includes in the profits of an...

## Article 10

### **Dividends**

- (1) Dividends paid by a company which is a resident...  
This paragraph shall not affect the taxation of the company...

## Article 11

### **Interest**

1. Interest arising in a Contracting State and paid to a...
2. However, such interest may also be taxed in the Contracting...
3. Notwithstanding the provisions of paragraph (2) of this Article interest...
4. The term “interest” as used in this Article means income...
5. The provisions of paragraphs (1), (2) and (3) of this...
6. Interest shall be deemed to arise in a Contracting State...
7. Where by reason of a special relationship between the payer...
8. The provisions of this Article shall not apply if it...

## Article 12

### **Royalties**

1. Royalties arising in a Contracting State and paid to a...
2. However, such royalties may also be taxed in the Contracting...
3. The term “royalties” as used in this Article means payments...
4. The provisions of paragraphs (1) and (2) of this Article...
5. Royalties shall be deemed to arise in a Contracting State...
6. Where, by reason of a special relationship between the payer...
7. The provisions of this Article shall not apply if it...

## Article 13

### **Capital gains**

1. Gains derived by a resident of a Contracting State from...
2. Gains derived by a resident of a Contracting State from...

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3. Gains from the alienation of movable property forming part of...
4. Gains derived by an enterprise of a Contracting State from...
5. Gains from the alienation of any property other than that...
6. The provisions of paragraph (5) of this Article shall not...

#### Article 14

##### **Independent personal services**

1. Income derived by a resident of a Contracting State in...
2. The term “professional services” includes especially independent scientific, literary, artistic,...

#### Article 15

##### **Dependent personal services**

1. Subject to the provisions of Articles 16, 18, 19, 20...
2. Notwithstanding the provisions of paragraph (1) of this Article, remuneration...
3. Notwithstanding the preceding provisions of this Article, remuneration derived in...

#### Article 16

##### **Directors' fees**

Directors' fees and other similar payments derived by a resident...

#### Article 17

##### **Artistes and sportsmen**

1. Notwithstanding the provisions of Article 14 and Article 15 of...
2. Where income in respect of personal activities exercised by an...
3. The provisions of paragraphs (1) and (2) shall not apply...

#### Article 18

##### **Pensions**

1. Subject to the provisions of paragraph (2) of Article 19...
2. The term “annuity” means a stated sum payable to an...

#### Article 19

##### **Government service**

1. (a) Remuneration, other than a pension, paid by a Contracting...
2. (a) Any pension paid by, or out of funds created...
3. The provisions of Articles 15, 16 and 18 of this...

## Article 20

### **Students**

Payments which a student or an apprentice or trainee, who...

## Article 21

### **Professors and teachers**

1. An individual who visits a Contracting State for the purpose...
2. This Article shall only apply to income from research if...

## Article 22

### **Other income**

1. Items of income beneficially owned by a resident of a...
2. The provisions of paragraph (1) of this Article shall not...
3. Where, by reason of a special relationship between the person...
4. The provisions of this Article shall not apply if it...

## Article 23

### **Miscellaneous rules applicable to certain Offshore Activities**

1. The provisions of this Article shall apply notwithstanding any other...
2. In this Article the term “offshore activities” means activities which...
3. An enterprise of a Contracting State which carries on offshore...
4. The provisions of paragraph (3) of this Article shall not...
5. Subject to paragraph (6) of this Article profits derived by...
6. The provisions of paragraph (5) of this Article shall not...
7. A resident of a Contracting State who carries on offshore...
8. Salaries, wages, and other similar remuneration derived by residents of...
9. Gains derived by a resident of a Contracting State from...

## Article 24

### **Elimination of double taxation**

1. (a) Where a resident of Lithuania derives income or capital...
2. Subject to the provisions of the law of the United...
3. For the purposes of paragraphs (1) and (2) of this...

## Article 25

### **Limitation of relief**

1. Where under any provision of this Convention any income is...
2. Notwithstanding the provisions of any other Article of this Convention,...

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## Article 26

### **Partnerships**

Where, under any provision of this Convention, a partnership is...

## Article 27

### **Non-discrimination**

1. Nationals of a Contracting State shall not be subjected in...
2. Stateless persons who are residents of a Contracting State shall...
3. The taxation on a permanent establishment which an enterprise of...
4. Except where the provisions of paragraph (1) of Article 9,...
5. Enterprises of a Contracting State, the capital of which is...
6. Nothing contained in this Article shall be construed as obliging...
7. The provisions of this Article shall apply to the taxes...

## Article 28

### **Mutual agreement procedure/hsp**

1. Where a resident of a Contracting State considers that the...
2. The competent authority shall endeavour, if the objection appears to...
3. The competent authorities of the Contracting States shall endeavour to...
4. The competent authorities of the Contracting States may communicate with...

## Article 29

### **Exchange of information**

1. The competent authorities of the Contracting States shall exchange such...
2. In no case shall the provisions of paragraph (1) of...

## Article 30

### **Members of diplomatic or permanent missions and consular posts**

Nothing in this Convention shall affect the fiscal privileges accorded...

## Article 31

### **Entry into force**

The Governments of each of the Contracting States shall notify...

## Article 32

### **Termination**

This Convention shall remain in force until terminated by one...  
In witness whereof the undersigned, duly authorised thereto, have signed...

Done in duplicate at Vilnius, this 19th day of March...  
For the Government of the United Kingdom of Great Britain...  
Brian Wilson

For the Government of the Republic of Lithuania:  
A Valionis

**PART II — EXCHANGE OF NOTES**

Vilnius  
19th March 2001  
Excellency

I have the honour to refer to the Convention between...

1. **Article 2(3)(a)**
2. **Article 4(3)**
3. **Article 5(6)**
4. **Article 6(3)**
5. **Article 7(3)**
6. **Article 12**
7. **Article 25(2)**

Brian Wilson MP  
Minister of State for Foreign and Commonwealth Affairs, Foreign and...  
Vilnius 19th March 2001  
Excellency

I am in receipt of your note dated 19th March...

The foregoing proposals being acceptable to the Government of the...

I take this opportunity to renew to Your Excellency the...

Antanas Valionis  
Minister of Foreign Affairs, The Ministry of Foreign Affairs of...

Explanatory Note