

**AGREEMENT BETWEEN  
THE REPUBLIC OF SINGAPORE AND THE KINGDOM OF NORWAY  
FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE  
PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES  
ON INCOME SIGNED AT SINGAPORE ON 19 DECEMBER 1997**

Date of Conclusion: 19 December 1997

Entry into Force: 17 April 1998

Effective Date: 1 January 1999

NOTE

The protocol signed on 18 September 2009 has entered into force on 28 March 2010 and its provisions shall take effect from 28 March 2010.

The text of the protocol signed on 18 September 2009 is shown in Annex A.

NOTE

There were two earlier Conventions signed between the Government of the Republic of Singapore and the Government of the Kingdom of Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

The text of the second Convention which was signed on 18 October 1984 is shown in Annex B. The text of the first Convention which was signed on 9 September 1966 is shown in Annex C.

The Government of the Republic of Singapore and the Government of the Kingdom of Norway desiring to conclude an Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income, have agreed as follows:

## **ARTICLE 1 – PERSONS COVERED**

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

## **ARTICLE 2 – TAXES COVERED**

1. This Agreement shall apply to taxes on income imposed on behalf of a Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of movable or immovable property and taxes on the total amounts of wages or salaries paid by enterprises.

3. The existing taxes to which the Agreement shall apply are in particular:

(a) in Norway:

(i) the national tax on income (inntektsskatt til staten);

(ii) the county municipal tax on income (inntektsskatt til fylkeskommunen);

(iii) the municipal tax on income (inntektsskatt til kommunen);

(iv) the national tax relating to income from the exploration for and the exploitation of submarine petroleum resources and activities and work relating thereto, including pipeline transport of petroleum produced (skatt til staten vedrørende inntekt i forbindelse med undersøkelse etter og utnyttelse av undersjøiske petroleumforekomster og dertil knyttet virksomhet og arbeid, herunder rørledningstransport av utvunnet petroleum); and

(v) the national tax on remuneration to non-resident artistes (lov om skatt på honorarer som tilfaller kunstnere bosatt i utlandet);

(hereinafter referred to as "Norwegian tax");

(b) in Singapore:

the income tax

(hereinafter referred to as "Singapore tax").

4. The Agreement shall apply also to any identical or substantially similar taxes which are imposed by either Contracting State after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any substantive changes which have been made in their respective taxation laws.

### ARTICLE 3 – GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
  - (a) the term "Norway" means the Kingdom of Norway, including any area outside the territorial waters of the Kingdom of Norway 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");
  - (b) the term "Singapore" means the Republic of Singapore;
  - (c) the term "person" includes an individual, a company and any other body of persons;
  - (d) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
  - (e) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
  - (f) the term "tax" means Norwegian tax or Singapore tax as the context requires;
  - (g) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
  - (h) the term "competent authority" means:
    - (i) in Norway, the Minister of Finance and Customs or his authorised representative;
    - (ii) in Singapore, the Minister for Finance or his authorised representative;
  - (i) the term "nationals" means:
    - (i) all individuals possessing the nationality of a Contracting State;
    - (ii) all legal persons, partnerships and associations deriving their status as such from the laws in force in a Contracting State;
  - (j) the terms "a Contracting State" and "the other Contracting State" mean Norway or Singapore as the context requires.
2. As regards the application of the Agreement by a Contracting State any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that State concerning the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

## **ARTICLE 4 – RESIDENT**

1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that State and any political subdivision, local authority or statutory body thereof.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his status shall be determined as follows:

- (a) he shall be deemed to be a resident of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
- (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
- (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
- (d) in any other case, the competent authorities of the Contracting States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1, a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the State in which its place of effective management is situated.

## **ARTICLE 5 – PERMANENT ESTABLISHMENT**

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2. The term "permanent establishment" includes especially:

- (a) a place of management;
- (b) a branch;
- (c) an office;
- (d) a factory;
- (e) a workshop, and
- (f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.

3. The term "permanent establishment" also includes:

- (a) a building site, a construction, installation or assembly project, but only if such site or project is continued for more than six months;
- (b) the furnishing of services, including consultancy services, by a resident of a Contracting State through employees or other personnel for a period or periods aggregating more than 183 days in any twelve month period.

4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:

- (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
- (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
- (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
- (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or of collecting information, for the enterprise;
- (e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;
- (f) the maintenance of a fixed place of business solely for any combination of activities mentioned in sub-paragraphs (a) to (e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.

5. Notwithstanding the provisions of paragraphs 1 and 2, where a person -- other than an agent of an independent status to whom paragraph 6 applies -- is acting on behalf of an enterprise and has, and habitually exercises, in a Contracting State an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.

6. An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

7. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

## **ARTICLE 6 – INCOME FROM IMMOVABLE PROPERTY**

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

## **ARTICLE 7 – BUSINESS PROFITS**

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

## **ARTICLE 8 – SHIPPING AND AIR TRANSPORT**

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

2. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic shall include:

- (a) profits from the rental on a bareboat basis of ships and aircraft; and
- (b) profits from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers), used for the transport of goods or merchandise;

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

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

4. The provisions of paragraphs 1, 2 and 3 shall apply to profits derived by the joint Norwegian, Danish and Swedish air transport consortium Scandinavian Airlines System (SAS), but only insofar as profits derived by SAS Norge ASA, the Norwegian partner of the Scandinavian Airlines System (SAS), are in proportion to its share in that organisation.

## **ARTICLE 9 – ASSOCIATED ENTERPRISES**

Where

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

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

## **ARTICLE 10 – DIVIDENDS**

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends the tax so charged shall not exceed:

- (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds directly at least 25 per cent of the capital of the company paying the dividends;
- (b) 15 per cent of the gross amount of the dividends in all other cases.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. Notwithstanding the provisions of paragraph 2, dividends paid by a company which is a resident of Norway to the Government of Singapore shall be exempt from Norwegian tax.

4. For the purposes of paragraph 3, the term "Government of Singapore" shall include:

- (a) the Monetary Authority of Singapore and the Board of Commissioners of Currency;
- (b) the Government of Singapore Investment Corporation Pte Ltd;
- (c) a statutory body or any institution wholly or mainly owned by the Government of Singapore as may be agreed from time to time between the competent authorities of the Contracting States.

5. The term "dividends" as used in this Article means income from shares, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident.

6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State, of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

7. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

8. (a) Under the current Singapore laws, where dividends are paid by a company which is a resident of Singapore to a resident of Norway who is the beneficial owner of such dividends, there is no tax in Singapore which is chargeable on dividends in addition to the tax chargeable in respect of the profits or income of the company. Under the full imputation system adopted, the tax deductible from dividends is a tax on the profits or income of the company and not a tax on dividends within the meaning of this Article.

- (b) If, subsequent to the signing of the Agreement, Singapore imposes a tax on dividends in addition to the tax chargeable in respect of the profits or income of a company which is a resident of Singapore, such tax may be charged but the tax so charged on the dividends derived by a resident of Norway who is the beneficial owner of such dividends shall be in accordance with the provisions of paragraph 2. However in such case dividends paid by a company which is a resident of Singapore to the Government of Norway shall be exempt from Singapore tax. The "Government of Norway" in this subparagraph shall include :
- (i) the Central Bank of Norway;
  - (ii) the Norwegian Government Petroleum Fund;
  - (iii) the National Insurance Fund;
  - (iv) a statutory body or any institution wholly or mainly owned by the Government of Norway as may be agreed from time to time between the competent authorities of the Contracting States.

#### **ARTICLE 11 – INTEREST**

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner of the interest, the tax so charged shall not exceed 7 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2, interest arising in a Contracting State and paid to the Government of the other Contracting State shall be exempt from tax in the first-mentioned Contracting State.
4. For the purpose of paragraph 3, the term "Government":
  - (a) in the case of Singapore, means the Government of Singapore and shall include:
    - (i) the Monetary Authority of Singapore and the Board of Commissioners of Currency;
    - (ii) the Government of Singapore Investment Corporation Pte Ltd;
    - (iii) ECICS Credit Insurance Ltd.; and
    - (iv) a statutory body or any institution wholly or mainly owned by the Government of Singapore as may be agreed from time to time between the competent authorities of the Contracting States;
  - (b) in the case of Norway, means the Government of Norway and shall include:
    - (i) a local authority;
    - (ii) the Central Bank of Norway;

- (iii) the Norwegian Government Petroleum Fund;
- (iv) the National Insurance Fund;
- (v) the Norwegian Guarantee Institute for Export Credits;
- (vi) A/S Eksportfinans<sup>1</sup>; and
- (vii) a statutory body or any institution wholly or mainly owned by the Government of Norway as may be agreed from time to time between the competent authorities of the Contracting States<sup>2</sup>.

5. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

7. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

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

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<sup>1</sup> The competent authorities of the Republic of Singapore and the Kingdom of Norway have come to a mutual agreement that in the case of A/S Eksportfinans, the provisions of paragraph 3 of Article 11 shall apply to interest income arising in Singapore and paid to A/S Eksportfinans only in respect of debts arising under the export credit schemes of the "108-agreements" managed by A/S Eksportfinans. This shall be effective from 9 January 2015.

<sup>2</sup> Pursuant to sub-paragraph (b)(vii) of paragraph 4 of Article 11, the competent authorities of the Republic of Singapore and the Kingdom of Norway have come to a mutual agreement that the term "Government" shall include "Export Credit Norway" ("Eksportkreditt AS") for the purpose of paragraph 3 of Article 11. This shall be effective for interest income arising in Singapore and paid to Eksportkreditt AS from 9 January 2015.

## **ARTICLE 12 – ROYALTIES**

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 7 per cent of the gross amount of the royalties.

3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case, the provisions of Article 7 or Article 14, as the case may be, shall apply.

5. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.

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

## **ARTICLE 13 – CAPITAL GAINS**

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent

establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.

3. Gains derived by an enterprise of a Contracting State from the alienation of ships or aircraft operated in international traffic, or movable property, including containers, pertaining to the operation of such ships or aircraft shall be taxable only in that State.

4. Gains derived by a resident of a Contracting State from the alienation of shares, other than shares traded on a recognised Stock Exchange, deriving at least three-quarters of their value directly or indirectly from immovable property situated in the other Contracting State, may be taxed in that other State.

5. Gains derived by an individual who is a resident of a Contracting State from the alienation of shares or other rights in a company which is a resident of the other Contracting State, as well as gains from the alienation of options or other financial instruments related to such shares or rights, may be taxed in that other State, but only if the alienator has been a resident of that other State at any time during the five years immediately preceding the alienation of the shares, rights, options or financial instruments.

6. Gains from the alienation of any property other than those referred to in the preceding paragraphs shall be taxable only in the Contracting State of which the alienator is a resident.

#### **ARTICLE 14 – INDEPENDENT PERSONAL SERVICES**

1. Income derived by an individual who is a resident of a Contracting State in respect of professional services or other activities of an independent character shall be taxable only in that State. However, such income may also be taxed in the other Contracting State if:

- (a) the individual is present in the other State for a period or periods exceeding in the aggregate 183 days in any period of twelve months commencing or ending in the calendar year concerned; or
- (b) the individual has a fixed base regularly available to him in that other State for the purpose of performing his activities;

but only so much thereof as is attributable to services performed in that other State.

2. The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

#### **ARTICLE 15 – DEPENDENT PERSONAL SERVICES**

1. Subject to the provisions of Articles 16, 18 and 19, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.

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

- (a) the recipient is present in that other State for a period or periods not exceeding in the aggregate 183 days in any period of twelve months commencing or ending in the calendar year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is a resident of the State of which the recipient is a resident, and whose activity does not consist of the hiring out of labour; and
- (c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in that other State.

3. Notwithstanding the preceding provisions of this Article, remuneration derived by a resident of a Contracting State in respect of an employment exercised aboard a ship or aircraft operated in international traffic shall be taxable only in that Contracting State.

#### **ARTICLE 16 – DIRECTORS' FEES**

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

#### **ARTICLE 17 – ARTISTES AND SPORTSMEN**

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Contracting State, may be taxed in that other State.

2. Where income in respect of personal activities exercised by an entertainer or a sportsman in his capacity as such accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the Contracting State in which the activities of the entertainer or sportsman are exercised.

3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities performed in a Contracting State by entertainers or sportsmen if the visit to that State is substantially supported by public funds of the other Contracting State or a political subdivision, a local authority or a statutory body thereof. In such a case the income shall be taxable only in the State of which the entertainer or sportsman is a resident.

#### **ARTICLE 18 – PENSIONS**

Subject to the provisions of paragraph 2 of Article 19, pensions and other similar remuneration paid to a resident of a Contracting State in consideration of past employment shall be taxable only in that State.

#### **ARTICLE 19 – GOVERNMENT SERVICE**

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

## **ARTICLE 20 – STUDENTS**

Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that State, provided that such payments arise from sources outside that State.

## **ARTICLE 21 – OFFSHORE ACTIVITIES**

1. The provisions of this Article shall apply notwithstanding any other provision of this Agreement.
2. A person who is a resident of Singapore and carries on activities offshore in Norway in connection with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Norway shall, subject to paragraphs 3 and 4 of this Article, be deemed in relation to those activities to be carrying on business in Norway through a permanent establishment or fixed base situated therein.
3. The provisions of paragraph 2 shall not apply where the activities are carried on for a period not exceeding 30 days in the aggregate in any twelve month period. However, for the purposes of this paragraph:
  - (a) activities carried on by an enterprise associated with another enterprise shall be regarded as carried on by the enterprise with which it is associated if the

activities in question are substantially the same as those carried on by the last-mentioned enterprise;

- (b) two enterprises shall be deemed to be associated if one is controlled directly or indirectly by the other, or both are controlled directly or indirectly by a third person or persons.

4. Profits derived by a resident of Singapore from the transportation of supplies or personnel to a location, or between locations, where activities in connection with the exploration or exploitation of the seabed and subsoil and their natural resources are being carried on in Norway, or from the operation of tugboats and other vessels auxiliary to such activities, shall be taxable only in Singapore.

5. (a) Subject to sub-paragraph (b) of this paragraph, salaries, wages and similar remuneration derived by a resident of Singapore in respect of an employment connected with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Norway may, to the extent that the duties are performed offshore in Norway, be taxed in Norway. However, such remuneration shall be taxable only in Singapore if the employment is carried on offshore for an employer who is not a resident of Norway and for a period or periods not exceeding in the aggregate 30 days in any twelve-month period.

- (b) Salaries, wages and similar remuneration derived by a resident of Singapore in respect of an employment exercised aboard a ship or aircraft engaged in the transportation of supplies or personnel to a location, or between locations, where activities connected with the exploration or exploitation of the seabed and subsoil and their natural resources are being carried on in Norway, or in respect of an employment exercised aboard tugboats or other vessels operated auxiliary to such activities, shall be taxable only in Singapore.

6. Gains derived by a resident of Singapore from the alienation of:

- (a) exploration or exploitation rights; or
- (b) property situated in Norway and used in connection with the exploration or exploitation of the seabed and subsoil and their natural resources situated in Norway; or
- (c) shares, other than shares traded on a recognised Stock Exchange, deriving their value or the greater part of their value directly or indirectly from such rights or such property or from such rights and such property taken together,

may be taxed in Norway.

In this paragraph "exploration or exploitation rights" means rights to assets to be produced by the exploration or exploitation of the seabed and subsoil and their natural resources in Norway, including rights to interests in or to the benefit of such assets.

## **ARTICLE 22 – OTHER INCOME**

Items of income not expressly mentioned in the foregoing Articles of this Agreement and arising in a Contracting State may be taxed in that State.

## **ARTICLE 23 – LIMITATION OF RELIEF**

1. Where this Agreement provides (with or without other conditions) that income from sources in Norway shall be exempt from tax, or taxed at a reduced rate, in Norway and under the laws in force in Singapore the said income is subject to tax by reference to the amount thereof which is remitted to or received in Singapore and not by reference to the full amount thereof, then the exemption or reduction of tax to be allowed under this Agreement in Norway shall apply only to so much of the income as is remitted to or received in Singapore.

2. However, this limitation does not apply to income derived by the Government of Singapore or any person approved by the competent authority of Singapore for the purpose of this paragraph. The term "Government of Singapore" shall include its agencies and statutory bodies.

## **ARTICLE 24 – ELIMINATION OF DOUBLE TAXATION**

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

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

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 Singapore, Norway shall allow as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Singapore. 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 Singapore.
- (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 Norwegian income tax which is attributable to the income derived from Singapore.
- (c) Where dividends are paid by a company which is a resident of Singapore to a company which is a resident of Norway, and which owns directly or indirectly not less than 25 per cent of the share capital of the first-mentioned company and controls such part of the voting rights of the company, then such dividends shall be exempt from tax in Norway.

- (d) Where dividends are paid by a company which is a resident of Singapore to a resident of Norway, other than a company referred to in sub-paragraph (c), and such dividends have been exempted from Singapore tax under the Economic Expansion Incentives (Relief From Income Tax) Act and the Income Tax Act, then such dividends shall be exempt from tax in Norway.
- (e) For the purposes of sub-paragraph (a) the deductible amount shall include any amount which would have been payable as Singapore tax for any year and according to the provisions of this Agreement but for any reduction or exemption of Singapore tax on income arising in Singapore granted under the Economic Expansion Incentives (Relief From Income Tax) Act and the Income Tax Act.
- (f) The provisions of sub-paragraphs (d) and (e) shall cease to have effect for any taxable year beginning after 31 December 2001.

## **ARTICLE 25 – NON-DISCRIMINATION**

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
3. Nothing in this Article shall be construed as obliging a Contracting State to grant to -
  - (a) residents of the other Contracting State any personal allowances, reliefs and reductions for tax purposes which it grants to its own residents; or
  - (b) nationals of the other Contracting State those personal allowances, reliefs and reductions for tax purposes which it grants to its own nationals who are not resident in that Contracting State or to such other persons as may be specified in the taxation laws of that Contracting State.
4. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
5. Where a Contracting State grants tax incentives to its nationals designed to promote economic or social development in accordance with its national policy and criteria, it shall not be construed as discrimination under this Article.
6. In this Article, the term "taxation" means taxes which are the subject of this Agreement.

## **ARTICLE 26 – MUTUAL AGREEMENT PROCEDURE**

1. Where a person considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the Contracting State of which he is a resident or, if his case comes under paragraph 1 of Article 25, to that of the Contracting State of which he is a national. The case must be presented within three years from the receipt of the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.

3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.

4. The competent authorities of the Contracting States may communicate with each other directly, including through a joint commission consisting of themselves or their representatives, for the purpose of reaching an agreement in the sense of the preceding paragraphs.

## **ARTICLE 27 – EXCHANGE OF INFORMATION**

1. The competent authorities of the Contracting States shall exchange such information as is relevant for carrying out the provisions of this Agreement or of the domestic laws of the Contracting States concerning taxes established by the Contracting States insofar as the taxation thereunder is not contrary to the Agreement. Any information received by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the Agreement. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Contracting State the obligation:

- (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;

- (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

## **ARTICLE 28 – MEMBERS OF DIPLOMATIC MISSIONS AND CONSULAR POSTS**

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

## **ARTICLE 29 – ENTRY INTO FORCE**

1. Each of the Contracting States shall notify to the other the completion of the procedures required by its law for the bringing into force of this Agreement.
2. The Agreement shall enter into force on the date of receipt of the later of these notifications and shall thereupon have effect in respect of taxes on income relating to the calendar year (including accounting periods beginning in any such year) next following that in which the Agreement enters into force and subsequent years.
3. The Convention between the Kingdom of Norway and the Republic of Singapore for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income signed at Singapore on the 18th day of October 1984 shall cease to have effect from the date on which this Agreement becomes effective in accordance with paragraph 2 of this Article.

## **ARTICLE 30 – TERMINATION**

This Agreement shall remain in force indefinitely, but either of the Contracting States may, on or before 30th June in any calendar year beginning after the expiration of a period of five years from the date of its entry into force, give to the other Contracting State, through the diplomatic channels, written notice of termination. In such event, the Agreement shall cease to have effect in respect of taxes on income relating to the calendar year (including accounting periods beginning in such year) next following that in which the notice is given and subsequent years.

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

DONE in duplicate at Singapore this 19th day of December 1997, in the English language.

FOR THE GOVERNMENT OF THE  
REPUBLIC OF SINGAPORE

KOH CHER SIANG

FOR THE GOVERNMENT OF THE  
KINGDOM OF NORWAY

KNUT SOLEM

# ANNEX A

**PROTOCOL AMENDING THE AGREEMENT BETWEEN  
THE REPUBLIC OF SINGAPORE AND  
THE KINGDOM OF NORWAY  
FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION  
OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME  
SIGNED AT SINGAPORE ON 19 DECEMBER 1997**

The Government of the Republic of Singapore and the Government of the Kingdom of Norway,

Desiring to amend the Agreement between the Republic of Singapore and the Kingdom of Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income signed at Singapore on 19 December 1997 (hereinafter referred to as "the Agreement"),

Have agreed as follows:

## **ARTICLE I**

The text of Article 27 (Exchange of Information) of the Agreement is deleted and replaced by the following:

"1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Articles 1 and 2.

2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligation:

- a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;

- b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
- c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

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

## **ARTICLE II**

Each of the Contracting States shall notify the other, through diplomatic channels, of the completion of the procedures required by their respective laws for the bringing into force of this Protocol. The Protocol shall enter into force 30 days after the date of the later of such notification and the Protocol shall have effect on that date.

## **ARTICLE III**

This Protocol, which shall form an integral part of the Agreement, shall remain in force as long as the Agreement remains in force and shall apply as long as the Agreement itself is applicable.

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

DONE in duplicate at Singapore this 18th day of September 2009, in the English language.

**For the Republic of Singapore**

**For the Kingdom of Norway**

**PETER ONG  
SECOND PERMANENT SECRETARY  
(FINANCE)**

**JANNE JULSRUD  
AMBASSADOR OF  
THE KINGDOM OF NORWAY TO  
THE REPUBLIC OF SINGAPORE**

# ANNEX B

## CONVENTION BETWEEN THE REPUBLIC OF SINGAPORE AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Government of the Republic of Singapore and the Government of the Kingdom of Norway,

Desiring to conclude a Convention for the avoidance of double taxation with respect to taxes on income,

Have agreed as follows:

### ARTICLE 1 – PERSONAL SCOPE

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

### ARTICLE 2 – TAXES COVERED

1. This Convention shall apply to taxes on income imposed on behalf of each Contracting State or of its local authorities, irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of movable or immovable property and taxes on the total amounts of wages or salaries paid by enterprises.

3. The existing taxes to which the Convention shall apply are:

a) In Singapore:

the income tax

(hereinafter referred to as "Singapore tax").

b) In Norway:

(i) the national tax on income (inntektsskatt til staten);

(ii) the county municipal tax on income (inntektsskatt til fylkeskommunen);

- (iii) the municipal tax on income (inntektsskatt til kommunen);
  - (iv) the national contributions to the Tax Equalisation Fund (fellesskatt til Skattefordelingsfondet);
  - (v) the national dues on remuneration to non-resident artistes (avgift til staten av honorarer som tilfaller kunstnere bosatt i utlandet);
  - (vi) the seamen's tax (sjømannsskatt);
- (hereinafter referred to as "Norwegian tax").

4. The Convention shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes.

5. If by reason of changes made in the taxation law of either Contracting State, it seems desirable to amend any Article of the Convention without affecting the general principles thereof the necessary amendments may be made by mutual consent by means of an exchange of diplomatic notes or in any other manner in accordance with their constitution procedures.

### **ARTICLE 3 – GENERAL DEFINITIONS**

1. For the purposes of this Convention, unless the context otherwise requires:
- a)
    - (i) the term "Singapore" means the Republic of Singapore;
    - (ii) the term "Norway" means the Kingdom of Norway; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies ("biland");
  - b) the terms "a Contracting State" and "the other Contracting State" mean Singapore or Norway as the context requires;
  - c) the term "person" includes an individual, an undivided estate of a deceased person, a trust, a company and any other body of persons which is treated as an entity for tax purposes;
  - d) the term "company" means any body corporate or any other entity which is treated as a body corporate for tax purposes;
  - e) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
  - f) the term "tax" means Singapore tax or Norwegian tax as the context requires;
  - g) the term "national" means:
    - (i) any individual possessing the nationality of a Contracting State;

- (ii) any legal person, partnership and association deriving its status as such from the laws in force in a Contracting State;
- h) the term "international traffic" means carriage of passengers, mails, livestock or goods by a ship or aircraft which is operated by an enterprise of one of the Contracting States, except when the ship or aircraft is operated solely between places in the other Contracting State;
- i) the term "profits of an enterprise" does not include rents or royalties in respect of literary or artistic copyrights, motion picture films or of tapes for television or broadcasting or of mines, oil wells, quarries, or other places of extraction of natural resources or of timber or forest produce, or income in the form of dividends, interest, rents, royalties, or fees or other payments derived from the management, control or supervision of the trade, business or other activity of any other enterprise or concern or payments for labour or personal services or income derived from the operation of ships or aircraft;
- j) the term "competent authority" means;
  - (i) in Singapore, the Minister for Finance or his authorised representative;
  - (ii) in Norway, the Minister of Finance and Customs or his authorised representative.

2. As regards the application of the Convention by a Contracting State any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the laws of that State concerning the taxes to which the Convention applies.

#### **ARTICLE 4 – FISCAL DOMICILE**

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who, under the laws of a Contracting State is treated as a resident of that State for tax purposes.

2. Where by reason of the provisions of paragraph 1, an individual is a resident of both Contracting States, then his status shall be determined as follows:

- a) he shall be deemed to be a resident of the Contracting State in which he has a permanent home available to him; if he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident of the Contracting State with which his personal and economic relations are closer (hereinafter referred to as his "centre of vital interests");
- b) if the Contracting State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either Contracting State, he shall be deemed to be a resident of the Contracting State in which he has an habitual abode;
- c) if he has an habitual abode in both Contracting States or in neither of them, the competent authorities of the two Contracting States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1, a person other than an individual is a resident of both Contracting States, it shall be deemed to be a resident of the Contracting State in which its place of effective management is situated. If its place of effective management cannot be determined, the competent authorities of the Contracting States shall settle the question by mutual agreement.

## **ARTICLE 5 – PERMANENT ESTABLISHMENT**

1. For the purposes of this Convention, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2. The term "permanent establishment" includes especially but is not limited to:

- a) a place of management;
- b) a branch;
- c) an office;
- d) a store or other sales outlet;
- e) a factory;
- f) a workshop;
- g) a warehouse, except where used for purposes mentioned in paragraph 5; and
- h) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.

3. The term "permanent establishment" also includes:

- a) a building site, or a construction, installation or assembly project, but only if such site or project is continued for more than 6 months;
- b) the furnishing of services, including consultancy services, by a resident of a Contracting State through employees or other personnel for a period or periods aggregating more than three months in any 12-month period.

4. An enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State if it carries on supervisory activities in that other Contracting State for more than 6 months in connection with a construction, installation or assembly project or any combination of them which are being undertaken in that other Contracting State.

5. The term "permanent establishment" shall be deemed not to include -

- a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise;
- b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage or display;

- c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
- d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
- e) the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character for the enterprise.

6. A person acting in a Contracting State on behalf of an enterprise of the other Contracting State, other than an agent of an independent status to whom paragraph 7 applies, shall be deemed to be a permanent establishment in the first-mentioned Contracting State if -

- a) he has, and habitually exercises in the first-mentioned Contracting State, an authority to conclude contracts for or on behalf of the enterprise unless the exercise of such authority is limited to the purchase of goods or merchandise for that enterprise; or
- b) he habitually maintains in the first-mentioned Contracting State a stock of goods or merchandise belonging to the enterprise from which he regularly fills orders on behalf of the enterprise; or
- c) he habitually secures orders in the first-mentioned Contracting State wholly or almost wholly for the enterprise itself or for any other enterprise which is controlled by it or has a controlling interest in it.

7. An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because that enterprise carries on business in that other Contracting State through a broker, general commission agent, or any other agent of an independent status, where such broker or agent is acting in the ordinary course of his business.

8. Except with respect to reinsurance, an enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State if it collects premiums in that other State, or insures risks situated therein, through an employee or representative situated therein who is not an agent of independent status to whom paragraph 7 applies.

9. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

## **ARTICLE 6 – INCOME FROM IMMOVABLE PROPERTY**

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other State.

2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

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

## **ARTICLE 7 – BUSINESS PROFITS**

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.

2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In determining the profits of a permanent establishment, there shall be allowed as deductions all expenses, including executive and general administrative expenses, which would be deductible if the permanent establishment were an independent enterprise, insofar as they are reasonably allocable to the permanent establishment, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

5. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

## **ARTICLE 8 – SHIPPING AND AIR TRANSPORT**

1. Notwithstanding the provisions of Article 7, profits of an enterprise of one of the Contracting States from the operation of aircraft in international traffic shall be taxable only in that State.

2. Notwithstanding the provisions of Article 7, profits of an enterprise of one of the Contracting States from the operation of ships in international traffic may be taxed in the other Contracting State only if such profits are derived from that other Contracting State.

3. Provided that -

- a) when a Singapore enterprise derives profits from Norway by operating ships in international traffic the tax charged in Norway in respect of such profits shall be reduced by an amount equal to 50 percent thereof and the reduced amount of the Norwegian tax payable shall be allowed as a credit against the Singapore tax charged in respect of such profits;
- b) when a Norwegian enterprise derives profits from Singapore by operating ships in international traffic the tax charged in Singapore in respect of such profits shall be reduced by 50 per cent thereof and the reduced amount of the Singapore tax payable on the profits shall be allowed as a credit against the Norwegian tax charged in respect of these profits.

4. Where a ship or aircraft is operated solely between places in a Contracting State and one or more structures used for the exploration or exploitation of natural resources situated in waters adjacent to the territorial waters of that State, the exemption or reduction of tax provided for in paragraphs 1 and 3 of this Article shall not apply.

5. The provisions of paragraphs 1, 2 and 3 shall also apply to profits from the participation in a pool, a joint business or an international operating agency, but only to so much of the profits so derived as is attributable to the participant in proportion to its share in the joint operation.

6. The provisions of paragraph 1 shall apply to profits derived by the joint Norwegian, Danish and Swedish air transport consortium Scandinavian Airlines System (SAS), but only in so far as profits derived by Det Norske Luftfartsselskap A/S (DNL), the Norwegian partner of the Scandinavian Airlines System (SAS), are in proportion to its share in that organisation.

## **ARTICLE 9 – ASSOCIATED ENTERPRISES**

Where

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

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

## **ARTICLE 10 – DIVIDENDS**

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in both Contracting States.

2. Where such dividends are taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, and the recipient is the beneficial owner of the dividends, the tax so charged shall not exceed 15 per cent of the gross amount of the dividends. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The Government of Singapore Investment Corporation Pte Ltd shall be exempt from Norwegian tax with respect to dividends on shares in Norwegian joint stock companies, provided that the scope of this exemption has been agreed by the competent authorities of the Contracting States.

However, such exemption shall in no case be given with respect to shares held for other than public purposes and not if the holding constitutes a substantial participation.

4. The provisions of paragraph 2 shall apply to dividends paid by a company which is a resident of Singapore if Singapore, subsequent to the date of signature of this Convention, imposes a tax on dividends in addition to the tax chargeable in respect of the profits or income of the company.

5. The term "dividend" as used in this Article means income from shares, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subject to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident.

6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State, of which the company paying the dividends is a resident, through a permanent establishment situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

7. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment situated in that other State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of income arising in such other State.

8. (a) Dividends shall be deemed to arise in Norway if they are paid by a company which is a resident of Norway.

(b) Dividends shall be deemed to arise in Singapore:-

(i) if they are paid by a company which is a resident of Singapore; or

(ii) if they are paid by a company which is a resident of Malaysia out of profits arising in Singapore and qualifying as dividends arising in Singapore under Article VII of the Agreement for the Avoidance of

## ARTICLE 11 – INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner of the interest, the tax so charged shall not exceed 15 per cent of the gross amount of the interest. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
3. Notwithstanding the provisions of paragraph 2, interest arising in a Contracting State and paid to the Government of the other Contracting State shall be exempt from tax in the first-mentioned Contracting State.
4. For the purposes of paragraph 3, the term "Government":-
  - (a) in the case of Singapore means the Government of Singapore, and shall include:
    - (i) the Monetary Authority of Singapore and the Board of Commissioners of Currency;
    - (ii) the Government of Singapore Investment Corporation Pte Ltd;
    - (iii) INTRACO Limited, The Development Bank of Singapore Limited and Export Credit Insurance Corporation of Singapore Limited;
    - (iv) a statutory body or any institution wholly or mainly owned by the Government of Singapore, a local authority or a statutory body thereof, as may be agreed from time to time between the competent authorities of the Contracting States;
  - (b) in the case of Norway means the Government of Norway, and shall include:
    - (i) a local authority;
    - (ii) the Central Bank of Norway;
    - (iii) the Norwegian Guarantee Institute for Export Credits;
    - (iv) A/S Eksportfinans; and
    - (v) any institution wholly or mainly owned by the Government of Norway or a local authority thereof, as may be agreed from time to time by the competent authorities of the Contracting States.
5. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, as well as all other income assimilated to income from money lent by the taxation laws of the State in which the income arises, and in particular, income from government securities and income from bonds or debentures,

including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

7. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority, a statutory body or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment, then such interest shall be deemed to arise in the State in which the permanent establishment is situated.

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

## **ARTICLE 12 – ROYALTIES**

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 15 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.

3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of scientific work, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial, or scientific equipment, or for information concerning industrial or scientific experience.

4. The provisions of paragraphs 1 and 2 of this Article shall apply equally to any sum derived by a resident of one of the Contracting States from sources within the other Contracting State from the alienation of any right or property from which royalties, as defined in paragraph 3 of this Article, are or may be derived.

5. The provisions of paragraphs 1, 2 and 4 of this Article shall not apply if the recipient of the royalties or sums, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the royalties shall be treated as the income of the permanent establishment through which the business is carried on.

6. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority, a statutory body or a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment then such royalties shall be deemed to arise in the State in which the permanent establishment is situated.

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

### **ARTICLE 13 – PERSONAL SERVICES**

1. Subject to the provisions of Articles 14 and 16, salaries, wages and other similar remuneration or income derived by a resident of a Contracting State in respect of personal (including professional) services shall be taxable only in that State unless the services are rendered in the other Contracting State. If the services are so rendered, such remuneration or income as is derived therefrom may be taxed in that other State.

2. Notwithstanding the provisions of paragraph 1, remuneration or income derived by a resident of a Contracting State in respect of services rendered in the other Contracting State shall be taxable only in the first-mentioned State if:

- (a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in any 12-month period, and
- (b) the services are rendered for or on behalf of a person who is a resident of the first-mentioned State, and
- (c) the remuneration is subject to tax in the first-mentioned State, and
- (d) the remuneration is not borne by a permanent establishment which the employer has in the other State.

3. Notwithstanding the preceding provisions of this Article, remuneration derived by a resident of a Contracting State in respect of an employment exercised aboard a ship or aircraft operated in international traffic shall be taxable only in that Contracting State.

### **ARTICLE 14 – DIRECTORS' FEES**

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

## **ARTICLE 15 – ARTISTES AND ATHLETES**

1. Notwithstanding the provisions of Article 13, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as an athlete, from his personal activities as such exercised in the other Contracting State, may be taxed in that other Contracting State.

Such income shall, however, be exempt from tax in that other Contracting State if such activities are supported, wholly or substantially, from the public funds of the Government of either Contracting State or a local authority or a statutory body thereof.

2. Where income in respect of personal activities exercised in a Contracting State by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of Articles 7 and 13, be taxed in that Contracting State.

Such income shall, however, be exempt from tax in that Contracting State if such activities are supported, wholly or substantially, from the public funds of the Government of either Contracting State or a local authority or a statutory body thereof.

## **ARTICLE 16 – GOVERNMENT SERVICE**

1. (a) Remuneration, other than a pension, paid by a Contracting State or a political subdivision, a local authority or a statutory body thereof to an individual in respect of services rendered to that State or subdivision or authority or body shall be taxable only in that State.

(b) However, such remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and the individual is a resident of that State who:

(i) is a national of that State; or

(ii) did not become a resident of that State solely for the purpose of rendering the services.

2. The provisions of this Article shall not apply to any remuneration in respect of services rendered in connection with any trade or business carried on for purposes of profit.

## **ARTICLE 17 – INCOME NOT EXPRESSLY MENTIONED**

Items of income not expressly mentioned in the foregoing Articles of this Convention and arising in a Contracting State may be taxed in that State.

## **ARTICLE 18 – LIMITATION OF RELIEF**

1. Where this Convention provides (with or without other conditions) that income from sources in Norway shall be exempt from tax, or taxed at a reduced rate, in Norway and under the laws in force in Singapore the said income is subject to tax by reference to the amount thereof which is remitted to or received in Singapore and not by reference to the full amount thereof, then the exemption or reduction of tax to be allowed under this Convention

in Norway shall apply only to so much of the income as is remitted to or received in Singapore.

2. However, this limitation does not apply to income derived by the Government of Singapore or any person approved by the competent authority of Singapore for the purpose of this paragraph. The term "the Government of Singapore" shall include its agencies and statutory bodies.

## **ARTICLE 19 – ELIMINATION OF DOUBLE TAXATION**

1. The laws of each Contracting State shall continue to govern the taxation of income arising in that State except where express provision to the contrary is made in this Convention. Where income is subject to tax in both Contracting States, relief from double taxation shall be given in accordance with the following paragraphs of this Article.

2. In Singapore double taxation shall be eliminated as follows:

Subject to the provisions of the laws of Singapore regarding the allowance as a credit against Singapore tax of tax payable in any country other than Singapore, Norwegian tax payable, whether directly or by deduction in respect of income from sources within Norway, shall be allowed as a credit against Singapore tax payable in respect of that income. Where such income is a dividend paid by a company which is a resident of Norway to a resident of Singapore the credit shall take into account (in addition to any Norwegian tax on dividends) the Norwegian corporation tax payable in respect of its profits by the company paying the dividends. If, however, Singapore imposes in accordance with the provisions of paragraph 4 of Article 10, a tax on dividends in addition to the tax chargeable in respect of the profits or income of a company paying such dividends the second sentence of this sub-paragraph shall apply only to dividends paid by a company which is a resident of Norway to a company which is a resident of Singapore and which owns directly or indirectly not less than 25 per cent of the share capital in the first-mentioned company.

3. In Norway double taxation shall be eliminated as follows:

(a) Where a resident of Norway derives income which, in accordance with the provisions of this Convention, may be taxed in Singapore, Norway shall, subject to the provisions of sub-paragraphs (b), (c) and (e), exempt such income from tax.

(b) Where a resident of Norway derives items of income which, in accordance with the provisions of Articles 8, 11, 12 and 14 may be taxed in Singapore, Norway shall allow as a deduction from the tax on the income of that person an amount equal to the tax paid in Singapore. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such income derived from Singapore.

(c) (i) Where dividends are paid by a company which is a resident of Singapore to a company which is a resident of Norway, and which owns directly or indirectly not less than 25 per cent of the share capital of the first-mentioned company, then such dividends shall be exempt from tax in Norway.

(ii) Where dividends are paid by a company which is a resident of Singapore to a person, other than a company, resident in Norway,

who owns not less than 25 per cent of the share capital of the company paying the dividends, then such dividends shall be exempt from tax in Norway to the same extent as dividends paid by a company resident in Norway.

- (iii) Where dividends are paid by a company which is a resident of Singapore to a resident of Norway, other than a company referred to in sub-paragraph (i), then Norway shall allow as a deduction from the tax on the income of that Norwegian resident an amount equal to 15 per cent of the net amount of the dividends.

If however, Singapore imposes in accordance with the provisions of paragraph 4 of Article 10, a tax on dividends in addition to the tax chargeable in respect of the profits or income of the company paying such dividends, the deductible amount shall equal 15 per cent of the gross amount of the dividends. Such deduction shall in no case, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to the dividends paid.

- (d)
  - (i) For the purposes of sub-paragraph (b) the deductible amount shall include any amount which would have been payable as Singapore tax for any year but for any reduction or exemption of Singapore tax on income arising in Singapore granted under the Economic Expansion Incentives (Relief From Income Tax) Act and the Income Tax Act.
  - (ii) For the purposes of sub-paragraph (c) dividends which have been exempted from Singapore tax under the Economic Expansion Incentives (Relief From Income Tax) Act and the Income Tax Act shall be exempt from tax in Norway.
  - (iii) The provisions of this sub-paragraph shall apply for the first five years for which this Convention is effective, but the competent authorities of the Contracting States may consult each other to determine whether this period shall be extended.
- (e) Where in accordance with any provisions of the Convention income derived by a resident of Norway is exempt from tax in Norway, Norway may nevertheless in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
- (f) The provisions of sub-paragraph (d) (i) and (ii) shall apply equally to any other provision or legislation which may subsequently be made or enacted granting a reduction or exemption which is agreed by the competent authorities to be of a substantially similar character.

4. Notwithstanding the provisions of this Convention, the income derived by the Government of Singapore Investment Corporation Pte Ltd. from any source in Norway other than dividends and interest referred to in Articles 10 and 11 shall also be exempt from tax in Norway. However, such exemption shall in no case be given with respect to any investment held for other than public purposes and not if the holding constitutes a substantial participation.

## **ARTICLE 20 – NON-DISCRIMINATION**

1. The nationals of a Contracting State shall not be subject in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
3. Nothing in this Article shall be construed as obliging a Contracting State to grant to:-
  - (a) residents of the other Contracting State any personal allowances, reliefs and reductions for tax purposes which it grants to its own residents, or
  - (b) nationals of the other Contracting State those personal allowances, reliefs and reductions for tax purposes which it grants to its own nationals who are not resident in that Contracting State or to such other persons as may be specified in the taxation laws of that Contracting State.
4. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
5. Where a Contracting State grants tax incentives to its nationals designed to promote economic development in accordance with its national policy and criteria, it shall not be construed as discrimination under this Article.
6. The provisions of this Article shall not be construed as obliging a Contracting State to grant to nationals of the other Contracting State not being nationals of the first Contracting State any exceptional tax relief accorded to repatriating nationals of the first Contracting State.
7. In this Article, the term "taxation" means taxes which are the subject of this Convention.

## **ARTICLE 21 – MUTUAL AGREEMENT PROCEDURE**

1. Where a person considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Convention, he may, irrespective of the remedies provided by the domestic laws of those States, present his case to the competent authority of the Contracting State of which he is a resident or, if his case comes under paragraph 1 of Article 20, to that of the Contracting State of which he is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Convention.
2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Convention.

3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.

4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a Commission consisting of representatives of the competent authorities of the Contracting States.

## **ARTICLE 22 – EXCHANGE OF INFORMATION**

1. The competent authorities of the Contracting States shall exchange such information as is necessary for carrying out the provisions of this Convention or of the domestic laws of the Contracting States concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to the Convention. Any information received by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the Convention. Such persons or authorities shall use the information only for such purposes.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Contracting State the obligation:

- (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
- (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

## **ARTICLE 23 – DIPLOMATIC AGENTS AND CONSULAR OFFICERS**

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

## **ARTICLE 24 – ENTRY INTO FORCE**

1. This Convention shall be approved by Singapore and Norway in accordance with their respective legal procedures. The Governments of Singapore and Norway shall notify each other that these procedures have been complied with.

2. This Convention shall enter into force on the date of the later of the notifications referred to in paragraph 1 and its provisions shall have effect:

(a) in Singapore:

in respect of Singapore tax for the year of assessment beginning on or after 1 January in the second calendar year following the year in which the Convention enters into force and subsequent years of assessment;

(b) in Norway:

in respect of income derived in the calendar year next following the year in which the later of the notifications referred to in paragraph 1 is given, and subsequent years.

3. The existing Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income of 9 September 1966 shall terminate upon the entry into force of this Convention. However, the provisions of the 1966 Agreement shall continue in effect until the provisions of this Convention become effective.

#### **ARTICLE 25 – TERMINATION**

This Convention shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Convention, through diplomatic channels, by giving notice of termination on or before the Thirtieth of June of any calendar year following after the period of five years from the year in which the Convention enters into force. In such event, the Convention shall cease to have effect:

(a) in Singapore:

in respect of Singapore tax for the year of assessment beginning on or after 1 January in the second calendar year following the year in which the notice is given and subsequent years of assessment;

(b) in Norway:

in respect of income derived in the calendar year next following the year in which the notice is given and subsequent years.

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

DONE in Duplicate at Singapore this 18th day of October 1984, in the English language.

For the Government of the  
Republic of Singapore

HSU TSE-KWANG

For the Government of the  
Kingdom of Norway

FINN KOREN

# ANNEX C

## CONVENTION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE AND THE GOVERNMENT OF THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Government of the Republic of Singapore and the Government of the Kingdom of Norway,

Desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,

Have agreed as follows:

### ARTICLE I

1. The taxes which are the subject of the present Convention are -
  - (a) in the Republic of Singapore:  
the income tax  
(hereinafter referred to as "Singapore tax"); and
  - (b) in Norway:
    - (i) National income taxes, including tax-equalization dues and special income tax in aid of developing countries;
    - (ii) Municipal income taxes;
    - (iii) Seaman's tax;(hereinafter referred to as "Norwegian tax").
2. The present Convention shall also apply to any other taxes of a substantially similar character to those referred to in the preceding paragraph imposed in either Contracting State after the date of signature of the present Convention.

### ARTICLE II

1. In the present Convention, unless the context otherwise requires -

- (a) the term "Singapore" means the Republic of Singapore;
- (b) the term "Norway" comprises the Kingdom of Norway and the sea bed and its sub-soil in the submarine areas adjacent to the coast of the Kingdom of Norway over which the Kingdom has sovereign rights for the purpose of exploitation or exploration of natural resources; the term does not for any purposes include Svalbard (Spitzbergen), Jan Mayen and the Norwegian dependencies outside Europe;
- (c) the terms "one of the Contracting States" and "the other Contracting State" mean Singapore or Norway, as the context requires;
- (d) the term "tax" means Singapore tax or Norwegian tax as the context requires;
- (e) the term "company" means any body corporate;
- (f) the term "person" includes any body of persons, corporate or not corporate;
- (g) the term "resident of Singapore" means any person who is resident in Singapore for the purposes of Singapore tax and not resident in Norway for the purposes of Norwegian tax; and the term "resident of Norway" means any person who is resident in Norway for the purposes of Norwegian tax and not resident in Singapore for the purposes of Singapore tax; and a company shall be regarded as resident in one of the Contracting States if its business is managed and controlled in that Contracting State;
- (h) the terms "resident of one of the Contracting States" and "resident of the other Contracting State" mean a resident of Singapore or a resident of Norway as the context requires;
- (i) the terms "Singapore enterprise" and "Norwegian enterprise" mean, respectively, an industrial, mining, commercial, plantation or agricultural enterprise or undertaking carried on by a resident of Singapore and an industrial, mining commercial, plantation or agricultural enterprise or undertaking carried on by a resident of Norway;
- (j) the terms "enterprise of one of the Contracting States" and "enterprise of the other Contracting State" mean a Singapore enterprise or a Norwegian enterprise, as the context requires;
- (k) the terms "profits of a Singapore enterprise" and "profits of a Norwegian enterprise" do not include rents or royalties in respect of motion picture films or of tapes for television broadcasting or of mines, oil wells, quarries or other places of extraction of natural resources, or income in the form of dividends, interest, rents, royalties, or capital gains, or fees or other remuneration derived from the management, control or supervision of the trade, business, or other activity of another enterprise or concern, or remuneration for labour or personal services, or profits derived from the operation of ships or aircraft;
- (l)
  - (i) subject to the provisions of this sub-paragraph, the term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on;
  - (ii) a permanent establishment shall include especially -

- (aa) a place of management;
  - (bb) a branch;
  - (cc) an office;
  - (dd) a factory;
  - (ee) a workshop;
  - (ff) a farm or plantation;
  - (gg) a mine, oil well, quarry or other place of extraction of natural resources;
  - (hh) a building site or construction or assembly project which exists for more than six months;
- (iii) the term "permanent establishment" shall not be deemed to include -
- (aa) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
  - (bb) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
  - (cc) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
  - (dd) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;
  - (ee) the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise;
- (iv) an enterprise of one of the Contracting States shall be deemed to have a permanent establishment in the other Contracting State if -
- (aa) it carries on supervisory activities in that other Contracting State for more than six months in connection with a construction, installation or assembly project which is being undertaken in that other Contracting State;
  - (bb) it carries on a business which consists of providing the services of public entertainers referred to in paragraph 3 of Article XII in that other Contracting State;
- (v) a person acting in one of the Contracting States on behalf of an enterprise of the other Contracting State (other than an agent of independent status to whom sub-paragraph (I)(vi) applies) shall be

deemed to be a permanent establishment in the former Contracting State if -

- (aa) he has, and habitually exercises that former Contracting State, an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise; or
- (bb) he maintains in that former Contracting State a stock of goods or merchandise belonging to the enterprise from which he regularly fills orders on behalf of the enterprise;
- (vi) an enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other Contracting State through a broker, general commission agent or any other agent of independent status, acting in the ordinary course of his business;
- (vii) the fact that a company which is a resident of one of the Contracting States controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other Contracting State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other;
- (m) the term "competent authorities" means, in the case of Singapore, the Minister for Finance or his authorised representative; and in the case of Norway, the Minister of Finance and Customs or his authorised representative.

2. In the application of the provisions of the present Convention by one of the Contracting States, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of the present Convention.

### **ARTICLE III**

Where under the present Convention a person is entitled to exemption from tax in one of the Contracting States on certain income if (with or without further conditions) he is subject to tax in the other Contracting State in respect thereof and he is subject to tax there by reference to the amount of that income which is remitted to, or received in, that other Contracting State the amount of that income on which exemption is to be allowed in the first-mentioned Contracting State, shall be limited to the amount so remitted or received.

### **ARTICLE IV**

1. (a) The profits of a Singapore enterprise shall not be taxable in Norway unless the enterprise carries on business in Norway through a permanent establishment situated in Norway. If the enterprise carries on business as aforesaid, tax may be imposed in Norway on the profits of the enterprise but only on so much of them as is attributable to that permanent establishment.

- (b) The profits of a Norwegian enterprise shall not be taxable in Singapore unless the enterprise carries on business in Singapore through a permanent establishment situated in Singapore. If the enterprise carries on business as aforesaid, tax may be imposed in Singapore on the profits of the enterprise but only on so much of them as is attributable to that permanent establishment.

2. Where an enterprise of one of the Contracting States carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In determining the profits of a permanent establishment, there shall be allowed as deductions all expenses, including executive and general administrative expenses, which would be deductible if the permanent establishment were an independent enterprise in so far as they are reasonably allocable to the permanent establishment, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase and transportation by that permanent establishment of goods or merchandise for the enterprise.

## **ARTICLE V**

Where -

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

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

## **ARTICLE VI**

1. Profits of an enterprise of one of the Contracting States from the operation of ships or aircraft in international traffic may be taxed in both Contracting States:

Provided that -

- (a) when a Singapore enterprise operating ships or aircraft in international traffic derives profits from such operations carried on in Norway, the tax charged in Norway in respect of such profits shall be reduced by an amount equal to 50 per cent thereof, and the reduced amount of

the Norwegian tax payable on the profits shall be allowed as a credit against the Singapore tax charged in respect of such income;

- (b) when a Norwegian enterprise operating ships or aircraft in international traffic, derives profits from such operations carried on in Singapore, the tax charged in Singapore in respect of such profits shall be reduced by an amount equal to 50 per cent thereof and the reduced amount of the Singapore tax payable on the profits shall be allowed as a credit against the Norwegian tax charged in respect of such income.

2. This article shall likewise apply to the share in respect of participations in shipping or aircraft pools of any kind by such enterprise engaged in shipping or air transport.

## **ARTICLE VII**

1. Dividends paid by a company resident in Norway to a resident of Singapore who is subject to Singapore tax in respect thereof shall be exempt from any tax in Norway which is chargeable on dividends in addition to the tax chargeable in respect of the profits or income of the company.

2. Dividends paid by a company resident in Singapore to a resident of Norway who is subject to Norwegian tax in respect thereof shall be exempt from any tax in Singapore which is chargeable on dividends in addition to the tax chargeable in respect of the profits or income of the company:

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

3. Where a company which is a resident of one of the Contracting States derives profits or income from sources within the other Contracting State, there shall not be imposed in that other Contracting State any form of taxation on dividends paid by the company to persons not resident in that other Contracting State, or any tax in the nature of an undistributed profits tax on undistributed profits of the company, whether or not those dividends or undistributed profits represent, in whole or in part, profits or income so derived.

4. The provisions of paragraphs 1 and 2 shall not apply if the recipient of the dividends, being a resident of one of the Contracting States, has in the other Contracting State, in which the company paying the dividends is resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case Article IV concerning the allocation of profits to permanent establishments shall apply.

5. If the system of taxation applicable in either of the Contracting States to the profits and distributions of companies is altered, the competent authorities may consult each other in order to determine whether it is necessary for this reason to amend the provisions of paragraphs 1 and 2 of this Article.

## **ARTICLE VIII**

1. Royalties derived from sources within one of the Contracting States and paid to a resident of the other Contracting State shall be exempt from tax in the former Contracting State.
2. The term "royalties" as used in this Article means payments of any kind received as consideration for the use of, or the right to use, any copyright of scientific work, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience, but does not include any royalty or other amount paid in respect of literary or artistic copyrights or of motion picture films or of tapes for television broadcasting or of the operation of a mine, oil well, quarry or any other place of extraction of natural resources.
3. Profits derived by a resident of one of the Contracting States from sources within the other Contracting State from the alienation of any right or property from which royalties, as defined in paragraph 2 of this Article are or may be derived, shall be exempt from tax in the other Contracting State.
4. The provisions of paragraphs 1 and 3 of this Article shall not apply to royalties or profits received by a resident of one of the Contracting States where such royalties or profits are attributable to a permanent establishment of such resident in the other Contracting State; in such event, such royalties or profits as are attributable to that permanent establishment shall be treated as if they were profits to which the provisions of article IV are applicable.
5. Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties or profits paid, having regard to the use, right, property or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, and dealing with each other at arm's length, the provisions of this article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the present Convention.

## **ARTICLE IX**

A resident of one of the Contracting States who does not carry on business in the other Contracting State through a permanent establishment situated therein shall be exempt in that other Contracting State from any tax on gains from the sale, transfer, or exchange of capital assets.

## **ARTICLE X**

1. Any salary, wage or similar remuneration paid by the Government of Singapore or a local authority thereof to any individual who is subject to Singapore tax thereon (other than a resident of Norway who is not a citizen of Singapore) in respect of services rendered to Singapore in the discharge of governmental functions, shall be exempt from Norwegian tax.
2. Any salary, wage or similar remuneration paid by the Government of Norway or a local authority thereof to any individual who is subject to Norwegian tax thereon (other than a resident of Singapore who is not a citizen of Norway) in respect of services rendered to Norway in the discharge of governmental functions, shall be exempt from Singapore tax.

3. The provisions of this Article shall not apply to payments in respect of services rendered in connection with any business carried on by either of the Contracting States for purposes of profit.

#### **ARTICLE XI**

1. Any pension or any annuity derived from sources within one of the Contracting States by an individual who is a resident of the other Contracting State, shall be exempt from tax in that other Contracting State.

2. The term "annuity" means a stated sum payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

3. The term "pension", as used in this article, means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

#### **ARTICLE XII**

1. An individual who is a resident of Singapore shall be exempt from Norwegian tax on remuneration or profits in respect of personal (including professional) services performed within Norway in any calendar year, if -

- (a) he is present within Norway for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) the services are performed for or on behalf of a person who is a resident of Singapore, and
- (c) the remuneration or profits are subject to Singapore tax, and
- (d) the remuneration or profits are not directly deductible from the profits for Norwegian tax purposes of a permanent establishment in Norway of that person.

2. An individual who is a resident of Norway shall be exempt from Singapore tax on remuneration or profits in respect of personal (including professional) services performed within Singapore in any calendar year, if -

- (a) he is present within Singapore for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) the services are performed for or on behalf of a person who is a resident of Norway, and
- (c) the remuneration or profits are subject to Norwegian tax, and
- (d) the remuneration or profits are not directly deductible from the profits for Singapore tax purposes of a permanent establishment in Singapore of that person.

3. The provisions of this Article shall not apply to the remuneration or profits derived from one of the Contracting States, of public entertainers (such as stage, motion picture, radio or television artistes, musicians, and athletes) whose visit to that Contracting State is not directly or indirectly supported, wholly or substantially, from the public funds of the Government of the other Contracting State.

### **ARTICLE XIII**

1. Subject to the provisions of this Article and Articles X, XI, XII, XIV and XV, salaries, wages and other similar remuneration derived by a resident of one of the Contracting States in respect of an employment shall be taxable only in that Contracting State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other Contracting State.

2. In relation to remuneration of a director of a company derived from the company the provisions of this Article and of Article XII shall apply as if the remuneration were remuneration of an employee in respect of an employment. Notwithstanding the previous provisions of this Article, director's fees and similar payments derived by a resident of one of the Contracting States in his capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other Contracting State.

3. A resident of one of the Contracting States shall be exempt from tax in the other Contracting State in respect of remuneration for services performed on ships or aircraft operating in international traffic.

### **ARTICLE XIV**

An individual who is a resident of one of the Contracting States immediately before making a visit to the other Contracting State and who has made such visit at the invitation of the Government or of a university, college, school or other recognised educational institution of the other Contracting State, solely for the purpose of teaching or engaging in research at such educational institution for a period not exceeding two years shall be exempt from tax of that other Contracting State on his remuneration for such teaching or research.

### **ARTICLE XV**

1. An individual who is a resident of one of the Contracting States immediately before making a visit to the other Contracting State and is temporarily present in that other Contracting State solely -

- (a) as a student at a recognised university, college, school or other educational organisation in that other Contracting State,
- (b) as a recipient of a grant, allowance or award for the primary purpose of study or research from a governmental, religious, charitable, scientific, literary or educational organisation, or
- (c) as a business or technical apprentice,

shall be exempt from tax of that other Contracting State in respect of -

- (i) remittances from abroad for the purposes of his maintenance, education, study, research or training,
- (ii) the grant, allowance or award,
- (iii) remuneration for personal services in that other Contracting State paid by his employer in the former Contracting State, and
- (iv) any remuneration (so far as it is not in excess of 3,000 Malaysian dollars or the equivalent in Norwegian currency as the case may be) for personal services in that other Contracting State other than the remuneration referred to in sub-paragraph (iii) above, during any calendar year.

2. An individual who is a resident of one of the Contracting States immediately before making a visit to the other Contracting State and is temporarily present in that other Contracting State for a period not exceeding twelve months as an employee of, or under contract with, an enterprise of the former Contracting State, or an organisation referred to in sub-paragraph (b) of paragraph 1 of this Article, solely to acquire technical, professional or business experience shall be exempt from tax of that other Contracting State on any remuneration (so far as it is not in excess of 12,000 Malaysian dollars or the equivalent in Norwegian currency as the case may be) received from abroad and paid in that other Contracting State for such period for his services directly related to the acquisition of such experience, during any calendar year.

3. An individual who is a resident of one of the Contracting States immediately before making a visit to other Contracting State and is temporarily present in that other Contracting State for a period not exceeding two years under arrangements with the Government of that other Contracting State, solely for the purpose of study, research or training, shall be exempt from tax of that other Contracting State on remuneration for services directly related to such study, research or training.

4. As respects a period during which an individual qualifies for exemption, under two or all of paragraphs 1, 2 and 3 of this Article, he shall be treated as exempt under one only of such paragraphs as he may select.

## **ARTICLE XVI**

For the purposes of the present Convention -

- (a) dividends paid by a company which is a resident of one of the Contracting States shall be treated as derived from sources within that Contracting State;
- (b) interest paid by the Government of one of the Contracting States, including local governments thereof, or by a resident of one of the Contracting States, shall be treated as derived from sources within that Contracting State, except that interest (other than that paid on indebtedness in connection with the purchase of ships or aircraft) which is paid -
  - (i) by a resident of one of the Contracting States with a permanent establishment outside both Contracting States to a resident of the other Contracting State, or
  - (ii) by a resident of one of the Contracting States with a permanent establishment in the other Contracting State,

on indebtedness incurred for the use of (or, in the case of a banking business, on deposits made with) the permanent establishment in the conduct of its trade or business and which is borne by that permanent establishment shall be treated as derived from sources within the territory where the permanent establishment is situated;

- (c) royalties, as defined in paragraph 2 of Article VIII, shall be treated as derived from sources within the Contracting State in which the property referred to in that paragraph is used;
- (d) profits derived from the alienation of rights or properties, referred to in paragraph 3 of article VIII, shall be treated as derived from sources within the Contracting State in which such rights or properties are used;
- (e) gains, profits and income derived from the alienation of movable property shall be treated as derived from sources within the Contracting State in which such property is alienated; and
- (f) gains, profits and income derived from immovable property (including gains derived from the alienation of such property) and royalties in respect of the operation of mines, oil wells, quarries or other places of extraction of natural resources shall be treated as derived from sources within the Contracting State in which such immovable property, mines, oil wells, quarries or other places of extraction of natural resources are situated.

## **ARTICLE XVII**

1. The laws of each Contracting State shall continue to govern the taxation of income in that State except where express provision to the contrary is made in the present Convention. Where income is subject to tax in both Contracting States, relief from double taxation shall be given in accordance with the following paragraphs of this Article.

2. Subject to the provisions of the laws of Singapore regarding the allowance as a credit against Singapore tax of tax payable in any country other than Singapore, Norwegian tax payable, whether directly or by deduction, in respect of income from sources within Norway shall be allowed as a credit against Singapore tax payable in respect of that income. Where such income is a dividend paid by a company which is a resident of Norway to a resident of Singapore, the credit shall take into account Norwegian tax payable in respect of its profits by the company paying the dividend.

3. Where a resident of Norway derives income from sources within Singapore (other than profits to which the provisions of article VI apply), and that income in accordance with the provisions of the present Convention is subject to tax in Singapore, Norway shall exempt such income from tax.

4. Notwithstanding the provisions of paragraph 3 of this Article, a resident of Norway shall be exempted from Norwegian tax on:

- (a) profits or dividends which have been exempted from Singapore tax under the provisions of the Pioneer Industries (Relief from Income Tax) Ordinance, 1959, of Singapore or any other legislation of a substantially similar character which may subsequently be enacted in lieu of that Ordinance;

- (b) gains or profits from the alienation of immovable property situated in Singapore; and
- (c) gains, profits or income exempted from Singapore tax under the provisions of paragraphs 1 and 3 of Article VIII.

5. The provisions of paragraph 4 of this Article shall apply equally to any other provision which may subsequently be made granting an exemption which is agreed by the competent authorities of the Contracting States to be of a substantially similar character, if it has not been modified thereafter or has been modified only in minor respects so as not to affect its general character.

## **ARTICLE XVIII**

The competent authorities of the Contracting States shall exchange such information (being information which is available under their respective taxation laws in the normal course of administration) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or for the administration of statutory provisions against avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons, other than persons, including a court, concerned with the assessment and collection of those taxes or the determination of appeals in relation thereto. No information shall be exchanged which would disclose any trade secret or any trade process.

## **ARTICLE XIX**

1. Citizens of one of the Contracting States shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which citizens of that other Contracting State in the same circumstances are or may be subjected.

2. The taxation on a permanent establishment which an enterprise of one of the Contracting States has in the other Contracting State shall not be less favourably levied in that other Contracting State than the taxation levied on enterprises of that other Contracting State carrying on the same or similar activities.

3. Enterprises of one of the Contracting States, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned Contracting State are or may be subjected.

4. Nothing in this article shall be construed as obliging -

- (a) Singapore to grant to citizens of Norway not resident in Singapore those personal allowances, reliefs and reductions for tax purposes which are by law available only to citizens of Singapore and to such other persons as may be specified therein who are not resident in Singapore;
- (b) Norway to grant to Singapore citizens the exceptional tax relief which is accorded to Norwegian citizens and persons born of parents having Norwegian citizenship pursuant to Article 22 of the Norwegian Taxation Act

for the Rural Districts and Article 17 of the Norwegian Taxation Act for the Urban Districts.

5. In this article the term "citizens" means -
  - (a) in the case of Singapore, all individuals possessing the citizenship of Singapore and all legal persons, associations and other entities deriving their status as such from the laws in force in Singapore; and
  - (b) in the case of Norway, all individuals possessing Norwegian citizenship and all legal persons, associations and other entities deriving their status as such from the laws in force in Norway.
6. In this Article the term "taxation" means taxes which are the subject of the present Convention.

## **ARTICLE XX**

1. Where a taxpayer shows to the satisfaction of the competent authorities of the Contracting State of which the taxpayer is a resident that the taxpayer has not received the treatment in the other Contracting State to which the taxpayer is entitled under any provision of the present Convention, such competent authorities shall consult with the competent authorities of the other Contracting State with a view to ensuring that the taxpayer receives the treatment to which he is entitled under this Convention.

2. The competent authorities of the Contracting States may communicate with each other directly for the purpose of giving effect to the provisions of the present Convention and for resolving any difficulty or doubt as to the application or interpretation of the present Convention.

## **ARTICLE XXI**

The present Convention shall come into force on the date when all such things necessary shall have been done in Singapore and in Norway to give the present Convention the force of law in Singapore and in Norway respectively, and shall thereupon have effect in both Contracting States in respect of any year of assessment beginning on or after the 1st day of January, 1966.

## **ARTICLE XXII**

The present Convention shall continue in effect indefinitely, but either of the Contracting Governments may, on or before the 30th day of June in any calendar year not earlier than the year 1970, give to the other Contracting Government written notice of termination and, in such event, the present Convention shall cease to be effective after the last day of the calendar year in which the notice is given.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed the present Convention.

DONE in duplicate at Singapore this ninth day of September of the year one thousand nine hundred and sixty-six, in the English language.

LIM KIM SAN

*For the Government of  
the Republic of Singapore.*

ASBJÖRN SLÖRDAHL

*For the Government of  
the Kingdom of Norway.*