



Treaty Series No. 41 (1987)

# Agreement

between the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of the Republic of Venezuela  
for the Avoidance of Double Taxation in respect of  
Shipping and Air Transport

Caracas, 8 March 1978

[The Agreement entered into force on 8 June 1987]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
September 1987*

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**AGREEMENT  
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM  
OF GREAT BRITAIN AND NORTHERN IRELAND AND THE  
GOVERNMENT OF THE REPUBLIC OF VENEZUELA FOR  
THE AVOIDANCE OF DOUBLE TAXATION IN RESPECT  
OF SHIPPING AND AIR TRANSPORT**

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Venezuela;

Desiring to conclude an agreement for the avoidance of double taxation in respect of the profits of undertakings engaged in the business of shipping and air transport;

Having examined and verified the reciprocity of treatment concerning the taxation of such undertakings;

Have agreed as follows:

**ARTICLE 1**

1. Subject to Article 2 of this Agreement all profits, income and capital gains derived by an undertaking of one of the Contracting States from the business of shipping and air transport shall be exempt in the other Contracting State from all the taxes of that other Contracting State (other than municipal taxes) which are, or may become, chargeable on profits, income and capital gains.
2. The provisions of this Article shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

**ARTICLE 2**

1. The exemption provided under Article 1 shall apply to an undertaking of one of the Contracting States which, at the date of signature of this Agreement, regularly serves a port or airport situated in the territory of the other Contracting State.
2. This exemption shall also apply, subject to mutual agreement between the competent authorities of the Contracting States, to an undertaking of either Contracting State which may subsequently operate a regular service to a port or airport situated in the territory of the other Contracting State, or which may be designated under agreements between the Contracting States.
3. All undertakings of each of the Contracting States which are exempt from tax in accordance with the provisions of this Agreement shall present to the Competent Authority of the other Contracting State, for statistical purposes only, an annual statement of the financial results of those enterprises from the business of shipping or air transport (and of any connected operations) carried out by them in the other Contracting State.

**ARTICLE 3**

The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulty or doubt arising out of the application of this Agreement. The competent authorities may communicate with each other for this purpose. Where it seems advisable for this purpose to have direct consultations, these shall take place within a reasonable time of a request for such consultations being made by the competent authority of either Contracting State to the competent authority of the other Contracting State.

#### ARTICLE 4

For the purposes of this Agreement:

- (a) The expressions "one of the Contracting States" and "the other Contracting State" mean the Republic of Venezuela or the United Kingdom of Great Britain and Northern Ireland as the context requires;
- (b) The expression "undertaking of one of the Contracting States" means the Government of the Contracting State, a physical person resident in that Contracting State and not resident in the other Contracting State and a company or partnership constituted under the laws in force and managed and controlled in that Contracting State;
- (c) The expression "the business of shipping and air transport" means the business of transporting persons, animals, goods and mail carried on by the owner or charterer of ships or aircraft;
- (d) The expression "competent authority" means, in the case of Venezuela, the Dirección General de Rentas or its authorised representative, and in the case of the United Kingdom, the Commissioners of Inland Revenue or their authorised representative.

#### ARTICLE 5

Each of the Contracting States shall notify the other in writing through the diplomatic channel of the completion of the procedures required by its law to bring this Agreement into force. The Agreement shall enter into force on the date of the later of these notifications<sup>1</sup> and shall thereupon have effect as regards profits, income or capital gains arising on or after January 1977.

#### ARTICLE 6

This Agreement shall remain in force indefinitely, but it may be terminated by either Contracting Party by giving six months' notice in writing to the other Contracting Party, and in such event it shall cease to have effect as regards income, profits or capital gains arising after 31 December 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 this Agreement.

Done in duplicate at Caracas, this eighth day of March 1978, in the Spanish and English languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland:      For the Government of the Republic of Venezuela:

J. L. TAYLOR

S. A. CONSALVI

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<sup>1</sup> The Agreement entered into force on 8 June 1987.

**CONVENIO**  
**ENTRE EL GOBIERNO DEL REINO UNIDO DE LA GRAN BRETAÑA E**  
**IRLANDA DEL NORTE Y EL GOBIERNO DE LA REPUBLICA DE VENEZUELA**  
**PARA EVITAR LA DOBLE TRIBUTACION EN MATERIA DE TRANSPORTE**  
**MARITIMO Y AEREO**

El Gobierno del Reino Unido de la Gran Bretaña e Irlanda del Norte y el Gobierno de la República de Venezuela:

Deseosos de concluir un Convenio para evitar la doble tributación respecto de los beneficios de las empresas dedicadas al negocio de transporte marítimo y aéreo;

Habiendo examinado y verificado la reciprocidad de trato con respecto al régimen de tributación al cual están sometidas tales empresas:

Han acordado lo que sigue:

**ARTICULO 1**

1) Sujeto a lo dispuesto en el Artículo 2 de este Convenio, todos los beneficios, ingresos y ganancias de capital obtenidos por una empresa de uno de los Estados Contratantes, provenientes del negocio de transporte marítimo y aéreo estarán exonerados en el otro Estado Contratante de todos los impuestos de ese otro Estado Contratante (excepto los impuestos municipales) que sean o pudiesen ser aplicables a los beneficios, ingresos y ganancias de capital.

2) Las previsiones de este Artículo se aplicarán también en los casos de beneficios procedentes de la participación en un pool, un negocio conjunto o un organismo internacional de operaciones.

**ARTICULO 2**

1) La exoneración prevista bajo el Artículo 1° se aplicará a una empresa de uno de los Estados Contratantes que a la fecha de firma de este Convenio sirva regularmente un puerto o aeropuerto situado en el territorio del otro Estado Contratante.

2) Esta exoneración también se aplicará, sujeto a acuerdo mutuo entre las autoridades competentes de los Estados Contratantes, a una empresa de cualquiera de las Partes Contratantes que puedan subsecuentemente operar un servicio regular a un puerto o aeropuerto situado en el territorio del otro Estado Contratante, o que pueda ser designada bajo los términos de Convenios entre los Estados Contratantes.

3) Todas las empresas de cada uno de los Estados Contratantes, que estén exoneradas del impuesto de acuerdo con las previsiones de este Convenio, presentarán a la autoridad competente del otro Estado Contratante, para fines estadísticos solamente, una declaración anual de los resultados financieros de esas empresas derivadas del negocio de transporte marítimo y aéreo y de cualquier operación relacionada, llevada a cabo por ellas en el otro Estado Contratante.

**ARTICULO 3**

Las autoridades competentes de los Estados Contratantes procurarán resolver de mutuo acuerdo cualquier dificultad o duda que surja de la aplicación de este Convenio. Las autoridades competentes podrán comunicarse entre sí para este propósito. Cuando parezca recomendable sostener consultas directas a tal fin, éstas tendrán lugar dentro de un lapso razonable después de haber sido solicitada dicha consulta por la autoridad competente de uno de los dos Estados Contratantes a la autoridad competente del otro Estado Contratante.



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