



**The following are the provisions on the elimination of double taxation, extracted from the respective Treaties currently in force.**

## HUNGARY - GREECE

### Article 24

#### Elimination of double taxation

The double taxation shall be eliminated as follows:

(a) In the Hungarian People's Republic:

- (i) Where a resident of the Hungarian People's Republic derives income or owns capital which, in accordance with the provisions of this Convention may be taxed in the Hellenic Republic, the Hungarian People's Republic shall, subject to the provisions of subparagraphs (ii) and (iii), exempt such income or capital from tax.
- (ii) Where a resident of the Hungarian People's Republic derives items of income which, in accordance with the provisions of Articles 10, 11 and 12, may be taxed in the Hellenic Republic, the Hungarian People's Republic shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in the Hellenic Republic. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from the Hellenic Republic.
- (iii) Where in accordance with any provision of the Convention income derived or capital owned by a resident of the Hungarian People's Republic is exempt from tax in the Hungarian People's Republic, the Hungarian People's Republic may nevertheless, in calculating the amount of tax on the remaining income or capital of such resident, take into account the exempted income or capital.

(b) In the Hellenic Republic:

Where a resident of the Hellenic Republic derives income or owns capital which, in accordance with the provisions of this Convention, may be taxed in the Hungarian People's Republic, the Hellenic Republic shall allow:

- (i) as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in the Hungarian People's Republic;
- (ii) as a deduction from the tax on the capital of that resident, an amount equal to the capital tax paid in the Hungarian People's Republic.

Such deduction in either case shall not, however, exceed that part of the income tax or capital tax, as computed before the deduction is given, which is attributable, as the case may be, to the income or the capital which may be taxed in the Hungarian People's Republic.



## HUNGARY – PORTUGAL

### Article 23 Elimination of double taxation

The double taxation shall be eliminated as follows:

- (a) In the case of Hungary:
  - (i) Where a resident of Hungary derives income which, in accordance with the provisions of this Convention may be taxed in Portugal, Hungary shall, subject to the provisions of subparagraphs (ii) and (iii), exempt such income from tax;
  - (ii) Where a resident of Hungary derives items of income which, in accordance with the provisions of Articles 10, 11 and 12 may be taxed in Portugal, Hungary shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in Portugal. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from Portugal;
  - (iii) Where in accordance with any provision of the Convention income derived by a resident of Hungary is exempt from tax in Hungary, Hungary may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
- (b) In the case of Portugal:
  - (i) Where a resident of Portugal derives income which, in accordance with the provisions of this Convention may be taxed in Hungary, Portugal shall allow as a deduction from the tax on the income of that resident an amount equal to the income tax paid in Hungary. 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 Hungary;
  - (ii) Where in accordance with any provision of the Convention income derived by a resident of Portugal is exempt from tax in this State, Portugal may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.

## HUNGARY - NETHERLANDS

### Article 24 Elimination of double taxation



1. The Netherlands, when imposing tax on its residents, may include in the basis upon which such taxes are imposed the items of income or capital which, according to the provisions of this Convention, may be taxed in the Hungarian People's Republic.
2. However, where a resident of the Netherlands derives items of income or owns items of capital which according to Article 6, Article 7, paragraph 6 of Article 10, paragraph 4 of Article 11, paragraph 4 of Article 12, paragraphs 1 and 2 of Article 13, Article 14, paragraph 1 of Article 15, Article 16, paragraph 3 of Article 18, Article 19, paragraph 2 of Article 22 and paragraphs 1 and 2 of Article 23 of this Convention may be taxed in the Hungarian People's Republic and are included in the basis referred to in paragraph 1, the Netherlands shall exempt such items of income or capital by allowing a reduction of its tax. This reduction shall be computed in conformity with the provisions of Netherlands law for the avoidance of double taxation. For that purpose the said items of income or capital shall be deemed to be included in the total amount of the items of income or capital which are exempt from Netherlands tax under those provisions.
3. Further, the Netherlands shall allow a deduction from the Netherlands tax so computed for the items of income which according to paragraph 2 of Article 10, paragraph 5 of Article 13, Article 17 and paragraph 2 of Article 18 of this Convention may be taxed in the Hungarian People's Republic to the extent that these items are included in the basis referred to in paragraph 1. The amount of this deduction shall be equal to the tax paid in the Hungarian People's Republic on these items of income, but shall not exceed the amount of the reduction which would be allowed if the items of income so included were the sole items of income which are exempt from Netherlands tax under the provisions of Netherlands law for the avoidance of double taxation. For the purposes of this paragraph, the taxes referred to in paragraphs 3 (b) and 4 of Article 2, other than taxes on capital, shall be considered taxes on income.



4. In the case of the Hungarian People's Republic double taxation shall be avoided as follows:
- (a) Where a resident of the Hungarian People's Republic derives income or owns capital which, in accordance with the provisions of the Convention may be taxed in the Netherlands, the Hungarian People's Republic shall, subject to the provisions of subparagraphs (b) and (c), exempt such income or capital from tax.
  - (b) Where a resident of the Hungarian People's Republic derives items of income which, in accordance with the provisions of Article 10, may be taxed in the Netherlands, the Hungarian People's Republic shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in the Netherlands. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given which is attributable to such items of income derived from the Netherlands.
  - (c) Where in accordance with any provision of the Convention income derived or capital owned by a resident of the Hungarian People's Republic is exempt from tax in the Hungarian People's Republic, the Hungarian People's Republic may nevertheless, in calculating the amount of tax on the remaining income or capital of such resident, take into account the exempted income or capital.

## SPAIN-PORTUGAL

### Article 23

#### Methods

1. In the case of a resident of Spain, double taxation shall be avoided, in accordance with the relevant provisions of the Spanish laws (provided they are not contrary to the general principles established in this paragraph), as follows:

- (a) where a resident of Spain derives income which, in accordance with the provisions of this Convention may be taxed in Portugal, Spain shall allow as a deduction from the tax on the income of that resident an amount equal to the tax effectively paid in Portugal.

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 Portugal;

- (b) in the case of a dividend paid by a company which is a resident of Portugal to a company which is a resident of Spain and which holds directly at least 25% of the capital of the company paying the dividend, in the computation of the deduction it shall be taken into account (in addition to the amount deductible under subparagraph (a) of this paragraph), that part of the tax effectively paid by the first-mentioned company on the profits out of which the dividend is paid, which relates to such dividend, provided that such amount of tax is included, for this purpose, in the taxable base of the receiving company.

Such deduction, together with the deduction allowable in respect of the dividend under sub-paragraph (a) of this paragraph, shall not exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income subject to tax in Portugal.

For the application of the provisions of this sub-paragraph, it shall be required that a 25% or greater participation in the company paying the dividend is held on a continuous basis during the two years preceding the date on which the dividend is paid.



2. In the case of a resident of Portugal, double taxation shall be avoided, in accordance with the relevant provisions of the Portuguese laws (provided these provisions do not affect the general principles established in this paragraph), as follows:

- (a) where a resident of Portugal derives income which, in accordance with the provisions of this Convention, may be taxed in Spain, Portugal shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in Spain.

Such deduction shall not, however, exceed that part of the income tax or capital tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Spain;

- (b) where a company which is a resident of Portugal receives a dividend from a company which is a resident of Spain and in which the first-mentioned company holds directly at least 25% of the capital, Portugal shall allow as a deduction, for the purposes of determining the taxable profit subject to the corporate income tax, an amount equal to 95% of such dividend, included in the taxable base of the receiving company, under the terms and conditions established in the Portuguese laws.

3. Where in accordance with any provision of this Convention income derived by a resident of a Contracting State is exempt from tax in that Contracting State, such State may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.

## UNITED KINGDOM – HUNGARY

### ARTICLE 22

#### Elimination of Double Taxation

1. In Hungary, double taxation shall be eliminated as follows:

- (a) Where a resident of Hungary derives income which, in accordance with the provisions of this Convention, may be taxed in the United Kingdom, and is so taxed in the United Kingdom, Hungary shall, subject to the provisions of sub-paragraph (b) and paragraph (4), exempt such income from tax.
- (b) Where a resident of Hungary derives items of income which, in accordance with the provisions of Article 10, may be taxed in the United Kingdom, Hungary shall allow as a deduction from the tax on the income of that resident an amount equal to the tax paid in the United Kingdom. Such deduction shall not, however, exceed that part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from the United Kingdom.

2. Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom or, as the case may be, regarding the exemption from United Kingdom tax of a dividend arising in a territory outside the United Kingdom (which shall not affect the general principle hereof):

- (a) Hungarian tax payable under the laws of Hungary and in accordance with this Convention, whether directly or by deduction, on profits, income or chargeable gains from sources within Hungary (excluding in the case of a dividend, tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any United Kingdom tax computed by reference to the same profits, income or chargeable gains by reference to which the Hungarian tax is computed;
- (b) a dividend derived by a company which is a resident of the United Kingdom from a company which is a resident of Hungary shall be exempted from tax in the United Kingdom;
- (c) in the case of a dividend not exempted from tax under sub-paragraph (b) above (because the conditions for exemption under the law of the United Kingdom are not met) which is paid by a company which is a resident of Hungary to a company which is a resident of the United Kingdom and which controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividend, the credit mentioned in sub-paragraph (a) above shall also take into account the Hungarian tax payable by the company in respect of its profits out of which such dividend is paid.





3. For the purposes of paragraphs (1) and (2), profits, income and capital gains owned by a resident of a Contracting State which may be taxed in the other Contracting State in accordance with this Convention shall be deemed to arise from sources in that other State.
4. Where in accordance with any provision of the Convention income derived by a resident of a Contracting State is exempt from tax in that State, such State may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.

## UNITED KINGDOM – IRELAND

### Article 21

#### Elimination of double taxation

1. Subject to the provisions of the law of the Republic of Ireland regarding the allowance as a credit against Irish tax of tax payable in a territory outside the Republic of Ireland (which shall not affect the general principle hereof):
  - (a) United Kingdom tax payable under the laws of the United Kingdom and in accordance with this Convention, whether directly or by deduction, on profits, income or chargeable gains from sources within the United Kingdom (excluding in the case of a dividend tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any Irish tax computed by reference to the same profits, income or chargeable gains by reference to which the United Kingdom tax is computed.
  - (b) In the case of a dividend paid by a company which is a resident of the United Kingdom to a company which is a resident of the Republic of Ireland and which controls directly or indirectly 10 per cent or more of the voting power in the company paying the dividend, the credit shall take into account (in addition to any United Kingdom tax creditable under the provisions of sub-paragraph (a) of this paragraph) the United Kingdom tax payable by the company in respect of the profits out of which such dividend is paid.
2. Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom (which shall not affect the general principle hereof):
  - (a) Irish tax payable under the laws of the Republic of Ireland and in accordance with this Convention, whether directly or by deduction, on profits, income or chargeable gains from sources within the Republic of Ireland (excluding in the case of a dividend tax payable in respect of the profits out of which the dividend is paid) shall be allowed as a credit against any United Kingdom tax computed by reference to the same profits, income or chargeable gains by reference to which the Irish tax is computed.
  - (b) In the case of a dividend paid by a company which is a resident of the Republic of Ireland to a company which is a resident of the United Kingdom and which controls directly or indirectly 10 per cent or more of the voting power in the company paying the dividend, the credit shall take into account (in addition to any Irish tax creditable under the provisions of sub-paragraph (a) of this paragraph) the Irish tax payable by the company in respect of the profits out of which such dividend is paid.
3. For the purposes of paragraphs 1 and 2 of this Article profits, income and capital gains owned by a resident of a Contracting State which may be taxed in the other Contracting State in accordance with this Convention shall be deemed to arise from sources in that other Contracting State.
4. **[REPLACED by paragraph 1 of Article 17 of the MLI <sup>[3]</sup>** [Where profits on which an enterprise of a Contracting State has been charged to tax in that State are also included in the profits of an enterprise of the other State and the profits so included are profits which would have accrued to that enterprise of the other State if the conditions made between the enterprises had been those which would have been made between independent enterprises dealing at arm's length, the amount included in the profits of both enterprises shall be treated for the purposes of this Article as income from a source in the other State of the enterprise of the first-mentioned State and relief shall be given accordingly under the provisions of paragraph 1 or paragraph 2 of this Article.]

[3] Refer to the box immediately following Article 10 of the Convention