

বাংলাদেশ



গেজেট

অতিরিক্ত সংখ্যা

কর্তৃপক্ষ কর্তৃক প্রকাশিত

মঙ্গলবার, সেপ্টেম্বর ১১, ২০১২

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

অর্থ মন্ত্রণালয়

অভ্যন্তরীণ সম্পদ বিভাগ

(আয়কর)

প্রজ্ঞাপন

তারিখ, ২১ ভাদ্র ১৪১৯ বঙ্গাব্দ/০৫ সেপ্টেম্বর ২০১২ খ্রিস্টাব্দ

এস, আর, ও নং ৩১৩-আইন/২০১২।—Income-tax Ordinance, 1984 (Ordinance No. XXXVI of 1984) এর অধীন দ্বৈত করারোপণ পরিহার এবং আয়ের উপর কর সম্পর্কিত রাজস্ব ফাঁকি প্রতিরোধের উদ্দেশ্যে গণপ্রজাতন্ত্রী বাংলাদেশ সরকার ও সংযুক্ত আরব আমিরাত সরকারের মধ্যে ১৭ জানুয়ারি, ২০১১ খ্রিস্টাব্দ তারিখে নিম্ন তফসিলে বর্ণিত চুক্তি, অতঃপর “উক্ত চুক্তি” বলায় উল্লিখিত, সম্পাদিত হইয়াছে; এবং

যেহেতু, উক্ত চুক্তির বিধানাবলী বাংলাদেশে কার্যকর করা প্রয়োজন;

সেহেতু, Income-tax Ordinance, 1984 (Ordinance No. XXXVI of 1984) এর section 144 এ প্রদত্ত ক্ষমতাবলে সরকার এতদ্বারা বিধান করিল যে, নিম্ন তফসিলে বর্ণিত উক্ত চুক্তির (ইংরেজী পাঠ) বিধানাবলী ০১ জুলাই, ২০১২ খ্রিস্টাব্দ তারিখে বাংলাদেশে কার্যকর হইয়াছে বলায় গণ্য হইবে।

তফসিল

চুক্তি
(ইংরেজী পাঠ)

CONVENTION
BETWEEN
THE GOVERNMENT OF THE UNITED ARAB EMIRATES
AND
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
FOR THE AVOIDANCE OF DOUBLE TAXATION
AND THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME

The Government of the United Arab Emirates and the Government of the People's Republic of Bangladesh

Desiring to promote their mutual economic relations through the conclusion between them of 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 1

Persons Covered

1. 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 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, taxes on the total amounts of wages or salaries paid by enterprises.

3. The existing taxes to which this Convention shall apply are, in particular :
- (a) In the case of UAE :
 - (i) the income tax;
 - (ii) the corporate tax (hereinafter referred to as "UAE tax");
 - (b) in the case of Bangladesh :
 - (i) the income tax;
 - (ii) the property tax (hereinafter referred to as "Bangladesh tax").

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

Article 3

Income from Hydrocarbons

Nothing in this Convention shall affect the right of either one of the Contracting States, or of any of their local Governments or local authorities thereof to apply their domestic laws and regulations related to the taxation of income and profits derived from hydrocarbons and its associated activities situated in the territory of the respective Contracting State, as the case may be.

Article 4

General Definition

1. For the purposes of this Convention, unless the context otherwise requires :
 - (a) The terms "a Contracting State" and "the other Contracting State" mean United Arab Emirates or Bangladesh as the Context requires;
 - (b) The term "United Arab Emirates" when used in a geographical sense, means the territory of the United Arab Emirates which is under its sovereignty as well as the area outside the territorial water, airspace and submarine areas over which the United Arab Emirates exercises, sovereign and jurisdictional rights in respect of any activity carried on in connection with the exploration for or the exploitation of natural resources by virtue of international law;

- (c) The term "Bangladesh" means all the territory of the people's Republic of Bangladesh including the part of the seabed and its sub-soil thereof, to the extent that area in accordance with international law has been or may hereafter be designated under Bangladesh law as an area within which Bangladesh may exercise sovereign rights with respect to the exploration and exploitation of the natural resources of the seabed or its sub-soil;
- (d) The term "business" includes the performance of professional services and of other activities of an independent character;
- (e) The term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (f) The term "competent authority" means :
- (i) in the case of the UAE : the Minister of Finance or an authorized representative of the Minister of Finance;
 - (ii) in the case of the Bangladesh, the National Board of Revenue or its authorized representative;
- (g) 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;
- (h) 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;
- (i) The term "national" means :
- (i) any individual possessing the nationality of a contracting State;
 - (ii) any legal person, partnership or association or other entity deriving its status as such from the laws in force in a Contracting State or of a political subdivision or a local government thereof;
- (j) A "pension scheme" means any plan, scheme, fund, trust or other arrangement established in a Contracting, is generally exempt from tax in that State and operated principally either to administer or provide pension or retirement benefit or to earn income for the benefit of one or more such arrangements;

- (k) The term "person" includes an individual, a company, a partnership, and any other body of persons;
- (l) The term "tax" means Bangladesh tax or UAE tax, as the context requires.

2. As regards the application of the Convention at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Contracting State for the purposes of the taxes to which the Convention 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 5

Resident

1. For the purposes of this Convention, the term "resident of a Contracting State" means :

- (a) in the case of the people's Republic of Bangladesh, any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of incorporation, place of management, or any other criterion of a similar nature;
- (b) in the case of the UAE, an individual who under the laws of the UAE or of any political subdivision or local government thereof is a national, any person other than an individual that is incorporated or otherwise recognized under the laws of the UAE or any political subdivision or local government thereof.

2. For the purposes of paragraph 1, a resident of a Contracting State includes :

(a) The Government of that Contracting State and any political sub-division or local Government thereof;

(b) any person other than an individual owned or controlled directly or indirectly by that State or any political subdivision or local government thereof;

(c) a qualified government entity which means:

- (i) in case of the UAE, The Government of Abu Dhabi, Government of Dubai, Government of Sharjah, Government of Ajman, Government of Fujairah, Government of Ras Al Khima and the Government Om Al Quain; or

- Central bank of a Contracting State and any person, agency, institution, authority, fund, enterprise, organization, or other entity owned or controlled directly or indirectly by a contracting State or any political subdivision or local government thereof;
- (ii) in the case of Bangladesh, Government of the People's Republic of Bangladesh, local government, Bangladesh Bank, nationalized financial institutions and sector corporations;
- (d) a pension fund;
- (e) charities or religious, educational and cultural organizations.
3. 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 only 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 only 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 only 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 only of the State of which he is a national;
- (d) if he is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
4. 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 only of the State in which its place of effective management is situated.

Article 6

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.

The term "permanent establishment" includes especially:

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

3. The term "permanent establishment" also encompasses;

- (a) a building site, a construction, assembly or installation project or supervisory activities in connection therewith including an offshore drilling rig or ship used for the exploration of natural resources but only where such site, project or activities continue for a period or periods aggregating more than 6 months within any twelve month periods commencing or ending in the taxable year concerned;
- (b) The furnishing of services, including consultancy services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose, but only if activities of that nature continue (for the same or a connected project) within a Contracting State for a period or periods aggregating more than six (6) months within any twelve-month period;
- (c) an enterprise which provides in a Contracting State services, facilities or plant and machinery on hire used for the prospecting for, extraction or exploitation of mineral oils in that State.

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 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;

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 :

- (a) that permanent establishment;
 - (b) sales in that other Contracting State of goods or merchandise of the same or similar kind as those sold through that permanent establishment; or
 - (c) other business activities carried on in that other Contracting State of the same or similar kind as those effected through 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 the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the business of the permanent establishment, including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere. However, no such deduction shall be allowed in respect of amounts, if any, paid (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees, or other similar payments in return for the use of patents or other rights, or by way of commission, for specific services performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the permanent establishment. Likewise, no account shall be taken, in the determination of the profits of a permanent establishment, for such payments, charged by the permanent establishment to the head office of the enterprise or any of its other offices.
4. Insofar as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be

- customary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.
5. 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.
 6. 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.
 7. 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 9

Shipping and Air Transport

1. Profits from the operation of aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
2. Profits from the operation of ships in international traffic may be taxed in the State in which the place of effective management of the enterprise is situated. However, such profits arising in the other State may also be taxed in that State in accordance with its domestic law, but the tax so charged shall be reduced by fifty per cent.
3. The provisions of paragraph 1 shall also apply to profits derived from:
 - (a) selling of tickets on behalf of another enterprise;
 - (b) income from selling of technical engineering to a third party;
 - (c) income deriving from deposits at the Bank, bonds, shares stocks and other debentures.
4. If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the Contracting State in which the home harbour of the ship is situated or, if there is no such home harbour, in the Contracting State of which the operator of the ship is a resident.

5. The provisions of paragraphs 1 and 2 shall also apply to profits derived by such enterprises from the participation in a pool, a joint business or an international operating agency and to incidental income derived by such enterprises from the use of containers for the transport of goods or merchandise.

Article 10

Associated Enterprises

1. 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.

2. Where a Contracting State includes in the profits of an enterprise of that Contracting State –and taxes accordingly –profits on which an enterprise of the other Contracting State has been charged to tax in that other Contracting State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned Contracting State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Contracting State shall make an appropriate adjustment to the amount of the profits subjected to tax. In determining such adjustment, due regard shall be had to the other provisions of this Convention and the competent authorities of the Contracting States shall, if necessary, consult each other.

Article 11**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 Contracting 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 owns at least 3 per cent of the shares of the company paying the dividends;
 - (b) 10 per cent of the gross amount of the dividends in all other cases.
3. The term "dividends" as used in this Article means income from shares, shares or rights, 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 taxation laws of the Contracting State of which the company making the distribution is a resident.
4. The provisions of paragraph 1 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 in that other Contracting State, or performs in that other Contracting State independent personal services from a fixed base situated in that other Contracting State, 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.
5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other Contracting 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 Contracting State who is the beneficial owner of the dividends 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 Contracting State, nor subject the company's undistributed profits to a tax on 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 Contracting State.

Article 12

Interest

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting 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 beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed ten (10) per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this article, interest paid to a resident of the other Contracting State shall be taxable only in that other Contracting State if the beneficial owner of the interest is the other State itself, a political subdivision, local government, local authority or the Central Bank thereof, Abu Dhabi Investment Authority, Dubai Investment Office, International Petroleum Investment Company, Abu Dhabi Investment Council or any other institution created by the Government, a political subdivision, a local authority or a local Government of that State which is an integral part of that Government, as shall be agreed through Exchange of letters between the competent authorities of the Contracting States.
4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, 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.
5. 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 Contracting 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 :

- (a) such permanent establishment or fixed base, or
- (b) business activities referred to in (c) of paragraph 1 of Article 8. In such cases, the provisions of Article 7 or Article 14, as the case may be, shall apply.

6. 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 a fixed base, then such interest shall be deemed to arise in the state in which the permanent establishment or fixed base 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 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 13

Royalties

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State.
2. However, such royalties may be taxed in the Contracting State in which they arise, and according to the law of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed ten (10) 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 consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films or films or tapes used for radio or television broadcasting or broadcasting by satellite, cables, optical fibres or similar technology used for public broadcasting, magnetic tapes, discs or laser discs (software), any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial, agricultural or scientific equipment, or for information concerning industrial, commercial, agricultural or scientific experience (know-how), as well as technical assistance and the furnishing of services and personnel other than those referred to in Articles 14 and 15 of this Convention.

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 Contracting 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:

- (a) such permanent establishment or fixed base, or
- (b) business activities referred to in (c) of paragraph 1 of Article 8.

In such cases, 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 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 this Convention.

Article 14

Capital Gains

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 7 and situated in the other Contracting State may be taxed in that other Contracting State, but the tax so charged shall be reduced by 50% (fifty per cent).
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) of such fixed base, shall be taxable only in that Contracting 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 pertaining to the operation of such ships or aircraft shall be taxable only in that Contracting State.
4. Gains derived by a resident of a Contracting State from the alienation of shares deriving more than 50 per cent of their value directly or indirectly from immovable property situated in the other Contracting State may be taxed in that other State.
5. Gains from the alienation of any property other than that referred to in paragraphs 1, 2 and 3 shall be taxable only in the Contracting State of which the alienation is a resident.

Article 15

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 Contracting State except in any of the following circumstances, when such income may also be taxed in the other Contracting State :
 - (a) if he has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities; in that case only so much of the income as is attributable to that fixed base may be taxed in that other Contracting State; or

Article 19**Pensions and Annuities**

1. Subject to the provisions of paragraph 2 of Article 19, pensions and other similar remuneration and annuities paid to an individual who is a resident of a Contracting State in consideration of past employment shall be taxable only in that Contracting State.
2. As used in this Article :
 - (a) The terms “pensions and other similar remuneration” mean periodic payments made after retirement in consideration of past employment or by way of compensations for injuries received in connection with past employment;
 - (b) the term “annuity” means a stated sum payable to an individual 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.

Article 20**Government Service**

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

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 or a local authority thereof.

Article 21

Teachers and Researchers

An individual who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who at the invitation of the Government of the first-mentioned Contracting State or of a university, college, school, museum or other cultural institution in that first-mentioned Contracting State or under an official programme of cultural exchange is present in that Contracting State for a period not exceeding two consecutive years solely for the purpose of teaching, giving lectures or carrying out research at such institution shall be exempt from tax in that Contracting State on his remuneration for such activity.

Article 22

Students and Trainees

Payments which a student or business trainee 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 Contracting 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 Contracting State provided that such payments arise from sources outside that Contracting State.

In respect of grants, scholarships and remuneration from employment not covered by paragraph 1, a student or business trainee described in paragraph 1 shall, in addition, be entitled during such education or training to the same exemptions, reliefs or reductions in respect of taxes available to residents of the Contracting State which he is visiting.

3. 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 Contracting State than the taxation levied on enterprises of that other Contracting State carrying on the same activities. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.
4. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, or paragraph 6 of Article 12, apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State.
5. 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.
6. Notwithstanding the provisions of paragraph 1 & 2, nothing in this article shall affect the right of either of the Contracting State to grant an exemption or reduction of taxation in accordance with its laws, regulations, or administrative practice to its own nationals. Such exemption given shall apply as well in respect to such proportion of the capital of the companies owned by person of the other Contracting State.

Article 27

Mutual Convention 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 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 24, 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 actions resulting in taxation not in accordance with the provisions of the Convention.

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 this Convention. Any agreement reached shall be implemented notwithstanding any time limit in the domestic law of the Contracting States.

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.

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 28

Exchange of Information

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 there under 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) concerned with 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, but may disclose the information in public court proceedings or in judicial decisions.

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.

Article 29

Miscellaneous Rules

1. The Provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded :
 - (a) by the laws of a Contracting State in the determination of the tax imposed by that Contracting State.
 - (b) By any other Special arrangement on taxation between the Contracting States or between one of the Contracting States and residents of the other Contracting State.

Article 30

Members of Diplomatic Missions and Consular Posts

Nothing in this Convention 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 31

Entry into Force

1. This Convention shall be ratified and the instruments of ratification shall be exchanged as soon as possible.
2. The Convention shall enter into force upon the exchange of the instruments of ratification and its provisions shall have effect :
 - (a) in the case of Bangladesh: for any year of assessment beginning on or after July 1 in the calendar year next following that in which the instruments of ratification have been exchanged;

(b) in the case of UAE :

- (i) in respect of taxes withheld at source, on amounts paid or credited, on or after the first day of January of the calendar year following that in which this Convention enters into force; and
- (ii) in respect of other taxes, for any taxable year or period beginning on or after the first day of January of the calendar year following that in which this Convention enters into force.

Article 32

Duration and 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 at least six months before the end of any calendar year after the fifth year following the year in which the Convention has entered into force. In such case, the Convention shall cease to have effect :

- (a) in the case of Bangladesh : for any year of assessment beginning on or after July 1 in the calendar year next following that in which the notice of termination is given;
- (b) in the case of the UAE :
 - (i) in respect of taxes withheld at source, on amounts paid or credited, on or after the first day of January of the calendar year following that in which such notice is given; and
 - (ii) in respect of other taxes, for any taxable year or period beginning on or after the first day of January of the calendar year following that in which such notice is given.

IN WITNESS WHEREOF, the undersigned duly authorised there to by their respective governments, have signed this convention.

Done in duplicate at Abu Dhabi on this 17 day of January 2011 corresponding to the 12th day of Safor 1432h, in the Arabic, Bangla and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

For the Government of
The United Arab Emirates

Sheikh Abdullah Bin Zayed Al Nahyan
Minister of Foreign Affairs

For the Government of The People's
Republic of Bangladesh

Dr. Dipu Moni, MP
Foreign Minister.