

TAXATION

Netherlands Antilles

**Protocol Between the
UNITED STATES OF AMERICA
and the NETHERLANDS
Amending Article VIII of
Convention of April 29, 1948**

Signed at Washington October 10, 1995



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“. . .the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

NETHERLANDS

Taxation: Netherlands Antilles

*Protocol amending Article VIII of the
Convention of April 29, 1948;
Signed at Washington October 10, 1995;
Transmitted by the President of the United States of America
to the Senate January 3, 1996 (Treaty Doc. 104-23,
104th Congress, 2d Session);
Reported favorably by the Senate Committee on Foreign Relations
September 25, 1996 (Senate Executive Report No. 104-35,
104th Congress, 2d Session);
Advice and consent to ratification by the Senate
September 28, 1996;
Ratified by the President November 1, 1996;
Exchange of instruments of ratification at The Hague December 30, 1996;
Entered into force December 30, 1996.*

PROTOCOL BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF THE
NETHERLANDS IN RESPECT OF THE NETHERLANDS ANTILLES
AMENDING ARTICLE VIII OF THE 1948 CONVENTION WITH
RESPECT TO TAXES ON INCOME AND CERTAIN OTHER
TAXES AS APPLICABLE TO THE NETHERLANDS ANTILLES

The Government of the United States of America and the
Government of the Kingdom of the Netherlands in respect of the
Netherlands Antilles, hereinafter the Contracting States;

Recognizing that the Convention Between the Government of
the United States of America and the Government of the Kingdom
of the Netherlands with Respect to Taxes on Income and Certain
Other Taxes signed at Washington April 29, 1948, was extended
to the Netherlands Antilles in accordance with Article XXVII
thereof and that, notwithstanding its subsequent partial
termination, Article VIII of the Convention and such other
ancillary provisions in the Convention as apply to effectuate,
modify or limit the exemption from tax provided in Article
VIII continue to apply as between the United States and the
Netherlands Antilles;

Desiring to amend Article VIII in light of developments
that have affected the application of the Convention with
respect to the Netherlands Antilles;

Have agreed as follows:

ARTICLE I

Article VIII [Interest] of the Convention shall be amended by adding the following sentence at the end of Paragraph (1):

"The exemption provided by this paragraph shall apply only to interest paid with respect to debt instruments issued on or before October 15, 1984 by a U.S. person to a related controlled foreign corporation that was in existence before October 15, 1984, the principal purpose of which consisted of the issuing of debt obligations or the holding of short-term obligations and lending the proceeds of such obligations to affiliates."

ARTICLE II

1. This Protocol shall be subject to ratification in accordance with the applicable procedures of each Contracting State. The Protocol shall enter into force upon the later of June 30, 1996, or the exchange of instruments of ratification.

2. Notwithstanding Paragraph 1, if this Protocol has not entered into force prior to January 1, 1997, it shall not enter into force.

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

Done at Washington, this 10th day of October 1995, in duplicate, in the English language.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

Leslie Samuels

FOR THE GOVERNMENT OF THE
KINGDOM OF THE NETHERLANDS:

J. van den Broek
A. H. van der Meulen