

the granting of relief in cases where such profits and gains are chargeable both to British Income Tax and to the Income Tax payable in the foreign State;

then, unless and until the declaration is revoked by His Majesty in Council, the arrangements specified therein shall, so far as they relate to the relief to be granted from British Income Tax, have effect as if enacted in that Act, but only if and so long as the arrangements, so far as they relate to the relief to be granted from the Income Tax payable in the foreign State, have the effect of law in the foreign State:

And whereas the arrangements contained in the Schedule to this Declaration have been made by His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland with the Imperial Japanese Government:

Now, therefore, His Majesty is pleased, by and with the advice of His Privy Council, to declare, and it is hereby declared—

(a) that certain profits or gains arising from the business of shipping which are chargeable to British Income Tax are also chargeable to the Income Tax payable under the law in force in Japan; and

(b) that the arrangements contained in the said Schedule have been made with a view to the granting of relief in cases where profits or gains arising from the business of shipping are chargeable both to British Income Tax and to the Income Tax payable in Japan.

And His Majesty is further pleased to order, and it is hereby ordered, that this Declaration may be cited as "The Relief from Double Income Tax on Shipping Profits (Japan) Declaration, 1929."

*M. P. A. Hankey.*

#### SCHEDULE.

##### Article 1.

His Britannic Majesty's Government in the United Kingdom agree to take the necessary steps under Section 18 of the Act of Parliament of the United Kingdom known as the Finance Act, 1923, for exempting from income tax (including super-tax) chargeable in the United Kingdom for the year of assessment 1928-29, commencing on the 6th day of April, 1928, and for every subsequent year of assessment, any profits which accrue from the business of shipping carried on with ships whose port of registry is in Japan by an individual of Japanese nationality resident in Japan and not in the United Kingdom or by a corporate body incorporated under Japanese law and managing and controlling such business in Japan.

##### Article 2.

The Japanese Government declare that on completion of the steps under Section 18 of the Finance Act, 1923, which under Article 1 of this Agreement His Britannic Majesty's Government have agreed to take, Law No. 6, 1924, promulgated in Japan on the 18th day of July, 1924, as amended by Law No. 6, 1928, will operate to exempt from income tax, as

also from the business profit tax, chargeable in Japan on and after the 12th day of May, 1928, any profits which accrue from the business of shipping carried on with ships whose port of registry is in the United Kingdom by an individual of British Nationality resident in the United Kingdom, and not in Japan or by a corporate body incorporated under the laws of the United Kingdom and managing and controlling such business in the United Kingdom.

##### Article 3.

For the purpose of this Agreement—

The term "Japan" includes all regions under Japanese rule excluding the islands under Japanese Mandate situated in the Pacific Ocean and lying North of the Equator:

The expression "the business of shipping" means the business carried on by an owner of a ship or ships and for the purpose of this definition the expression "owner" includes any charterer.

##### Article 4.

This agreement shall cease to have effect if and so soon as either the relief to be granted under Article 1 hereof in respect of income tax (including super-tax) in the United Kingdom or the relief referred to in Article 2 hereof in respect of income tax and business profit tax in Japan ceases to have legal operation.

At the Court at *Buckingham Palace*, the 5th day of *November*, 1929.

PRESENT,

The KING's Most Excellent Majesty in Council.

WHEREAS it is provided by subsection (1) of Section eighteen of the Finance Act, 1923, that if His Majesty in Council is pleased to declare—

(a) that any profits or gains arising from the business of shipping which are chargeable to British Income Tax are also chargeable to Income Tax payable under the law in force in any foreign State; and

(b) that arrangements, as specified in the declaration, have been made with the Government of that foreign State with a view to the granting of relief in cases where such profits and gains are chargeable both to British Income Tax and to the Income Tax payable in the foreign State;

then, unless and until the declaration is revoked by His Majesty in Council, the arrangements specified therein shall, so far as they relate to the relief to be granted from British Income Tax, have effect as if enacted in that Act, but only if and so long as the arrangements, so far as they relate to the relief to be granted from the Income Tax payable in the foreign State, have the effect of law in the foreign State:

And whereas the agreement set out in the Schedule to this Declaration has been made between His Majesty's Government in the United Kingdom and the Government of the Hellenic Republic: