

No. 2891

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**DENMARK**  
and  
**ISRAEL**

**Exchange of notes constituting an agreement for reciprocal exemption from income tax and all other taxes on income derived from the exercise of shipping activities and the operation of aircraft services. Tel-Aviv and Jerusalem, 4 April 1955**

*Official text: English.*

*Registered by Denmark on 15 August 1955.*

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**DANEMARK**  
et  
**ISRAËL**

**Échange de notes constituant un accord tendant à exonérer réciproquement de l'impôt sur le revenu et de tous autres impôts les bénéfices provenant de l'exploitation d'entreprises de transports maritimes et aériens. Tel-Aviv et Jérusalem, 4 avril 1955**

*Texte officiel anglais.*

*Enregistré par le Danemark le 15 août 1955.*

No. 2891. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN DENMARK AND ISRAEL FOR RECIPROCAL EXEMPTION FROM INCOME TAX AND ALL OTHER TAXES ON INCOME DERIVED FROM THE EXERCISE OF SHIPPING ACTIVITIES AND THE OPERATION OF AIRCRAFT SERVICES. TEL-AVIV AND JERUSALEM, 4 APRIL 1955

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I

LÉGATION ROYALE DE DANEMARK EN ISRAËL

Tel-Aviv, April 4th, 1955

Your Excellency,

The Government of Denmark and the Government of Israel being desirous to conclude an agreement for reciprocal exemption from income tax and all other taxes on income derived from the exercise of shipping activities and the operation of aircraft services, I have the honour to inform Your Excellency that the Government of Denmark is prepared to conclude an agreement with the Government of Israel in the following terms :

*Article I*

The Government of Denmark shall exempt all income derived from the business of sea or air transport by Israel enterprises engaged in such business from income tax and all other taxes on income imposed in Denmark.

*Article II*

The Government of Israel shall exempt all income derived from the business of sea or air transport by Danish enterprises engaged in such business from income tax and all other taxes on income imposed in Israel.

*Article III*

For the purpose of this Agreement, the expression :

“Israel enterprise” means the Government of Israel, a physical person ordinarily resident in Israel (and not ordinarily resident in Denmark) and a

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<sup>1</sup> Came into force on 4 April 1955 by the exchange of the said notes.

corporation or a partnership constituted under the laws of and managed and controlled in Israel;

“Danish enterprise” means the Government of Denmark, a physical person ordinarily resident in Denmark (and not ordinarily resident in Israel) and a corporation or a partnership constituted under the laws of and managed and controlled in Denmark;

“Business of sea and air transport” means the business of transporting by sea or by air persons, livestock, goods or mail carried on by the owner or charterer of ships or aircraft under the national flag.

#### *Article IV*

This Agreement shall have effect in both countries with regard to income derived after 31 December 1952.

Both parties have agreed to waive all taxes referred to in Articles I and II unpaid and in arrears prior to the date of the signature of this Agreement.

#### *Article V*

This Agreement may be terminated by either Government by giving on or before 30 June in any calendar year written notice of termination to the other Government and, in such case, the termination shall become effective on 1 January of the following year.

If the foregoing proposals are acceptable to the Government of Israel, I suggest that this Note and your confirmatory reply thereto be regarded as constituting an agreement between our two governments in this matter.

Please accept, Your Excellency, the assurances of my highest consideration.

(Signed) Hugo HERGEL  
Minister of Denmark to Israel

His Excellency Monsieur Moshe Sharett  
Prime Minister and Minister for Foreign Affairs of Israel

## II

MINISTRY FOR FOREIGN AFFAIRS, ISRAEL

Jerusalem, 4 April 1955

Mr. Minister,

I have the honour to acknowledge receipt of your letter of to-day which reads as follows :

[See note I]

I have the honour to inform you that the Government of Israel is in agreement with the above.

Please accept, Excellency, the renewed assurances of my highest consideration.

(Signed) Moshe SHARETT  
Minister for Foreign Affairs

His Excellency Mr Hugo Hergel  
Minister of Denmark in Israel