Signed on:1 October 20145
Agreement
between
the United Arab Emirates
and
the Principality of Liechtenstein
for the avoidance of double taxation and the prevention of fiscal evasion
with respect to taxes on income and on capital

Preamble

The Government of the United Arab Emirates and the Government of the Principality of Liechtenstein,

desiring to further promote the mutual economic relations between their countries through the conclusion between them of an agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital,

have agreed as follows:

Article 1
Persons covered

This Agreement shall apply to persons who are residents of one or both of the Contracting States.

Article 2
Taxes covered

1. This Agreement shall apply to taxes on income and on capital imposed on behalf of a Contracting State or of its political subdivisions or local Governments or local authorities, irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

3. The existing taxes to which this Agreement shall apply are in particular:

a) in the case of the Principality of Liechtenstein:
   (i) the personal income tax (Erwerbssteuer);
   (ii) the corporate income tax (Ertragssteuer);
   (iii) the real estate capital gains tax (Grundstücksgewinnsteuer);
   (iv) the wealth tax (Vermögenssteuer); and
   (v) the coupon tax (Couponsteuer);
   (hereinafter referred to as "Liechtenstein tax");

b) in case of the United Arab Emirates:
   (i) the income tax;
   (ii) the corporate tax;
   (hereinafter referred to as "United Arab Emirates tax").

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

Article 3
General definitions

1. For the purposes of this Agreement, unless the context otherwise requires:

a) the terms "a Contracting State" and "the other Contracting State" mean the Principality of Liechtenstein or the United Arab Emirates, as the context requires;

b) (i) the term "Liechtenstein" means the Principality of Liechtenstein, and, when used in a geographical sense, the area in which the tax laws of the Principality of Liechtenstein apply;
   (ii) 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 its water, sea bed, sup soil, in connection with the exploration for or the exploitation of natural resources by virtue of its law and international law;

c) the term "person" includes an individual, a company, a dormant inheritance, and any other body of persons;

d) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;

e) the term “enterprise” applies to the carrying on of any business;

f) 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;

g) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise that has its place of effective management in a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;

h) the term “competent authority” means:
(i) in the case of the Principality of Liechtenstein, the Fiscal Authority;
(ii) in the case of the United Arab Emirates, the Ministry of Finance or its authorized representative;

i) the term “national”, in relation to a Contracting State, means:
(i) any individual possessing the nationality or citizenship of that Contracting State; and
(ii) any person other than an individual deriving its status as such from the laws in force in that Contracting State;

k) the term “business” includes the performance of professional services and of other activities of an independent character.

2. As regards the application of the Agreement 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 State for the purposes of the taxes to which the Agreement 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 4
Resident

1. For the purposes of this Agreement, the term “resident of a Contracting State” means:

a) in the case of the Principality of Liechtenstein: any person who, under the laws of Liechtenstein, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature and also includes that State and any political subdivision or local authority thereof. This term, however, does not include

any person who is liable to tax in that State in respect only of income from sources in that State or capital situated therein;

b) in the case of the United Arab Emirates:
i) an individual who has his domicile in the United Arab Emirates and is a national of the United Arab Emirates as well as any other individual who has his habitual abode or centre of vital interests in the United Arab Emirates; and
ii) any person other than an individual that is incorporated or has its place of effective management in the United Arab Emirates or is otherwise recognized as such under the laws of the United Arab Emirates or any political subdivision, local Government or local authority thereof.

2. 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.

3. 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 5
Permanent establishment

1. For the purposes of this Agreement, the term “permanent establishment” means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2. The term “permanent establishment” includes especially:

a) a place of management;

b) a branch;

c) an office;

d) a factory;

e) a workshop; and

f) a mine, an oil or gas well, a quarry or any other place of exploration and extraction of natural resources.

3. A building site or construction or installation project constitutes a permanent establishment only if it lasts more than nine months.

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, display or delivery 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, display or delivery;

c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;

e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;

f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs a) to e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.

5. Notwithstanding the provisions of paragraphs 1 and 2, where a person – other than an agent of an independent status to whom paragraph 6 applies – is acting on behalf of an enterprise and has, and habitually exercises, in a Contracting State an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that State in respect of any activities which that person

undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.

6. An enterprise shall not be deemed to have a permanent establishment in a Contracting State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

7. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

Article 6
Income from immovable property

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State shall be taxable only in that other State.

2. The term “immovable property” shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise.

Article 7
Business profits

1. Profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent

establishment situated therein. If the enterprise carries on business as aforesaid, the profits that are attributable to the permanent establishment in accordance with the provisions of paragraph 2 may be taxed in that other State.

2. For the purposes of this Article and Article 23, the profits that are attributable in each Contracting State to the permanent establishment referred to in paragraph 1 are the profits it might be expected to make, in particular in its dealings with other parts of the enterprise, if it were a separate and independent enterprise engaged in the same or similar activities under the same or similar conditions, taking into account the functions performed, assets used and risks assumed by the enterprise through the permanent establishment and through the other parts of the enterprise.

3. Where, in accordance with paragraph 2, a Contracting State adjusts the profits that are attributable to a permanent establishment of an enterprise of one of the Contracting States and taxes accordingly profits of the enterprise that have been charged to tax in the other State, the other State shall, to the extent necessary to eliminate double taxation on these profits, make an appropriate adjustment to the amount of the tax charged on those profits. In determining such adjustment, the competent authorities of the Contracting States shall if necessary consult each other.

4. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

Article 8

Shipping, inland waterways transport and air transport

1. Profits from the operation of ships or 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 boats engaged in inland waterways transport shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

3. If the place of effective management of a shipping enterprise or of an inland waterways transport enterprise is aboard a ship or boat, then it shall be deemed to be situated in the Contracting State in which the home harbour of the ship or boat is situated, or, if there is no such home harbour, in the Contracting State of which the operator of the ship or boat is a resident.

4. The provisions of paragraph 1 shall also apply to profits from the participation in

a pool, a joint business or an international operating agency.

Article 9
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 State – and taxes accordingly – profits on which an enterprise of the other Contracting State has been charged to tax in that other State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.

Article 10
Dividends

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State shall be taxable only in that other State, provided that the beneficial owner of the dividends is a resident of the other State.

2. The term “dividends” as used in this Article means income from shares, “jouissance” shares or “jouissance” 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 laws of the State of which the company making the distribution is a resident.

3. 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 therein and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

4. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other 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 State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment situated in that other State, nor subject the company's undistributed profits to a tax on the 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 State.

Article 11
Interest

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, provided that the beneficial owner of the interest is a resident of the other State.

2. 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.

3. The provisions of paragraph 1 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 and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

4. 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 Agreement.

Article 12
Royalties

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.

2. The term “royalties” as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 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 and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

4. 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 Agreement.

Article 13
Capital gains

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State shall be taxable only in that other State.

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, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise), may be taxed in that other State.

3. Gains from the alienation of ships or aircraft operated in international traffic, boats engaged in inland waterways transport or movable property pertaining to the operation of such ships, aircraft or boats, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

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 shall be taxable only in that other State.

5. Gains from the alienation of any property, other than that referred to in paragraphs 1, 2, 3 and 4, shall be taxable only in the Contracting State of which the alienator is a resident.

Article 14
Income from employment

1. Subject to the provisions of Articles 15, 17 and 18, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State if:

a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned; and

b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other State; and

c) the remuneration is not borne by a permanent establishment which the employer has in the other State.

3. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic, or aboard a boat engaged in inland waterways transport, may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

Article 15

Directors' fees

Directors' fees and other similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors or any similar organ of a company which has its seat or place of management in the other Contracting State may be taxed in that other State.

Article 16
Entertainers and sportspersons

1. Notwithstanding the provisions of Article 14, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsperson, from that resident's personal activities as such exercised in the other Contracting State, may be taxed in that other State.

2. Where income in respect of personal activities exercised by an entertainer or a sportsperson acting as such accrues not to the entertainer or sportsperson but to another person, that income may, notwithstanding the provisions of Article 14 be taxed in the Contracting State in which the activities of the entertainer or sportsperson are exercised.

3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities exercised in a Contracting State by an entertainer or a sportsperson if the visit to that State is wholly or mainly supported by public funds of the other Contracting State or political subdivision or local authorities or statutory bodies thereof. In such case, the income shall be taxable only in the Contracting State in which the entertainer or the sportsperson is a resident.

Article 17
Pensions

Pensions and other similar remuneration (including lump sum payments) arising in a Contracting State may be taxed in that State.

Article 18
Government service

1. Salaries, wages and other similar remuneration, other than a pension paid by a Contracting State, a political subdivision or a local Government or a local authority thereof or some other legal entity under public law of that State to an individual in respect of services

rendered to that State, subdivision or local Government or authority or other legal entity under public law of that State shall be taxable only in that State.

2. Notwithstanding the provisions of paragraph 1, pensions and other similar remuneration (including lump sum payments) paid by, or out of funds created by, a Contracting State or a political subdivision or a local Government or a local authority thereof or some other legal entity under public law of that State to an individual in respect of services rendered to that State, subdivision or local Government or authority or other legal entity under public law of that State shall be taxable only in that State.

3. The provisions of Articles 14, 15, 16, and 17 shall apply to salaries, wages, pensions, and other similar remuneration (including lump sum payments) in respect of services rendered in connection with a business carried on by a Contracting State, a political subdivision or a local Government or a local authority thereof or some other legal entity under public law of that State.

Article 19
Students

1. Payments which a student or business apprentice 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 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 State, provided that such payments arise from sources outside that State.

2. Notwithstanding the provisions of paragraph 1, if a student or business apprentice is granted a scholarship from a Contracting State, such scholarship shall not be subject to tax in either Contracting State.

Article 20
Income from hydrocarbons and other natural resources

Notwithstanding any other provision of this Agreement other than Article 26 nothing shall affect the right of either one of the Contracting State or of the political subdivisions or local Governments or local authorities thereof to apply their domestic laws and regulations related to the taxation of income, profits and gains derived from hydrocarbons or other natural resources and their associated activities situated in the territory of the respective Contracting State, as stipulated under a concession agreement.

Article 21
Other income

1. Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.

2. The provisions of paragraph 1 shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein and the right or property in respect of which the income is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

Article 22
Capital

1. Capital represented by immovable property referred to in Article 6, owned by a resident of a Contracting State and situated in the other Contracting State, shall be taxable only in that other State.

2. Capital represented by 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 may be taxed in that other State.

3. Capital represented by ships and aircraft operated in international traffic and by boats engaged in inland waterways transport, and by movable property pertaining to the operation of such ships, aircraft and boats, shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.

4. All other elements of capital of a resident of a Contracting State shall be taxable only in that State.

Article 23
Elimination of double taxation

1. Subject to the provisions of the laws of Liechtenstein regarding the elimination of double taxation, which shall not affect the general principle hereof, double taxation shall be eliminated as follows:

a) Where a resident of Liechtenstein derives income or owns capital which, in accordance with the provisions of this Agreement, may be taxed in the United Arab

Emirates, Liechtenstein shall, subject to the provisions of subparagraph b), exempt such income or capital from tax, but 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) Where a resident of Liechtenstein derives items of income which, in accordance with the provisions of Articles 14, 15, 16 and 17, may be taxed in the United Arab Emirates, Liechtenstein shall credit against Liechtenstein tax on this income the tax paid in accordance with the law of the United Arab Emirates and with the provisions of this Agreement. The amount of tax to be credited shall not, however, exceed the Liechtenstein tax due on the income derived from the United Arab Emirates.

2. Double Taxation shall be eliminated in the United Arab Emirates as follows:

a) Where a resident of the United Arab Emirates derives income or owns capital which, in accordance with the provisions of this Agreement, may be taxed in Liechtenstein, the United Arab Emirates shall allow:

i) as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Liechtenstein;

ii) as a deduction from the tax on the capital of that resident, an amount equal to the capital tax paid in Liechtenstein;

b) 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 Liechtenstein.

3. Where in accordance with any provision of the Agreement income derived or capital owned 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 or capital of that resident, take into account the exempted income or capital.

Article 24
Non-discrimination

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances, in particular with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.

2. 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 State than the taxation levied on enterprises of that other 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.

3. Except where the provisions of paragraph 1 of Article 9, paragraph 4 of Article 11, or paragraph 4 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. Similarly, any debts of an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable capital of such enterprise, be deductible under the same conditions as if they had been contracted to a resident of the first-mentioned State.

4. 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.

5. The provisions of this Article shall, notwithstanding the provisions of Article 2, apply to taxes of every kind and description.

Article 25
Mutual agreement 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 Agreement, 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 action resulting in taxation not in accordance with the provisions of this Agreement.

2. 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 Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.

3. 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 this Agreement. They may also consult together for the elimination of double taxation in cases not provided for in this Agreement.

4. 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 26
Exchange of information

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to this Agreement. The exchange of information is not restricted by Articles 1 and 2.

2. Any information received under paragraph 1 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, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

3. In no case shall the provisions of paragraphs 1 and 2 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 *(ordre public)*.

4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

5. In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

Article 27
Members of diplomatic missions and consular posts

Nothing in this Agreement 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 28
Entitlement to benefits

1. Notwithstanding the provisions of any other Article of this Agreement, a resident person of a Contracting State shall not receive the benefit of any reduction in or exemption from tax provided for in this Agreement by the other Contracting State if the competent authority of the other State determines that the principal purpose of such person or a person directly or indirectly controlling such person was to obtain these benefits. Before a person of a Contracting State is denied such benefits in the other Contracting State by reason of the preceding sentence, the competent authorities of the Contracting States shall consult each other.

2. The competent authorities of the Contracting States may consult each other with regard to the application of this Article.

Article 29
Protocol

The attached Protocol shall be an integral part of this Agreement.

Article 30
Entry into force

1. The Contracting States shall notify each other in writing, through diplomatic channels, that the procedures required by its law for the entry into force of this Agreement have been satisfied. This Agreement shall enter into force 30 days after the date of the latter of these notifications, the receipt of which shall be acknowledged through diplomatic channels.

2. This Agreement shall have effect:

a) in respect of taxes withheld at source, to income paid or credited on or after 1 January of the calendar year next following the year in which this Agreement enters into force;

b) in respect of other taxes on income and taxes on capital, to taxes chargeable for any taxable year beginning on or after 1 January of the calendar year next following the year in which this Agreement enters into force;

c) in respect of Article 26 to requests made on or after 1 January of the calendar year next following the year in which this Agreement enters into force and only in respect of taxable periods beginning on or after 1 January of the calendar year next following the year in which this Agreement enters into force.

Article 31
Termination

This Agreement shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Agreement, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year following the fifth year after the entry into force. In such event, this Agreement shall cease to have effect:

a) in respect of taxes withheld at source, to income paid or credited on or after 1 January of the calendar year next following the year in which the notice is given;

b) in respect of other taxes on income and taxes on capital, to taxes chargeable for any taxable year beginning on or after 1 January of the calendar year next following the year in which the notice is given.

Protocol

At the signing today of the Agreement between the United Arab Emirates and the Principality of Liechtenstein for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital, the undersigned have agreed that the following provisions shall form an integral part of this Agreement.

1. For the purposes of Article 2 (Taxes covered) and Article 23 (Elimination of double taxation):
It is understood that if a person who is a resident of a Contracting State is in accordance with this Agreement subject to Liechtenstein wealth tax on capital, the taxation of the notional income on such capital ("Sollertrag") is considered as personal income tax.

2. For the purposes of Article 4 (Resident), Article 10 (Dividends), Article 11 (Interest) and Article 12 (Royalties):
It is understood that

a) the term "qualified government entities" includes:
   (i) in case of Liechtenstein:
   any public enterprise that is established under the Law on the Control and Oversight of Public Enterprises;
   (ii) in case of the United Arab Emirates:
      1) Central Bank of the United Arab Emirates;
      2) Abu Dhabi Investment Authority;
      3) Abu Dhabi Investment Council;
      4) Emirates Investment Authority;
      5) Mubadala Development Company;
      6) International Petroleum Investment Company (IPIC);
      7) Dubai World;
      8) Investment Corporation of Dubai;
      9) Abu Dhabi National Energy Company (TAQA); and
   (iii) any other entity the capital of which is wholly or partially directly or indirectly owned by the federal or local Governments of either Contracting States, including a political subdivision and local authority thereof as may be agreed upon from time to time between the Governments of the Contracting States through notifications by the competent authorities;

b) collective investment vehicles (investment funds), pension funds, and qualified government entities of a Contracting State are considered to be residents of that State;

c) the term "collective investment vehicles (investment funds)" includes the following:

(i) in Liechtenstein, any investment fund according to the Law on Undertakings for Collective Investment in Transferable Securities (UCITS), the Law on Investment Funds, and the Law on Alternative Investment Fund Managers (AIFM);
(ii) in the United Arab Emirates, any collective investment vehicle established under the laws of the United Arab Emirates;

d) the term "pension funds" includes the following:
(i) in Liechtenstein any pension fund or scheme covered by the Law on Old Age and Survivors' Insurance, the Law on Disability Insurance, the Law on Occupational Pension Funds, and the Pension Fund Act;
(ii) in the United Arab Emirates, the Abu Dhabi Retirement Pensions and Benefits Fund and the General Pension and Social Security Authority;

e) the competent authorities may agree that collective investment vehicles and pension funds which are established under legislation introduced after the date of signature of this Agreement are to be considered as residents;

f) Liechtenstein foundations, establishments, and trust enterprises taxable in Liechtenstein by virtue of paragraph 1 of Article 44 of the Liechtenstein Tax Act are considered as companies resident in Liechtenstein;

g) an entity or organisation that is established and is operated exclusively for charitable, religious, humanitarian, scientific, cultural, or similar purposes (or for more than one of those purposes) and that is resident of that State according to its laws is considered as resident of that State, notwithstanding that all or part of its income or gains may be exempt from tax under the domestic law of that State.

3. For the purposes of paragraph 5 of Article 13 (Capital gains):
It is understood that paragraph 5 of Article 13 includes capital gains derived by a resident of a Contracting State from the alienation of shares in a company or of securities, bonds, debentures and the like as well as profits on a liquidation or redemption of shares and capital appreciation, other than those referred to in paragraph 4 of Article 13.

4. Nothing in this Agreement shall prevent a Contracting State from granting exemption from tax or reduction in accordance to its domestic laws and regulations.

5. For the purposes of Article 26 (Exchange of information):
It is understood that

a) the information exchanged must not be disclosed to any other State or sovereign territory not party to this Agreement;

b) personal data may be processed and transmitted to the extent necessary for the exchange of information according to Article 26;

c) any request for information shall be in writing;

d) the competent authorities shall agree on the mode of application of Article 26.