

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED ARAB EMIRATES
AND
THE GOVERNMENT OF THE FEDERAL REPUBLIC OF NIGERIA
FOR THE AVOIDANCE OF DOUBLE TAXATION
AND
THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME AND CAPITAL GAINS

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The Government of the United Arab Emirates and the Government of the Federal Republic of Nigeria
Desiring to conclude between them an Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital Gains.

Have agreed as follows:

Article 1
Personal Scope

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 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 and on capital gains all taxes imposed on total income, on total capital, or on elements of income or capital, including taxes on gains from the alienation of movable or immovable property and taxes on the total amounts of wages or salaries paid by enterprises.
3. The existing taxes to which this Agreement shall apply are, in particular:

    a) In the case of UAE :



(1) The Income Tax;
(2) The Corporate Tax
(Hereinafter referred to as "UAE tax");

b) In the case of the Federal Republic of Nigeria:
(1) The Personal Income Tax;
(2) The Companies Income Tax;
(3) The Petroleum Profit Tax;
(4) Capital Gains Tax;
(5) Tertiary Education Tax;
(6) Information Technology Levy
(Hereinafter referred to as "the Federal Republic of Nigeria tax");

4. This Agreement 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 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, which have been made in their respective taxation laws.

Article 3
Income from Hydrocarbons

Notwithstanding any other provision of this convention nothing 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 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 United Arab Emirates or the Federal Republic of Nigeria 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 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 "Nigeria" means the Federal Republic of Nigeria including any area outside the territorial waters of the Federal Republic of Nigeria which in accordance with international law has been or may hereafter be designated, under the law of the Federal Republic of Nigeria concerning the Continental Shelf, as an area within which the right of the Federal Republic of Nigeria with respect to the sea-bed, its subsoil, its superjacent waters and their natural resources may be exercised now and in the future;

d) The term "person" includes an individual, a company and any other body of persons;

e) The term "national" means:

(1) any individual possessing the citizenship or nationality of a contracting State:

(2) 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 ;

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

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 "tax" means UAE tax or the Federal Republic of Nigeria tax, as the context requires;

j) the term "competent authority" means:

(1) in the case of the UAE: the Minister of Finance or an authorized representative of the Minister of Finance ;

(2) in the case of the Federal Republic of Nigeria, the Minister of Finance or his authorised representative.

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 5
Resident

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

a) in the case of the UAE :
   i) an individual who under the laws of the UAE or of any political subdivision or local government thereof is a national and any other individual domiciled in the UAE;
   ii) 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;

b) In the case of the Federal Republic of Nigeria, the term "resident of a Contracting State" means any person who, under the laws of Nigeria, 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, 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 Nigeria in respect only of income from sources in Nigeria or capital situated therein.

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 center 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 his status cannot be determined under the provisions of subparagraph c), 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 management is situated.

Article 6
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;
f) a mine, an oil or gas well, a quarry or any other place of exploration, extraction of natural resources.

3. The term "permanent establishment" also encompasses;

a) any place used for any activity relating to the exploration of natural resources, provided that such activity exists for a period or periods aggregating more than one hundred eighty three] days within any twelve months period.
b) a building site, a construction, assembly or installation project or supervisory activities in connection therewith, but only if such sites, projects or activities last more than six months.

4. An enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State if substantial, mechanical or scientific equipment or machinery is used for more than eighteen months or installed, in that other contracting State by, for or under contract with the enterprise.

5. 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.

6. The term "permanent establishment" shall also include a fixed place of business used as sales outlet notwithstanding the fact that such fixed place of business is otherwise maintained for any of the activities mentioned in paragraph 4 of this Article.

7. Notwithstanding the provisions of paragraphs 1 and 2 , where a person, other than an agent of an independent status to whom paragraph 9 applies is acting in a Contracting State on behalf of an enterprise of the other Contracting State, that enterprise shall be deemed to have a permanent establishment in the first-mentioned Contracting State in respect of any activities which that person undertakes for the enterprise, if such a person:

a) has, and habitually exercises in that State, an authority to conclude contracts in the name of such enterprise, unless the activities of such person are limited to those mentioned in paragraph 6 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;
b) has no such authority, but habitually maintains in that State a stock of goods or merchandise belonging to such enterprise from which he regularly delivers goods or merchandise on behalf of such enterprise;

c) habitually secures orders for the sale of goods or merchandises in that State, exclusively or almost exclusively on behalf of the enterprise itself and other enterprises, which are controlled by it or have a controlling interest in it.

8. Notwithstanding the preceding provisions of this Article, an insurance enterprise of a Contracting State shall, except in regard to re-



insurance, be deemed to have a permanent establishment in the other Contracting State if it collects premiums in the territory of that other State or insures risks situated therein through a person other than an agent of an independent status to whom paragraph 9 applies.

9. An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other 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. However, when the activities of such an agent are devoted wholly or almost wholly on behalf of that enterprise and conditions are made or imposed between that enterprise and the agent in their commercial / financial relations which differ from those which would have been made between independent enterprises, he will not be considered an agent of an independent status within the meaning of this paragraph.

10. 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 Contracting State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

Article 7
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 may be taxed in that other Contracting State.

2. The term "immovable property" shall have the meaning, which it has under the national laws 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 laws respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right of work, mineral deposits, sources and other natural resources Ships and aircraft shall not be regarded as immovable property.



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

4. The provisions of paragraphs 1 and 3 of this Article shall also apply to income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

Article 8
Business Profits

1. The 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 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 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 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 determining the profits of a permanent establishment, there shall be allowed as deductions those which are shown to have been incurred for the purposes of the permanent establishment, including executive and general administrative expenses so incurred, whether in the Contracting 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 head office of the enterprise or any or its other offices.

4. 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.

5. 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.

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 or gains 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 9
Shipping and Air Transport

Notwithstanding the provisions of Article 7 of this Agreement:

1. Profits from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the enterprise is a resident.



2. The provisions of paragraph 1 shall also apply to profits derived from the participation in a pool, a joint business or an international operating agency,

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 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 profits subjected to tax. 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.

3. The provision of paragraph 2 shall not apply where judicial, administrative or other legal proceedings have resulted in a final ruling that by action giving rise to an adjustment of profits under paragraph 1, one of the enterprises



concerned is liable to penalty with respect to fraud, gross negligence or wilful default, provided that the taxpayer has been informed of such adjustment.

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 beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed 7.5 per cent of the gross amount of the dividends. This paragraph shall not affect the taxation of the company in respect of the profits in which the dividends are paid.

3. Notwithstanding the provisions of paragraphs 1 and 2, dividends arising in a Contracting State shall be exempt from tax in that State if it is derived and beneficially owned by the Government of the other Contracting State, a local government, a political subdivision, a local authority thereof or any, company, statutory body, agency or instrumentality which is wholly or partially directly or indirectly owned by that government.

4. 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 taxation laws of the Contracting State of which the company making the distribution is a resident.

5. The provisions of paragraph 1 and 2 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 16, as the case may be, shall apply.

6. Where a company which is a resident of a Contracting State derives profits or income from the other 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 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 State, nor subject the company's undistributed profits to a tax, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other 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 the other Contracting State.

2. However, such interest may also be taxed in the Contracting State in which it arises, and according to the law 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 7.5 per cent of the gross amount of interest.

3. 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, as well as income which is subjected to the same taxation treatment as income from money lent by the taxation laws of the Contracting State in which the income arises. Penalty charges shall not regarded as interest for purposes of this Article.

4. Notwithstanding the provisions of paragraph 2, interest arising in a Contracting State shall be exempt from tax in that State if it is derived and beneficially owned by the Government of the other Contracting State, a local government, a political subdivision, a local authority



thereof or any, company, statutory body, agency or instrumentality which is wholly or partially directly or indirectly owned by that government.

5. 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 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 debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 8 or Article 16, 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 Contracting 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 fixed base, then such interest shall be deemed to arise in the Contracting 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 of the interest, 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.

8. The provisions of paragraph 3, 4 and 5 shall not be applied if the beneficial owner of the interest is that state itself, political subdivision, local Government or local authority or its financial institutions. Such income shall be taxable only at the state of residence.



Article 13
Royalties

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable in that other Contracting State. Taxes on Royalties. The competent authorities shall mutually agree on the settlement of the mode of limitations.

2. However, such royalties may also be taxed in the Contracting state in which they arise and according to the laws 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 7.5 per cent of the gross amount of the royalties.

3. The provisions of paragraph 1 and 2 shall not apply if the beneficial owner of the royalties is the Government of the other Contracting State, a local government, a political subdivision, a local authority thereof or any, company, statutory body, agency or instrumentality which is wholly or partially directly or indirectly owned by that government.. Such income shall be taxable only at the state of residence.

4. 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 cinematographic films, or films, or tapes used for radio or television broadcasting or any other means of image or sound transmission or reproduction, and for the use or the right to use of computer 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 or scientific equipment, or for information concerning industrial, commercial or scientific experience

5. 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 in that other Contracting State, or performs in that other Contracting State independent personal services from a fixed base situated in that Contracting State the right or property in respect of which the royalties are paid is effectively connected with (a) such permanent establishment or fixed base or with (b) business activities referred to in (c) of paragraph 1 of Article 8. In such case the provisions of Article 8 or Article 16, as the case may be, shall apply.

6. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that Contracting 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 Contracting 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 of the royalties 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 14
Technical Service Fees

1. Technical service fees arising in a Contracting State and derived by a resident of the other Contracting State may be taxed in that other State.

2. However, such technical service fees may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient is the beneficial owner of the technical fees, the tax so charged shall not exceed 7.5 per cent of the gross amount of the technical service fees. (the percentage is to be established through bilateral negotiations).

3. The term "technical service fees" as used in this Article means payments of any kind to any person, other than to an employee of the person making the payments, in consideration for any service of a managerial, professional, technical or consultancy nature or such similar service, performed by a resident of a Contracting State for a resident of the other Contracting State.

4. The provisions of paragraph 1 and 2 shall not apply if the beneficial owner of the technical service fees, being a resident of a Contracting



State, carries on business in the other Contracting State in which the technical service fees arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed based situated therein, and the technical service fees are effectively connected with such permanent establishment or fixed based. In such a case, the provisions of Article 7 or Article 15, as the case may be shall apply.

Article 15
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.

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) or of such fixed base, may be taxed in that other State.

3. Gains derived 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 in which the enterprise is situated.

4. Gains derived by a resident of a Contracting State from the alienation of shares, other than shares in which there is a substantial and regular trading on a Stock Exchange, deriving more than 50 percent of their value directly or indirectly from immovable property situated in the other Contracting State may be taxed in that 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 16
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;

    b) If his stay in the other Contracting State is for a period or periods amounting to or exceeding in the aggregate 183 days in 12 month period commencing or ending in the fiscal year concerned; in that case only so much of the income as is derived in that other Contracting State during the aforesaid period or periods may be taxed in that other Contracting State.

2. The term "professional services" includes especially independent scientific, literary, artistic, vocational, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

Article 17
Dependent Personal Services

1. Subject to the provisions of Articles 16, 18, 19, 20 and 21, 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 Contracting State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived there from may be taxed in that other State.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State shall be taxable only in the first-mentioned Contracting State if all the following conditions are met:



a) The recipient is present in the other Contracting State for a period or periods not exceeding in the aggregate 183 days in a 12 months period commencing or ending in the fiscal year concerned.

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

c) The remuneration is not borne by a permanent establishment or a fixed base, which the employer has in the other Contracting 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 by an enterprise of a Contracting State shall be taxable only in that Contracting State.

4. An individual who is both a national of a Contracting State and an employee of an enterprise of that Contracting State the principal business of which consists of the operation of aircraft in international traffic and who derives remuneration in respect of duties performed in the other Contracting State shall be taxable only in that Contracting State on remuneration derived from his employment with that enterprise

Article 18
Directors' Fees And Remuneration Of Top-Level Managerial Officials.

1. 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 of a company which is a resident of the other Contracting State may be taxed in that other State.

2. Salaries, wages and other similar remuneration derived by a resident of a Contracting State in his capacity as an official in a top-level managerial position of a accompany which is a resident of the Contracting State may be taxed in that other State.

Article 19
Artists and Sportsmen

1. Notwithstanding the provisions of Articles 16 and 17, 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 sportsman, from



his 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 sportsman in his capacity as such accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 8, 16 and 17 be taxed in the Contracting State in which the activities of the entertainer or sportsman are exercised.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, income mentioned in this Article shall be exempt from tax in the Contracting State in which the activities of the entertainer or sportsperson are exercised provided that these activities are supported from public funds of that State or of the other Contracting State or the activities are exercised under a cultural agreement or within the framework of a cultural or sports exchange programme approved by both Contracting States.

Article 20
Pensions and Annuities

1. Subject to the provisions of paragraph 2 of Article 21, pensions and other similar remuneration paid in consideration of past employment to a resident of a Contracting State or any annuity paid to such a resident shall be taxable only in the State from which such income is derived.

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 21
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 Contracting State or subdivision or authority shall be taxable only in that Contracting 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 Contracting State and the individual is a resident of that Contracting State and has fulfilled one of the following conditions:

   (1) is a national of that Contracting State;

   (2) Did not become a resident of that Contracting State solely for 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 Contracting State or subdivision or authority shall be taxable only in that Contracting 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 Contracting State.

3. The provisions of Articles 16,17,18 and 19 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.

4. The provisions of paragraphs 1, 2 and 3 shall likewise apply in respect of salaries , wages, pensions, and other similar remuneration paid by a government owned institution performing functions of a governmental nature.



Article 22
Teachers and Researchers

A professor or teacher who visits one of the Contracting States for the purpose of teaching or engaging in research at a University or any other similarly recognised educational institution in that State and who, immediately before that visit was a resident of the other Contracting State shall not be taxed by the first-mentioned State in respect of any remuneration received for such teaching or research for a period not exceeding two years from the date of his first arrival in that State for such purpose

Article 23
Students and Trainees

1. 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.

2. A student in a Contracting State, or a business apprentice, who is or was immediately before visiting the other Contracting State a resident of the first-mentioned State and who is present in the other Contracting State, shall not be taxed in that other State in respect of remuneration for services rendered in that State as long as he/she remains as a student, business apprentice or trainee.

Article 24
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 Contracting 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 or fixed base. In such case the provisions of Article 8 or 16 shall apply.

Article 25
Elimination of Double Taxation

Double Taxation shall be eliminated in the Contracting States as follows:

1. Where a resident of a Contracting State derives income or owns capital which, in accordance with the provisions of this Agreement, may be taxed in the other Contracting State, the first-mentioned State shall allow:

a) as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in that other State;
b) as a deduction from the tax on the capital of that resident, an amount equal to the capital tax paid in that other State.

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 that other State.

2. Where in accordance with any provision of this 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 26
Mutual Agreement Procedure

1. Where a person considers that the actions of one or both of the Contracting State 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 Contracting State, 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 28, 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 provision of this Agreement.

2. The competent authority shall endeavor, 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 Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting State.

3. The competent authorities of the Contracting State shall endeavor 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 State may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

Article 27
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 of the Contracting State concerning taxes covered by this Agreement imposed on behalf of a Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to this Agreement.

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 Contracting 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 this Agreement. 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 (order 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 agency or a fiduciary capacity or because it relates to ownership interests in a person.

Article 28
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 favorably 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, relieves 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 12, paragraph 5 of Article 13 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. Nothing in this agreement shall prevent a contracting state from granting exemption from tax or reduction to its own national companies in accordance to its domestic laws and regulations

6. In this Article the term "taxation" means taxes of every kind and description which are the subject of this Convention.

Article 29
Members of Diplomatic Missions and Consular Posts

Nothing in this Agreement shall affect the fiscal privileges of members of diplomatic or permanent missions, or consular posts or employees of



international organizations under the general rules of international law or under the provisions of special agreements.

Article 30
Entry into Force

Each of the Contracting States shall notify to the other in writing the completion of its constitutional procedures for the entry into force of this Agreement. This agreement shall enter into force on the date of receipt of the latter of these notifications and its provisions shall thereupon have effect in both Contracting States:

a) in respect of taxes withheld at source, for amounts paid or credited on or after the first day of January of the year in which this Agreement is signed;
b) In respect of other taxes, for taxable periods beginning on or after the first day of January of the year in which this Agreement is signed.

Article 31
Duration and Termination

The Agreement shall remain in force indefinitely and shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Agreement, through diplomatic channels, by giving a written notice of termination at least six months before the end of any calendar year after the expiration of five years from the date of entry into force of the Agreement. In such event the Agreement shall cease to have effect:

a) In Nigeria:
   i- regarding taxes periodically assessed, in respect of taxes on income relating to any taxable year beginning on or after the first day of January in the calendar year next following that in which the notice is given.

   ii- regarding all other cases, the first day of January in the calendar year next following that in which the notice is given.

b) In the UAE:

i- in respect of taxes withheld at source, for amounts paid or credited on or after the first day of January of the year next following that in which the notice of termination is given;

ii- in respect of other taxes, for taxable periods beginning on or after the first day of January of the year next following that in which the notice of termination is given.

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

Done in duplicate at Abu Dhabi on 18 January 2016, in two originals in the Arabic and English languages, both texts being equally authentic, in case of divergence of interpretation the English text shall prevail.

For the Government of the United Arab Emirates	For the Government of The Federal Republic of Nigeria
[redacted]	



Protocol

At the time of signing the Agreement between the Government of the United Arab Emirates and the Government of the Federal Republic of Nigeria for the Avoidance of Double Taxation with respect to Taxes on Income and Capital Gains, the undersigned being duly authorized thereto have agreed upon the following provisions which shall be an integral part of this Agreement:

1. With reference to the Agreement as a whole, it is understood that:

   a) the Agreement does not restrict in any manner any benefit (e.g. exclusion, exemption, reduction, deduction, credit or other allowance) now or hereafter accorded:

      i. by the laws of either Contracting States, or
      ii. by any other agreement between the Contracting States;

   b) should the Federal Republic of Nigeria, accords or grants, a treatment more favourable than that accorded to residents of the United Arab Emirates under this Agreement, the same favourable treatment shall automatically be accorded to residents of the United Arab Emirates under this Agreement upon request;

   c) the Federal or the Local Governments and their financial institutions in either Contracting States shall be exempt from tax in the other Contracting State in respect of any income or capital gains derived, except on income and gains from hydrocarbon as stated in Article 3. The entities listed in Article 4 of this Protocol are deemed being integral part of the Federal or Local Governments of both Contracting States.

2. For the purposes of Article 5 paragraph 1, a resident of a Contracting State includes:

   a) the Government of that Contracting State and any political subdivision or local Government or local authority thereof;

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

   c) 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 (a qualified government entity);



d) a pension fund. For the purposes of this paragraph, a pension fund means any plan , scheme, fund, trust, or other arrangement established in a Contracting State, which 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;

e) charities or religious, educational and cultural organizations.

3. With respect to Article 9 it is understood that the profit of air enterprise shall include:

a) selling of tickets on behalf of another enterprise.

b) Income from selling of technical engineering to a third party.

c) Income derived from bank deposits, bonds, shares stocks and other debentures.

4. For the purposes of paragraph 4 of Article 12 (Interest), paragraph 3 of Article 13 (Royalties), and paragraph 4 of Article 21 (Government Service) it is understood that the term statutory body shall include:

(i) in case of the United Arab Emirates:

1) Abu Dhabi Investment Authority;
2) Abu Dhabi Investment Council;
3) Emirates Investment Authority;
4) Mubadala Development Company;
5) Abu Dhabi National Energy Company (TAQA)
6) International Petroleum Investment Company (IPIC);
7) Dubai World;
8) Investment Corporation of Dubai;
9) Recognized pension funds;
10) Dahra Holding Company; and

any other entity the capital of which is wholly or partially directly or indirectly owned by the federal or local Governments of the United Arab Emirates, 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.

(ii) In the case of the Federal Republic of Nigeria:

1) Nigeria Sovereign Investment Authority (NSIA).
2) Federal Ministry of Finance Incorporated
3) Asset Management Corporation of Nigeria (AMCON),
4) Recognized pensions funds; and

any other entity the capital of which is wholly or partially directly or indirectly owned by the federal or local Governments of the Republic of Nigeria, 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.

5. With respect of paragraph 5 of Article 15, it is understood that paragraph 5 includes capital gains from the alienation of shares, bonds, debentures and other forms of interest derived by a resident of a Contracting State, and such gains shall be taxable only in the State of which the alienator is a resident.

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

Done in duplicate at Abu Dhabi on 18 January 2016, in two originals in the Arabic and English languages, both texts being equally authentic, in case of divergence of interpretation the English text shall prevail.

For the Government of the United Arab Emirates	For the Government of The Federal Republic of Nigeria
[redacted]	