

Publisher: Riigikogu
Type of act: foreign agreement
Type of text: original text
Entry into force: 29.03.2012
Disclosure notice: RT II, 06.03.2012, 4

Agreement between the Republic of Estonia and the United Arab Emirates for the avoidance of double taxation with income taxes and the prevention of tax evasion

Adopted on 20.04.2011

Law on the Ratification of the Agreement between the Republic of Estonia and the United Arab Emirates on Avoiding Double Taxation with Income Taxes and Preventing Tax Evasion

Announcement of the Ministry of Foreign Affairs on the entry into force of the foreign agreement

The Republic of Estonia and the United Arab Emirates,

wishing to conclude an agreement on the avoidance of double taxation with income taxes and the prevention of tax evasion in order to promote economic and financial relations,

have agreed on the following.

Article 1

Subject of the contract

The agreement applies to a person who is a resident of one or both of the contracting states.

Article 2

Object of the contract

1. The Agreement shall apply to income taxes imposed by a Contracting State, its local government or a local government unit, regardless of the method of their collection.

2. Income tax is a tax levied on income or a part of it, including profit from the transfer of movable or immovable property and a tax levied on the total amount of wages paid by an entrepreneur.

3. The taxes to which the agreement applies in particular are:

- a) income tax in Estonia;
- b) in the United Arab Emirates:
 - i) income tax;
 - ii) corporate tax;

4. The agreement also applies to the same or the same type of tax that is imposed instead of or in addition to the existing tax after the agreement is signed. The competent authorities of the Contracting States shall notify each other of any important changes in the relevant tax laws.

Article 3

Basic terms

1. Unless the context otherwise requires, the following terms shall be used in this Agreement:

a) *Estonia* means the Republic of Estonia and, in a geographical sense, the territory of Estonia and the areas adjacent to the territorial waters of Estonia, where Estonia may, in accordance with its laws and in accordance with international law, exercise its rights in relation to the seabed and subsoil and the natural resources found there;

b) *United Arab Emirates* means, in a geographical sense, the territory of the United Arab Emirates over which it has sovereign rights, including the area beyond its territorial waters, airspace and underwater area where the United Arab Emirates may exercise its sovereign rights and jurisdiction over its waters, seabed and, in accordance with its laws and international law; in relation to activities related to the extraction or use of natural resources taking place in the countryside;

c) *the contracting state* and *the other contracting state* are either Estonia or the United Arab Emirates, depending on the context;

d) *person* includes a natural person, company and other association of persons;

e) *the company* is a legal entity or other entity that is taxed as a legal entity;

f) the term *entrepreneur* applies to any business activity;

g) *the entrepreneur of the contracting state* and *the entrepreneur of the other contracting state* are, depending on the context, either a resident entrepreneur of one or the other contracting state;

(h) a *pension scheme* is an entity or arrangement established in a Contracting State which is normally exempt from tax in that State and whose purpose is to administer or provide pension payments or pension benefits or to generate income for the benefit of such arrangements;

i) *international transport* is sea or air transport by an enterprise of a Contracting State, unless the sea or air transport takes place only in another Contracting State;

j) *business activity* includes professional activity and entrepreneurship;

k) *the recognized government institution* is the central bank of the contracting state or another person or entity owned or controlled directly or indirectly by the contracting state, its local government or local government unit;

l) *the competent official* is:

- i) the Minister of Finance or his authorized representative in Estonia and
- ii) the Minister of Finance or his authorized representative in the United Arab Emirates;

m) a *citizen* of a contracting state is:

- i) a natural person with the citizenship of a contracting state and
- ii) a legal entity or other association of persons established on the basis of the laws of a contracting state, its local government or a local government unit.

2. If a contracting state uses a term not defined therein when applying the agreement, and if the context does not indicate otherwise, it shall base its interpretation of the tax-related term discussed in the agreement on the definition used in the laws of that contracting state at that time. Definitions defined in tax laws take precedence over definitions defined in other laws.

Article 4 Resident

1. In this agreement, the term resident of a party to the agreement means :

- a) a person in Estonia who, according to Estonian tax laws, has unlimited tax liability in Estonia;
- b) In the United Arab Emirates, a person domiciled in the United Arab Emirates under the laws of the United Arab Emirates or a company incorporated in the United Arab Emirates.

2. For the purposes of paragraph 1, a resident of a contracting state is, among other things:

- a) that contracting state, its local government or local government unit;
- b) a recognized government agency as defined in Article 3(1)(k);
- (c) pension scheme;
- d) charitable associations or religious, educational and cultural organizations.

3. If, according to paragraph 1, a natural person is a resident of both contracting states, his legal status is determined as follows:

- (a) he is a resident of the country where he has a home; if he has a home in both countries, he is a resident of the country with which he has closer personal and economic ties (*center of vital interests*);
- (b) if the center of vital interests cannot be determined or if he has no home in either country, he is a resident of the country in which he is habitually present;
- (c) if the person is ordinarily present in both countries, or if he is not ordinarily present in either of them, he is a resident of the country of which he is a citizen;
- d) if the person is a citizen of both Contracting States or if he is not a citizen of either Contracting State, the matter shall be resolved by agreement of the competent officials of the Contracting States.

4. If the person is a resident of both contracting states in accordance with paragraph 1, the issue will be resolved by agreement of the competent officials of the contracting states; it does not apply to a natural person.

Article 5 Permanent place of business

1. In this agreement, the term "*permanent place of business*" means a fixed place of business through which the entrepreneur's business activities are carried out in whole or in part.

2. The permanent place of business is primarily considered to be:

- a) the location of the management;
- b) a branch;
- c) office;
- d) factory;
- e) a workshop and
- f) a mine, oil and gas well, quarry or other place of exploration, extraction or use of natural resources or other activities related thereto, including a drilling site in the open sea.

3. A vessel used for the exploration or use of a construction site, construction or equipment works, drilling platform or natural resources is considered a permanent place of business only if it is operated there or such works are carried out for more than six months.

4. The provision of services, including consulting or management services, carried out by employees of an enterprise of a Contracting State or other persons hired for this purpose in another Contracting State shall be considered a permanent establishment only if such activity lasts for at least six months within a 12-month period.

5. Regardless of the previous paragraphs, a fixed place of business of an entrepreneur is not considered a permanent place of business, where:

- a) the entrepreneur uses the building only for the storage, display or delivery of goods belonging to him;
- b) the entrepreneur keeps his stock of goods only for storage, display or delivery;
- c) the entrepreneur keeps goods that belong to him and are given to another entrepreneur only for processing;
- d) only goods necessary for the entrepreneur are purchased or information necessary for him is collected;
- e) other preparatory or auxiliary work necessary only for the entrepreneur is performed;
- f) preparatory or support work necessary for the entrepreneur is carried out for several purposes listed in points a-e.

6. If a person acts on behalf of an entrepreneur and is authorized to enter into and usually enters into contracts on behalf of an entrepreneur of a Contracting State, notwithstanding paragraphs 1 and 2, the entrepreneur has a permanent establishment in that Contracting State through the transactions made by the person acting on his behalf; the provision does not apply if the activities of such a person are limited to the activities performed for the purposes listed in paragraph 4, which do not change the activities taking place through a fixed place of business to take place at a permanent place of business within the meaning of this paragraph; this paragraph does not apply to the persons specified in paragraph 7.

7. An entrepreneur does not have a permanent place of business in another contracting state if his business activities in that contracting state are conducted only through a broker, commission business or other independent intermediary and the activities of this person can be considered as his normal business activities. If such a person acts predominantly in the interests of the said business, the person is not an independent intermediary within the meaning of this paragraph.

8. If a resident company of a contracting state controls a resident company of another contracting state, or if the company's activities take place through a permanent place of business or in another way in another contracting state, this does not constitute a basis for considering one company as a permanent place of business of the other company.

Article 6

Property income

1. Income, including income from agriculture or forestry, derived by a resident of a Contracting State from immovable property situated in the other Contracting State may be taxed in that other Contracting State.
2. The term *real estate* is defined based on the laws of the country where the property is located. In any case, the term includes ownership of immovable property, livestock, equipment used in agriculture and forestry, the right provided by law regarding land ownership, the right to claim related to real estate, usufructuary ownership of real estate, and the right to receive payment for the location of mineral resources and the use or right of use of natural resources. A ship, boat or aircraft is not considered real estate.
3. Paragraph 1 applies to the income obtained from the personal use, rental or leasing of real estate or use in another way.
4. Paragraphs 1 and 3 also apply to the income that the entrepreneur receives from real estate.

Article 7

Business Profit

1. The profit of an entrepreneur of a Contracting State shall be taxed only by that Contracting State. If the entrepreneur also operates through a permanent establishment in another contracting state, the part of the profit that can be attributed to the permanent establishment may be taxed there.
2. Subject to paragraph 3, the contracting states shall consider as the profit attributable to a permanent establishment the profit which the permanent establishment could be expected to obtain, operating independently under the same or similar conditions in the same or the same field of activity as the entrepreneur of the other contracting state, whose permanent establishment it is.
3. Considering the profit attributable to the permanent establishment, management and administrative expenses and other expenses related to the business activities of the permanent establishment may be deducted from the income, regardless of whether they occurred in the country of the permanent establishment or elsewhere.
4. If in a contracting state, taking into account the profit attributable to a permanent place of business, the total profit of an enterprise is usually distributed proportionally between the parts of the enterprise, paragraph 2 does not conflict with the right of the contracting state to use the specified method if the result of the application of the method is in accordance with the principles of this article.
5. Taking into account the profit discussed in the previous paragraphs, the same method is applied every year, unless there is a sufficient reason to change it.
6. If the profit includes income covered by other articles of the agreement, other relevant provisions shall apply.

Article 8

Sea and air transport

1. Profits of an entrepreneur of a Contracting State from international sea and air transport shall be taxed only by that Contracting State.

2. Paragraph 1 shall also apply to profits derived from participation in a joint venture or other type of joint business or international transport organization.

Article 9 Related companies

1. If

a) an entrepreneur of a Contracting State directly or indirectly participates in the management of an enterprise of another Contracting State, controls the enterprise, or if he has a share in the enterprise's partial or share capital, or

b) the same persons directly or indirectly participate in the management of enterprises of both contracting states, control the enterprises or if they have a share in the part or share capital of both enterprises

ning kui ettevõtjad järgivad omavahelistes äri- ja rahandussuhetes sõltumatute ettevõtjate vahel kokkulepitust erinevaid tingimusi, mille tõttu jääb ettevõtja kasum eeldatavast väiksemaks, loetakse ettevõtja kasumiks eeldatav kasum ja see maksustatakse asjakohaselt.

2. Kui lepinguosaline riik arvab oma ettevõtja kasumi hulka ja asjakohaselt maksustab tulu, mida on teises lepinguosalisel riigis maksustatud selle lepinguosalise riigi ettevõtja kasumina ja mille oleks saanud esimesena nimetatud lepinguosalise riigi ettevõtja, kui ettevõtjad oleksid omavahelistes suhetes järginud sama laadi tingimusi nagu sõltumatud ettevõtjad, korrigeerib teine lepinguosaline riik kasumilt tasuvat maksusummat. Maksusummat korrigeerides arvestatakse lepingu teisi sätteid ja lepinguosaliste riikide pädevad ametiisikud konsulteerivad vajaduse korral teineteisega.

Artikkel 10 Dividend

1. Dividendi, mida lepinguosalise riigi residentist äriühing maksab teise lepinguosalise riigi residentist dividendisaajale, maksustab ainult see teine lepinguosaline riik.

2. Selles artiklis käsitatakse dividendina tulu osalusest või muust kasumi saamise õigusest (mis ei ole võlanõue) ning teistest õigustest saadavat tulu, mida maksustatakse nagu dividendi või muud kasumijaotist selle lepinguosalise riigi seaduste kohaselt, mille resident on kasumijaotist maksev äriühing.

3. Lõiget 1 ei kohaldata, kui lepinguosalise riigi residentist dividendisaaja äritegevus toimub püsiva tegevuskoha kaudu teises lepinguosalisel riigis, mille resident dividendi maksev äriühing on, ning ta saab dividendi seoses püsiva tegevuskoha kaudu toimuva äritegevusega. Sel juhul kohaldatakse artiklit 7.

4. Kui lepinguosalise riigi residentist äriühing saab tulu teisest lepinguosalisest riigist, ei või see teine riik maksustada äriühingu makstavat dividendi ega jaotamata kasumit, kuigi need sisaldavad tulu, mis on tekkinud selles teises lepinguosalisel riigis; see ei kehti teise lepinguosalise riigi residentile makstava dividendi kohta ega sellelt osaluselt makstava dividendi kohta, mis on seotud selles teises lepinguosalisel riigis asuva püsiva tegevuskohaga.

Artikkel 11 Intress

1. Intressi, mis tekib lepinguosalisel riigis ja mille saaja on teise lepinguosalise riigi resident, maksustab ainult see teine lepinguosaline riik.

2. Selles artiklis käsitatakse intressina tulu võlanõudest, olenemata sellest, kas nõue on tagatud või tagamata ja kas see on seotud õigusega osaleda võlgniku kasumis või mitte, eelkõige tulu valitsuse väärtpaberitest või võlakohustustest ja nendega seotud maksetest. Hilinenud makse eest võetavat viivist selle artikli tähenduses intressina ei käsitata.

3. Lõiget 1 ei kohaldata, kui lepinguosalise riigi residentist intressisaaja äritegevus toimub püsiva tegevuskoha kaudu teises lepinguosalisel riigis, kus intress tekib ja kus ta saab intressi püsiva tegevuskoha kaudu toimuva äritegevusega seotud võlanõudelt. Sel juhul kohaldatakse artiklit 7.

4. Intress on tekkinud lepinguosalisel riigis, kui intressi maksab selle lepinguosalise riigi resident. Kui võlgnevus, millelt intressi makstakse, on seotud püsivas tegevuskohas toimuva äritegevusega ning kui intressi maksmise kulu kannab püsiv tegevuskoht, on intress tekkinud püsiva tegevuskoha riigis, olenemata sellest, kas intressi maksja on lepinguosalise riigi resident või mitte.

5. Kui intressi maksja ja intressi saaja või nende mõlema ning muu isiku erisuhte tõttu ületab võlanõude eest makstava intressi summa selle summa, milles oleksid intressi maksja ja intressi saaja kokku leppinud ilma sellise suhteta, kohaldatakse seda artiklit ainult viimati nimetatud summa suhtes. Enammakstud intress maksustatakse kummagi lepinguosalise riigi seaduste kohaselt, arvestades lepingu teisi sätteid.

Artikkel 12 Litsentsitasu

1. Litsentsitasu, mis tekib lepinguosalisel riigis ja mille saaja on teise lepinguosalise riigi resident, maksustab ainult see teine lepinguosaline riik.

2. Selles artiklis käsitatakse litsentsitasuna makset, mida saadakse kirjandus- või kunstiteose või teadustöö autoriõiguse, patendi, kaubamärgi, disaini või mudeli, plaani või salajase valemi või tehnoloogilise protsessi kasutamise või kasutamise õiguse eest või tööstusliku, kaubandusliku või teadusosalase oskusteabe eest.

Artikkel 18 **Avalik teenistus**

1. a) Palk ja muu tasu, mida lepinguosaline riik, selle kohalik omavalitsus või kohaliku omavalitsuse üksus maksab isikule lepinguosalise riigi või omavalitsusüksuse asutuses töötamise eest, maksustatakse ainult selles lepinguosalisel riigis; sätet ei kohaldata pensionile.
- b) Selline palk ja muu tasu maksustatakse ainult teises lepinguosalisel riigis, kui isik on töötanud selles riigis ja ta on selle lepinguosalise riigi resident ning täidetud on üks alljärgnevatest tingimustest:
 - i) ta on selle lepinguosalise riigi kodanik;
 - ii) tema residentsus tuleneb ka muust asjaolust kui töötamine.
2. Lepinguosalise riigi, selle kohaliku omavalitsuse või kohaliku omavalitsuse üksuse äritegevusega seotud töö eest saadud palga ja muu tasu suhtes kohaldatakse artikleid 14, 15 ja 16.

Artikkel 19 **Õpetaja ja teadlase tulu**

1. Kui lepinguosalise riigi ülikoolis, kolledžis, koolis või muus tunnustatud haridusasutuses õpetab või teeb uurimistööd isik, kes oli teise lepinguosalise riigi resident vahetult enne lepinguosalisel riiki tulekut, maksustatakse tema tulu ainult selles teises riigis. Lõiget kohaldatakse kahe aasta jooksul alates tema esimesest sel eesmärgil toimunud külastusest esimesena nimetatud riiki.
2. Seda artiklit ei kohaldata juhul, kui uurimistööd on tehtud peamiselt era-, mitte avalikes huvides.

Artikkel 20 **Üliõpilase ja praktikandi tulu**

1. Lepinguosaline riik ei maksusta tema territooriumil üksnes õpingutel või praktikal viibiva üliõpilase või praktikandi ülalpidamiseks, õpinguteks või praktikaks tehtavaid väljamakseid, kui isik on teise lepinguosalise riigi resident või oli seda vahetult enne õppima või praktikale asumist ja väljamakse tehakse väljaspool õppimis- või praktikakoha riiki asuvast allikast.
2. Lõikes 1 käsitlemata stipendiumide ja töösuhetest saadud tasude osas on lõikes 1 nimetatud üliõpilasel või praktikandil õpingute või praktika jooksul õigus saada samasuguseid maksuvabastusi, -soodustusi või -vähendusi nagu külastatava riigi residentidel.

Artikkel 21 **Muu tulu**

1. Lepinguosalise riigi residentide tulu, mida lepingu eelmistes artiklites ei ole käsitletud, maksustab olenemata tulu tekkimise kohast ainult see lepinguosaline riik.
2. Lõiget 1 ei kohaldata selle tulu suhtes, mida lepinguosalise riigi resident saab teises lepinguosalisel riigis püsiva tegevuskoha kaudu tegutsedes, kui õigused või vara, millest tulu on tekkinud, on seotud püsiva tegevuskohaga; sellistel juhtudel kohaldatakse artiklit 7. Lõiget ei kohaldata artikli 6 lõikes 2 määratletud kinnisvarast saadud tulu suhtes.

Artikkel 22 **Naftatulu**

Leping ei mõjuta lepinguosalise riigi, selle kohaliku omavalitsuse või kohaliku omavalitsuse üksuse õigust kohaldada oma õigusakte, mis on seotud naftast ja lepinguosalise riigi territooriumil naftaga seotud tegevustest saadava tulu maksustamisega.

Artikkel 23 **Soodustuste piiramine**

1. Lepinguosalise riigi residentidele või residentide tehtud tehingutele ei kohaldata lepingu alusel soodustusi, kui residentide asutamise või olemasolu või tema sooritatud tehingu peamine või üks peamistest eesmärkidest oli lepingu sätetest kasu saamine, mida teisiti ei oleks võimaldatud.
2. Enne lepingujärgsete soodustuste andmisest keeldumist teavitab lepinguosalise riigi pädev ametiisik artikli 26 lõike 3 kohaselt sellest teise lepinguosalise riigi pädevat ametiisikut.

Artikkel 24 **Topeltmaksustamise kõrvaldamiseks kasutatavad meetodid**

Topeltmaksustamine kõrvaldatakse lepinguosalistes riikides järgmiselt:

1. Kui Eesti resident saab tulu, mida selle lepingu kohaselt on maksustatud Araabia Ühendemiraatides, vabastab Eesti selle tulu maksust, arvestades lõiget 3.
2. a) Kui Araabia Ühendemiraatide resident saab tulu, mida selle lepingu kohaselt võib maksustada Eestis, lubavad Araabia Ühendemiraadid residentide tulumaksust maha arvata summa, mis võrdub Eestis tasutud maksuga;

b) mahaarvatav summa ei ületa tulumaksu seda osa, mis on arvatud enne maksukohustuse vähendamist tulult, mida võib maksustada selles teises riigis.

3. Kui lepinguosalise riigi residentide tulu on selle lepingu kohaselt selles riigis maksust vabastatud, võib see riik sellest hoolimata residentide ülejäänud maksukoormuse arvutamisel vabastatud tulu osa arvesse võtta.

Artikkel 25 **Võrdne kohtlemine**

1. Lepinguosaline riik maksustab teise lepinguosalise riigi kodanikke ja kohaldab talle maksustamisega kaasnevaid nõudeid samamoodi nagu oma kodanikele samadel asjaoludel.
2. Lepinguosalise riigi ettevõtja teises lepinguosalises riigis asuvat püsivat tegevuskohta maksustatakse samadel alustel kui teise lepinguosalise riigi samal tegevusalal tegutsevat ettevõtjat.
3. Lepinguosalise riigi ettevõtja võib maksustatavat kasumit arvestades sellest maha arvata teise lepinguosalise riigi ettevõtjale makstud intressi, litsentsitasu ja muu väljamakse samadel alustel nagu oma lepinguosalise riigi residentide puhul; sätet ei kohaldata artikli 9 lõikes 1, artikli 11 lõikes 5 ega artikli 12 lõikes 5 nimetatud juhtudel.
4. Lepinguosalise riigi ettevõtjat, milles teise lepinguosalise riigi residentil on otsene või kaudne osalus, ei maksustata kõrgemalt ega esitata talle maksustamisega seotud lisanõudeid võrreldes sama lepinguosalise riigi samalaadse ettevõtjaga.
5. Seda artiklit ei tõlgendata kui lepinguosalise riigi kohustust võimaldada teise lepinguosalise riigi residentidele tema perekonnaseisu või perekondlike kohustuste tõttu samasugust maksusoodustust, -vabastust või -vähendust, mida ta võimaldab oma residentidele.

Artikkel 26 **Vastastikuse kokkuleppe menetlus**

1. Kui isik arvab, et lepinguosalise riigi tegevus põhjustab või võib põhjustada tema sellist maksustamist, mis ei ole lepinguga kooskõlas, võib ta lepinguosaliste riikide seadustest sõltumata esitada kaebuse oma lepinguosalise riigi pädevale ametiisikule; kui tema kaebuse suhtes tuleb kohaldada artikli 25 lõiget 1, esitab ta asja menetlemiseks selle lepinguosalise riigi pädevale ametiisikule, mille kodanik ta on. Kaebus esitatakse menetlemiseks kolme aasta jooksul alates päevast, millal saadi teada lepingut rikkuvat maksustamist põhjustavast tegevusest.
2. Kui kaebus on pädeva ametiisiku arvates õigustatud ja ta ei leia rahuldavat lahendust, püüab ametiisik kaebuse lahendada vastastikusel kokkuleppel teise lepinguosalise riigi pädeva ametiisikuga, järgides põhimõtet, et lepingut rikkuvat maksustamist tuleb vältida. Kokkulepe tuleb saavutada kolme aasta jooksul arvates teise pädeva ametiisiku küsimuse ametlikust tõstatamisest ja saavutatud kokkulepe täidetakse lepinguosaliste riikide õiguses ettenähtud ajapiirangut kohaldamata.
3. Lepinguosaliste riikide pädevad ametiisikud püüavad lepingu tõlgendamisel ja kohaldamisel tekkivad küsimused lahendada vastastikusel kokkuleppel. Topeltmaksustamise vältimiseks võivad nad teineteisega konsulteerida ka lepingus käsitlemata juhtudel.
4. Lepinguosaliste riikide pädevad ametiisikud võivad eelmistes lõigetes käsitletud kokkuleppele jõudmiseks suhelda teineteisega vahetult.

Artikkel 27 **Teabevahetus**

1. Lepinguosaliste riikide pädevad ametiisikud vahetavad lepingu täitmiseks ja riigisiseste õigusaktide kohaldamiseks eeldatavalt asjakohast teavet lepinguosalises riigis, selle kohalikus omavalitsuses või kohaliku omavalitsuse üksuses kehtestatud maksude kohta tingimusel, et maksustamine ei ole lepinguga vastuolus. Artiklid 1 ja 2 teabevahetust ei piira.
2. Lepinguosaline riik käsitleb teisest lepinguosalisest riigist lõike 1 alusel saadud teavet salajasena samamoodi nagu oma seaduste alusel saadud teavet; teave antakse üksnes isikule ja ametivõimule (sealhulgas kohtud ja haldusasutused), kes lõikes 1 viidatud makse määrab, kogub või sisse nõuab, maksudega seotud kaebusi lahendab või teostab eeltoodu üle järelevalvet. Teavet kasutatakse ainult eelloetletud eesmärkidel. Teavet võib avaldada avalikul kohtuistungil või kohtuotsuses. Eelnevast olenemata võib lepinguosaline riik saadud teavet kasutada teistel eesmärkidel, kui seda lubavad mõlema lepinguosalise riigi seadused ja teavet edastava lepinguosalise riigi pädev ametiisik kiidab sellise kasutuse heaks.
3. Lõikeid 1 ja 2 ei tõlgendata lepinguosalise riigi kohustusena:
 - a) rakendada haldusabinõusid, mis on vastuolus lepinguosaliste riikide seaduste ja halduspraktikaga;
 - b) anda teavet, mis ei ole lepinguosaliste riikide seaduste alusel või tavapärasel haldusmenetluses kättesaadav;
 - c) anda teavet, mis sisaldab äri- või kutsesaladust või tootmisprotsessi käsitlevaid salajasi andmeid, või teavet, mille avaldamine on vastuolus avaliku korraga.
4. Kui lepinguosaline riik on selle artikli kohaselt taotlenud teavet, siis teine lepinguosaline riik võtab nõutud teabe saamiseks meetmeid ka juhul, kui see teine lepinguosaline riik ei vaja sellist maksualast teavet enda tarbeks. Eelmises lauses sätestatud kohustus on piiratud lõikega 3, kuid seda piirangut ei või ühelgi juhul tõlgendada kui lepinguosalise riigi õigust keelduda teabe andmisest ainult riigisisese huvi puudumise tõttu.
5. Lõiget 3 ei tõlgendata lepinguosalise riigi võimalusena keelduda teabe andmisest ainult seetõttu, et teabe valdaja on krediidiasutus, mõni muu finantsasutus, esindaja, usaldusisik, varahaldur või teave puudutab osalust isikus.

Artikkel 28 Mitmesugused reeglid

Seda lepingut ei tõlgendata mistahes viisil mahaarvamise lubamist, maksuvabastuse, krediidi või muu maksusoodustuse andmist piiravana, mis on nüüd või edaspidi antud:

- a) lepinguosalise riigi seaduste kohaselt selle lepinguosalise riigi maksukohustuse määramisel;
- b) muu lepinguosaliste riikide või lepinguosalise riigi ja teise lepinguosalise riigi residendi vahelise maksustamise kokkuleppe kohaselt.

Artikkel 29 Lepinguosalise riigi tulu

1. Lepinguosaline riik, selle kohalik omavalitsus, kohaliku omavalitsuse üksus või tunnustatud valitsusasutus on teises lepinguosalises riigis saadud tulu osas selles teises lepinguosalises riigis maksust vabastatud.

2. Lõiget 1 ei kohaldata artiklis 6 ja artikli 13 lõigetes 1 ja 3 nimetatud tulule.

Artikkel 30 Diplomaatilise esinduse ja konsulaarasutuse töötaja

Lepingut ei kohaldata diplomaatilise esinduse ega konsulaarasutuse töötaja rahalistele soodustustele, mis on ette nähtud rahvusvahelise õiguse üldtunnustatud normide ja erikokkulepete alusel.

Artikkel 31 Lepingu jõustumine

1. Lepinguosalised riigid edastavad teineteisele teate lepingu jõustumiseks vajaliku riigisisese menetluse lõpetamise kohta. Leping jõustub hilisema teate kuupäeval.

2. Lepingut kohaldatakse:

- a) 1. jaanuarist 2011 saadud tulult kinnipeetava maksu suhtes;
- b) 1. jaanuaril 2011 või hiljem algaval majandusaastal saadud tulult tasutava muu maksu suhtes.

Artikkel 32 Lepingu lõpetamine

Leping sõlmitakse määramata ajaks. Lepinguosaline riik võib lepingu lõpetada, teatades sellest kirjalikult hiljemalt kalendriaasta 30. juunil, kuid mitte enne, kui lepingu jõustumisest on möödunud viis aastat. Sel juhul ei kohaldata lepingut:

- a) teate edastamisele järgneva aasta 1. jaanuaril või hiljem saadud tulult kinnipeetava maksu suhtes;
- b) teate edastamisele järgneva aasta 1. jaanuaril või hiljem algaval maksustamisperioodil saadud tulult tasutava muu maksu suhtes.

Selle kinnituseks on valitsuste volitatud isikud lepingule alla kirjutanud.

Koostatud 20. aprillil 2011 Abu Dhabis kahes eksemplaris eesti, araabia ja inglise keeles; tekstid on võrdselt autentset.

Tõlgendamiserinevuste korral võetakse aluseks ingliskeelne tekst.

Eesti Vabariigi nimel
Urmas Paet

Araabia Ühendemiraatide nimel
Abdullah bin Zayed Al Nahyan

PROTOKOLL

Eesti Vabariigi ja Araabia Ühendemiraatide vahelise tulumaksudega topeltmaksustamise vältimise ning maksudest hoidumise tõkestamise lepingu (edaspidi *leping*) allakirjutamisel on pooled kokku leppinud järgmistes sätetes, mis moodustavad lepingu lahutamatu osa.

1. Kogu lepingu suhtes

Araabia Ühendemiraatide puhul tähendab *kohalik omavalitsus*:

- a) föderaalvalitsust ja
- b) Abu Dhabi, Dubai, Sharjah', Ajmani, Umm Al-Qaiwaini, Ras al-Kaimah' ja Fujairah' emiraatide omavalitsusüksust.

Araabia Ühendemiraatide puhul tähendab *kohaliku omavalitsuse üksus* omavalitsusõigusega kohalikku omavalitsust.

2. Artikli 3 lõike 1 alapunkt k suhtes

a) Araabia Ühendemiraatide puhul hõlmab *tunnustatud valitsusasutus* eelkõige Abu Dhabi Investeerimisasutust, Abu Dhabi Investeerimise nõukogu, Mubadala Arenguettevõtet (Mubadala), Dubai Worldi, Dubai Investeerimisettevõtet (DIC), UAE Investeerimisasutust ja Rahvusvahelist Nafta Investeerimisettevõtet (IPIC);

b) väljend *lepinguosaline riik, selle kohalik omavalitsus või kohaliku omavalitsuse üksus kontrollib otse või kaudselt* tähendab, et lepinguosaline riik, selle kohalik omavalitsus või kohaliku omavalitsuse üksus omab otse või kaudselt üle 50% selle üksuse hääleõiguslikest aktsiatest;

c) lepingujärgsete soodustuste saamiseks peab tunnustatud valitsusasutuse staatuse olema kinnitanud selle lepinguosalise riigi pädev ametiisik.

3. Artikli 8 lõike 1 kohaldamisel hõlmab rahvusvahelistest mere- ja õhuvadudest saadud kasumit, mis on saadud:

- a) laeva või lennuki meeskonnata rentimisest;
- b) kauba veo konteinerite (sealhulgas konteinereid vedavate treilerite ja nendega seotud seadmete) kasutamisest, hooldamisest või rentimisest;
- c) teise ettevõtja nimel müüdavate piletite eest;
- d) koolitusplaanide eest;
- e) kolmandatele isikutele müüdava tehnilise inseneritöö eest;
- f) võlanõudelt või osalusest,

kui nimetatud tegevused ei ole rahvusvaheliste mere- ja õhuvadudega tegeleva ettevõtja põhitegevus.

Selle kinnituseks on valitsuste volitatud isikud lepingule alla kirjutanud.

Koostatud 20. aprillil 2011 Abu Dhabi kahes eksemplaris eesti, araabia ja inglise keeles; tekstid on võrdselt autentset.

Tõlgendamiserinevuste korral võetakse aluseks ingliskeelne tekst.

Eesti Vabariigi nimel

Urmas Paet

Araabia Ühendemiraatide nimel

Abdullah bin Zayed Al Nahyan

**CONVENTION
BETWEEN
THE REPUBLIC OF ESTONIA
AND
THE UNITED ARAB EMIRATES
FOR THE AVOIDANCE OF DOUBLE TAXATION AND
THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME**

The Republic of Estonia and the United Arab Emirates,

Desiring to promote their mutual economic and financial relations through the conclusion of the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,

Have agreed as follows:

**Article 1
PERSONS COVERED**

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

**Article 2
TAXES COVERED**

1. This Convention shall apply to taxes on income imposed on behalf of a Contracting State or of its local governments or local authorities, irrespective of the manner in which they are levied.

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

3. The existing taxes to which the Convention shall apply are in particular:

- a) in the case of Estonia, the income tax;
- b) in the case of the United Arab Emirates:
 - (i) the income tax;
 - (ii) the corporate tax.

4. The Convention shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Convention 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 relevant taxation laws.

**Article 3
GENERAL DEFINITIONS**

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

- a) the term "Estonia" means the Republic of Estonia and, when used in the geographical sense, the territory of Estonia and any other area adjacent to the territorial waters of Estonia within which, under the laws of Estonia and in accordance with international law, the rights of Estonia may be exercised with respect to the sea bed and its sub-soil and their natural resources;

- 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, sub-soil, in connection with the exploration for or the exploitation of natural resources by virtue of its law and international law;
- c) the terms "a Contracting State" and "the other Contracting State" mean Estonia or the United Arab Emirates, as the context requires;
- d) the term "person" includes an individual, a company and any other body of persons;
- e) the term "company" means any legal person or any entity that is treated as a legal person for tax purposes;
- f) the term "enterprise" applies to the carrying on of any business;
- 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 "pension scheme" means any entity or arrangement established in a Contracting State that 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;
- i) 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;
- j) the term "business" includes the performance of professional services and of other activities of an independent character;
- k) the term "qualified government entity" means Central bank of a Contracting State and any person or other entity owned or controlled directly or indirectly by a Contracting State or local government or local authority thereof;
- l) the term "competent authority" means:
 - (i) in the case of Estonia, the Minister of Finance or his authorised representative, and;
 - (ii) in the case of the United Arab Emirates, the Minister of Finance or his authorised representative;
- m) the term "national" means:
 - (i) any individual possessing the nationality of a Contracting State, and;
 - (ii) any legal person, partnership or association deriving its status as such from the laws of a Contracting State or a local government or local authority thereof.

2. As regards the application of the Convention 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 Contracting State for the purposes of the taxes to which the Convention applies. Any meaning under the applicable tax laws of that State prevails over a meaning given to the term under other laws of that State.

Article 4 RESIDENT

1. For the purposes of this Convention, the term "resident of a Contracting State" means:
 - a) in the case of Estonia, any person who, under the tax laws of Estonia, is unlimitedly liable to tax therein;
 - b) in the case of the United Arab Emirates, a person who, under the laws of the United Arab Emirates has his domicile in the United Arab Emirates or a company which is incorporated in the United Arab Emirates.
2. For the purposes of paragraph 1, a resident of a Contracting State includes:
 - a) that Contracting State, local government or local authority thereof;
 - b) a qualified government entity as defined in sub-paragraph k) of paragraph 1 of Article 3;
 - c) a pension scheme;
 - d) charities or religious, educational and cultural organisations.
3. 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 Contracting State in which he has a permanent home available to him; if he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident only of the Contracting State with which his personal and economic relations are closer (centre of vital interests);
 - b) if the Contracting State in which he has his centre of vital interests cannot be determined, or if he has a permanent home available to him in neither Contracting State, he shall be deemed to be a resident only of the Contracting State in which he has an habitual abode;
 - c) if he has an habitual abode in both Contracting States or in neither of them, he shall be deemed to be a resident only of the Contracting State of which he is a national;
 - d) if he is a national of both Contracting States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
4. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, the competent authorities of the Contracting States shall settle the question by mutual agreement.

Article 5 PERMANENT ESTABLISHMENT

1. For the purposes of this Convention, 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 extraction exploitation of natural resources or any activities related thereof including an offshore drilling site.
3. A building site, a construction or installation project or drilling rig or ship used for the exploring or exploiting of natural resources constitutes a permanent establishment only if such site, project or activities continue for a period of more than 6 months.
4. The furnishing of services, including consultancy or managerial services, by an enterprise of a Contracting State through employees or other personnel engaged by the enterprise for such purpose, in the other Contracting State constitutes a permanent establishment only if activities of that nature continue for a period or periods aggregating more than 6 months in a twelve month period.
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 sub-paragraphs 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. Notwithstanding the provisions of paragraphs 1 and 2, where a person other than an agent of an independent status to whom paragraph 7 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 Contracting 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.
7. An enterprise shall not be deemed to have a permanent establishment in the Contracting State merely because it carries on business in that Contracting 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, he will not be considered an agent of an independent status within the meaning of this paragraph.
8. 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 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 may be taxed in that other Contracting 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, any rights of claim in respect of immovable property, 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. The profits of an enterprise of a Contracting State shall be taxable only in that Contracting 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 Contracting State but only so much of them as are attributable to 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 expenses which are 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.

4. 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.

5. 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.

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

Article 8 SHIPPING AND AIR TRANSPORT

1. The profits of an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that Contracting State.

2. 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 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 Contracting State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Contracting 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 Convention 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 and beneficially owned by that resident of the other Contracting State shall be taxable only in that other Contracting State.

2. The term "dividends" as used in this Article means income from shares or other rights, not being debt-claims, participating in profits, as well as income from other rights which is subjected to the same taxation treatment as income from shares by the laws of the Contracting 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 Contracting 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 Contracting 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 Contracting 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 Contracting State.

Article 11 INTEREST

1. Interest arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other Contracting 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 purposes 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. 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 in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment, then such interest shall be deemed to arise in the Contracting State in which the permanent establishment is situated.
5. 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 Convention.

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 Contracting 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, 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. 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 in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment is situated.
5. 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 Convention.

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 may be taxed in that other Contracting State.
2. Gains derived by an enterprise of a Contracting State operating ships or aircraft in international traffic 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.
3. 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 may be taxed in that other Contracting State.

4. Gains from the alienation of any movable property, other than that referred to in paragraphs 2 and 3 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 Contracting 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 Contracting 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 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 any twelve month 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, and
 - c) the remuneration is not borne by a permanent establishment 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 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 other similar organ of a company, which is a resident of the other Contracting State, may be taxed in that other Contracting State.

Article 16 ARTISTES AND SPORTSMEN

1. Notwithstanding the provisions of Articles 7 and 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 sportsman, from his personal activities as such exercised in the other Contracting State, may be taxed in that other Contracting 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 7 and 14, be taxed in the Contracting State in which the activities of the entertainer or sportsman 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 sportsman if the visit to that Contracting State is mainly supported by public funds of one or both of the Contracting States or local authorities thereof. In such case, the income shall be taxable only in the Contracting State of which the entertainer or a sportsman is a resident.

Article 17 PENSIONS

Pensions paid to a resident of a Contracting State shall be taxable only in that Contracting State.

Article 18 GOVERNMENT SERVICE

1. a) Salaries, wages and other similar remuneration, other than a pension, paid by a Contracting State or a local Government or a local authority thereof to an individual in respect of services rendered to that Contracting State Government 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:
 - (i) is a national of that Contracting State;
 - (ii) did not become a resident of that Contracting State solely for rendering the services.
2. The provisions of Articles 14, 15 and 16 shall apply to salaries, wages and other similar remuneration in respect of services rendered in connection with a business carried on by a Contracting State or a local government or a local authority thereof.

Article 19
TEACHERS AND RESEARCHERS

1. An individual who visits a Contracting State for the purpose of teaching or carrying out research at a university, college, school or other educational institution recognised by that State, and who immediately before that visit was a resident of the other Contracting State, shall be taxable only in that other State on any remuneration for such teaching or research. However, this paragraph shall apply only for a period not exceeding two years from the date the individual first visits the first-mentioned State for such purpose.
2. The provisions of this Article shall not apply to income from research if such research is not undertaken in the public interest, but primarily for private benefit of a person.

Article 20
STUDENTS AND APPRENTICES

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 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. In respect of grants, scholarships and remuneration from employment not covered by paragraph 1, a student or business apprentice described in paragraph 1 shall, in addition, be entitled during such education or training to the same exemptions, reliefs or reductions in respect of taxes available to residents of the Contracting State which he is visiting.

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 Convention 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. In such case the provisions of Article 7 shall apply.

Article 22
INCOME FROM HYDROCARBONS

Nothing in this Convention 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 23
LIMITATION OF BENEFITS

1. Benefits of this Convention shall not be available to a resident of a Contracting State, or with respect to any transaction undertaken by such a resident, if the main purpose or one of the main purposes of the creation or existence of such a resident or of the transaction undertaken by him, was to obtain benefits under this Convention that would not otherwise be available.
2. Prior to denying the benefits of this Convention, the competent authority of the Contracting State shall notify the competent authority of the other Contracting State according to paragraph 3 of Article 26.

Article 24
METHODS FOR ELIMINATION OF DOUBLE TAXATION

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

1. Where a resident of Estonia derives income which, in accordance with the provisions of this Convention, has been taxed in the United Arab Emirates, Estonia shall, subject to the provisions of paragraph 3, exempt such income from tax.
2. a) Where a resident of the United Arab Emirates derives income which, in accordance with the provisions of this Convention, may be taxed in Estonia, the United Arab Emirates shall allow as a deduction from the tax on the income of that resident, an amount equal to the income tax paid in Estonia;
b) such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in that other State.
3. Where in accordance with any provision of the Convention income derived 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 of that resident, take into account the exempted income.

Article 25

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 Contracting State in the same circumstances are or may be subjected.
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 Contracting State than the taxation levied on enterprises of that other Contracting State carrying on the same activities.
3. Except where the provisions of paragraph 1 of Article 9, paragraph 5 of Article 11, or paragraph 5 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 Contracting 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 Contracting 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 Contracting State are or may be subjected.
5. The provisions of this Article 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.

Article 26

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 Convention, he may, irrespective of the remedies provided by the domestic law of those Contracting 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 25, 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 the Convention.
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 the Convention. An agreement shall be reached within a period of three years after the question was formally raised by the other competent authority and the agreement 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 the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.
4. The competent authorities of the Contracting States 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 Convention 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 local governments or local authorities, insofar as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Article 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 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, 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. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying State authorises such use.
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 Contracting 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 28

Miscellaneous Rules

The provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit or other allowance now or hereafter accorded:

- a) by the laws of a Contracting State in the determination of the tax imposed by that Contracting State;
- b) by any other special arrangement on taxation between the Contracting States or between one of the Contracting States and residents of the other Contracting State.

Article 29

Income of THE CONTRACTING STATE

1. The Contracting State, its local governments, local authorities or qualified government entities shall be exempt from tax in the other Contracting State in respect of any income derived by that Contracting State, local governments, local authorities or qualified government entities from that other Contracting State.

2. Paragraph 1 does not apply to income referred to in Article 6 and paragraphs 1 and 3 of Article 13.

Article 30

MEMBERS OF DIPLOMATIC MISSIONS AND CONSULAR POSTS

Nothing in this Convention 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 31

ENTRY INTO FORCE

1. The Contracting States shall notify each other of the completion of the procedures required by its law for the bringing into force of this Convention. The Convention shall enter into force on the date of the later of these notifications.

2. The provisions of the Convention shall have effect:

- a) in respect of taxes withheld at source, on income derived on or after the first day of January of 2011;
- b) in respect of other taxes on income, for taxes chargeable for any fiscal year beginning on or after the first day of January of 2011.

Article 32

TERMINATION

This Convention is concluded for an indeterminate period of time. Either Contracting State may terminate the Convention by giving to the other Contracting State written notice thereof not later than the 30th June of any calendar year from the fifth year following that in which the Convention entered into force. In such event, the Convention shall cease to have effect:

- a) in respect of taxes withheld at source, on income derived on or after the first day of January next following the year in which the notice is given;
- b) in respect of other taxes on income, for taxes chargeable for any taxation year beginning on or after the first day of January next following the year in which the notice is given.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this Convention.

DONE in duplicate at Abu Dhabi, on 20 April 2011, in the Estonian, Arabic and English language, all texts being equally authentic. In the case of divergence of interpretation, the English text shall prevail.

FOR THE REPUBLIC OF ESTONIA
Urmas Paet

FOR THE UNITED ARAB EMIRATES
Abdullah bin Zayed Al Nahyan

PROTOCOL

At the signing of the Convention between the Republic of Estonia and the United Arab Emirates for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (hereinafter referred to as "the Convention") the undersigned have agreed

upon the following provisions which form an integral part of the Convention.

1. With the reference to the entire Convention:

It is understood that in the case of the United Arab Emirates the term "local government" means:

- a) the federal government, and
- b) the local governments of the Emirate of Abu Dhabi, Emirate of Dubai, Emirate of Sharjah, Emirate of Ajman, Emirate of Umm Al-Qaiwain, Emirate of Ras al-Kaimah and Emirate of Fujairah.

It is understood that in the case of the United Arab Emirates the term "local authority" means the municipalities of the local governments.

2. With the reference to sub-paragraph k) of paragraph 1 of Article 3:

a) it is understood that in the case of the United Arab Emirates "qualified government entity" shall include, particularly but not exclusively, the Abu Dhabi Investment Authority, the Abu Dhabi Investment Council, Mubadala Development Company (Mubadala), Dubai World, Dubai Investments Company (DIC), UAE Investment Authority and International Petroleum Investment Company (IPIC);

b) it is understood that "controlled directly or indirectly by a Contracting State or local government or local authority thereof" means that Contracting State or local government or local authority holds directly or indirectly more than 50% of the shares with the voting rights of the entity;

c) it is understood that in order to receive the benefits of the Convention, the status of the qualified government entity has to be certified by the competent authority of that Contracting State.

3. For the purposes of paragraph 1 of Article 8, the profits from the operation of ships or aircraft in international traffic shall include profits from:

- a) the rental on a bareboat basis of ships or aircraft;
- b) the use, maintenance or rental of containers, including trailers and related equipment for the transport of containers, used for the transport of goods or merchandise;
- c) selling of tickets on behalf of another enterprise;
- d) training schemes;
- e) selling of technical engineering to a third party, and
- f) any debt claims or shares,

where the above-mentioned activities are incidental to the operation of ships or aircraft by the enterprise in the international traffic.

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

DONE in duplicate at Abu Dhabi, on 20 April 2011, in the Estonian, Arabic and English languages, all texts being equally authentic. In the case of divergence of interpretation, the English text shall prevail.

FOR THE REPUBLIC OF ESTONIA

Urmas Paet

FOR THE UNITED ARAB EMIRATES

Abdullah bin Zayed Al Nahyan