

UK/IRAN AIR TRANSPORT AGREEMENT
SIGNED 9 APRIL 1960

Entered into force 9 April 1960

Effective in United Kingdom from 1 January 1957

Effective in Iran from 1 January 1957

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**EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT CONCERNING THE
AVOIDANCE OF DOUBLE TAXATION ON INCOME DERIVED FROM AIR
TRANSPORT ENTERPRISES**

I.

HER MAJESTY'S AMBASSADOR AT TEHRAN TO THE IRANIAN MINISTER FOR
FOREIGN AFFAIRS

BRITISH EMBASSY

Tehran, April 9, 1960

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of today's date in which you inform me that the Government of Iran are prepared to conclude with the Government of the United Kingdom of Great Britain and Northern Ireland an agreement in the following terms:

1. The Government of Iran, in exercise of the powers conferred on them by Note 10 to Article 8 of the Income Tax Law approved on 5th April 1956, shall exempt all income derived from the business of air transport between Iran and other countries by United Kingdom undertakings engaged in such business from income tax and all other taxes on income or profits which are or may become chargeable in Iran.
2. The Government of the United Kingdom shall exempt all income derived from the business of air transport between the United Kingdom and other countries by Iranian undertakings engaged in such business from income tax and profits tax and all other taxes on income or profits which are or may become chargeable in the United Kingdom and shall take the necessary action under Section 347 of the Act of Parliament of the United Kingdom known as the Income Tax Act, 1952, with a view to giving the force of law to the exemption aforesaid.
3. The expression "the business of air transport" means the business of transporting passengers, cargo, or mail carried on by the owner or charterer or aircraft.
4. The expression "United Kingdom undertakings" means the Government of the United Kingdom, or physical persons resident in the United Kingdom and not resident in the Kingdom of Iran, and corporations and companies constituted under the laws of the United Kingdom and managed and controlled in the United Kingdom.
5. The expression "Iranian undertakings" means the Government of Iran, or physical persons resident in Iran and not resident in the United Kingdom, and corporations and companies constituted under the laws of Iran and managed and controlled in Iran.
6. The exemption provided for in paragraphs (1) and (2) above shall also apply to all income earned as from 1st January 1957.

I have the honour to inform you that the Government of the United Kingdom accept the foregoing provisions and that your Note and the present reply shall be regarded as constituting an agreement between the two Governments which shall take effect immediately and may be terminated by either Government giving six months' notice in writing to the other.

I avail, &c.

G. W. Harrison

II.

MINISTRY OF FOREIGN AFFAIRS
TREATIES & LEGAL AFFAIRS DEPARTMENT

April 9, 1960

Your Excellency,

I have the honour to inform Your Excellency that with a view to the prevention of double taxation on the income realised on air transport and in order to promote commercial air services between Iran and the United Kingdom of Great Britain and Northern Ireland, the Iranian Government are prepared to sign an agreement with the United Kingdom on the following terms:

1. The Government of Iran, in exercise of the powers conferred on them by Note 10 to Article 8 of the Income Tax Law approved on 5th April 1956, shall exempt all income derived from the business of air transport between Iran and other countries by United Kingdom undertakings engaged in such business from income tax and all other taxes on income or profits which are or may become chargeable in Iran.
2. The Government of the United Kingdom shall exempt all income derived from the business of air transport between the United Kingdom and other countries by Iranian undertakings engaged in such business from income tax and profits tax and all other taxes on income or profits which are or may become chargeable in the United Kingdom and shall take the necessary action under Section 347 of the Act of Parliament of the United Kingdom known as the Income Tax Act, 1952, with a view to giving the force of law to the exemption aforesaid.
3. The expression "the business of air transport" means the business of transporting passengers, cargo, or mail carried on by the owner or charterer or aircraft.
4. The expression "United Kingdom undertakings" means the Government of the United Kingdom, or physical persons resident in the United Kingdom and not resident in the Kingdom of Iran, and corporations and companies constituted under the laws of the United Kingdom and managed and controlled in the United Kingdom.
5. The expression "Iranian undertakings" means the Government of Iran, or physical persons resident in Iran and not resident in the United Kingdom, and corporations and companies constituted under the laws of Iran and managed and controlled in Iran.
6. The exemption provided for in paragraphs (1) and (2) above shall also apply to all income earned as from 1st January 1957.

Should the Government of the United Kingdom accept the said provisions I have the honour to propose that the present Note and Your Excellency's reply in similar terms may be regarded as constituting an agreement between the two Governments which shall take effect immediately and may be terminated by either Government giving six months' notice in writing to the other.

I avail myself of the opportunity to renew the assurance of my highest consideration.

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His Excellency

Sir Geoffrey Wegdwood Harrison

Her Britannic Majesty's Ambassador

Tehran