STATUTORY INSTRUMENTS

2018 No. 628

CAPITAL GAINS TAX
CORPORATION TAX
INCOME TAX

The Double Taxation Relief and International Tax Enforcement (Uzbekistan) Order 2018

Made - - - - 23rd May 2018

At the Court at Buckingham Palace, the 23rd day of May 2018

Present,

The Queen's Most Excellent Majesty in Council

A draft of this Order was laid before the House of Commons in accordance with section 5(2) of the Taxation (International and Other Provisions) Act 2010(**1**) and section 173(7) of the Finance Act 2006)(**2**) and approved by resolution of that House.

Accordingly, Her Majesty, in exercising the powers conferred upon Her by section 2 of the Taxation (International and Other Provisions) Act 2010 and section 173(1) to (3) of the Finance Act 2006, by and with the advice of Her Privy Council, orders as follows—

Citation

1. This Order may be cited as the Double Taxation Relief and International Tax Enforcement (Uzbekistan) Order 2018.

Double taxation and international tax enforcement arrangements to have effect

2. It is declared that—

(a) the arrangements specified in the Protocol set out in the Schedule to this Order, which vary the arrangements set out in the Schedule to the Double Taxation Relief (Taxes on Income) (Uzbekistan) Order 1994(**3**) have been made with the Government of Uzbekistan;

(**1**) 2010 c.8.
(**2**) 2006 c.25.
(**3**) S.I. 1994/770.

(b) the arrangements have been made with a view to affording relief from double taxation in relation to capital gains tax, corporation tax and income tax and taxes of a similar character imposed by the laws of Uzbekistan and for the purposes of assisting international tax enforcement; and

(c) it is expedient that those arrangements should have effect.

Ceri King
Deputy Clerk of the Privy Council

SCHEDULE Article 2

PROTOCOL AMENDING THE CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AI NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC UZBEKISTAN FOR THE AVOIDANCE OF DOUBLE TAXATION AND T PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES O INCOME AND CAPITAL GAINS, SIGNED AT TASHKENT ON 15 OCTOBER 1993

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Uzbekistan;

Desiring to conclude a Protocol to amend the Convention between the Government of the Un Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Uzbekistan for the avoidance of double taxation and the prevention of fiscal evasion with resp to taxes on income and capital gains, signed at Tashkent on 15 October 1993 (hereinafter refe to as "the Convention");

Have agreed as follows:

ARTICLE I

The second paragraph of the preamble to the Convention shall be deleted and replaced b following:

"Intending to conclude a Convention for the elimination of double taxation with respect to on income and capital gains without creating opportunities for non-taxation or reduced tax through tax evasion or avoidance (including through treaty-shopping arrangements aim obtaining reliefs provided in this Convention for the indirect benefit of residents of third State

ARTICLE II

Article 1 "Personal scope" of the Convention shall be deleted and replaced by the following:

"ARTICLE 1

Personal scope

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

(2) For the purposes of this Convention, income or gains derived by or through an entity arrangement that is treated as wholly or partly fiscally transparent under the tax law of either Contracting State shall be considered to be income or gains of a resident of a Contracting Stat only to the extent that the income or gain is treated, for purposes of taxation by that State, as t income or gain of a resident of that State.

(3) This Convention shall not affect the taxation, by a Contracting State, of its residents except with respect to the benefits granted under paragraph (3) of Article 7, paragraph (2) of Article 9, and Articles 19, 20, 22, 25, 26 and 28.".

ARTICLE III

Paragraph (3) of Article 2 "Taxes covered" of the Convention shall be deleted and replaced b following:

"(3) The existing taxes to which the Convention shall apply are in particular:

(a) in the case of Uzbekistan:

(i) the tax on profit of legal persons;

(ii) the tax on income of individuals; and

(iii) the property tax;

(hereinafter referred to as "Uzbekistan tax");

(b) in the case of the United Kingdom:

(i) the income tax;

(ii) the corporation tax; and

(iii) the capital gains tax;

(hereinafter referred to as "United Kingdom tax").".

ARTICLE IV

Article 3 "General definitions" of the Convention shall be amended as follows:

1. Sub-paragraphs (a) and (b) of paragraph (1) shall be deleted and replaced by the following:

"(a) the term "Uzbekistan" means the Republic of Uzbekistan and when being used in the geographical sense, it means the territory of the Republic of Uzbekistan, including th territorial waters and the air space within which the Republic of Uzbekistan may exe sovereign rights and jurisdiction, including rights to use the sub-soil and natural resources, under the laws of the Republic of Uzbekistan and in accordance with international law;

(b) the term "United Kingdom" means Great Britain and Northern Ireland but, when use geographical sense, means the territory and territorial sea of Great Britain and Northe Ireland and the areas beyond that territorial sea over which Great Britain and Norther Ireland exercise sovereign rights or jurisdiction in accordance with their domestic law international law;".

2. Sub-paragraph (i) of paragraph (1) shall be deleted and replaced by the following:

"(i) the term "competent authority" means:

(i) in Uzbekistan, the Chairman of the State Tax Committee or his authoris representative;

(ii) in the United Kingdom, the Commissioners for Her Majesty's Revenue Customs or their authorised representative;"