STATUTORY INSTRUMENTS

2016 No. 753

CAPITAL GAINS TAX
CORPORATION TAX
INCOME TAX

The Double Taxation Relief and International Tax Enforcement (Uruguay) Order 2016

Made - - - - 13th July 2016

At the Court at Buckingham Palace, the 13th day of July 2016

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 the 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) 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 (Uruguay) Order 2016.

Double taxation and international tax enforcement arrangements to have effect

2. It is declared that—

(a) the arrangements specified in the Convention and Protocol set out in the Schedule to this Order have been made with the Government of the Oriental Republic of Uruguay,

(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

(**1**) 2010 c. 8.
(**2**) 2006 c. 25.

character imposed by the laws of Uruguay 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

PART 1

CONVENTION

BETWEEN

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND

THE ORIENTAL REPUBLIC OF URUGUAY

FOR THE AVOIDANCE OF DOUBLE TAXATION

AND THE PREVENTION OF FISCAL EVASION

WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL

The United Kingdom of Great Britain and Northern Ireland and The Oriental Republic of Uru

Desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital

Have agreed as follows:

CHAPTER I

SCOPE OF THE CONVENTION

Article 1

PERSONS COVERED

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

Article 2

TAXES COVERED

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

2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from

a) in the United Kingdom:

(i) the income tax;

(ii) the corporation tax; and

(iii) the capital gains tax;

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

b) in Uruguay :

(i) the tax on business income (Impuesto a las Rentas de las Actividades Económicas -IRAE-);

(ii) the personal income tax (Impuesto a las Rentas de las Personas Físicas - IRPF-);

(iii) the non-residents income tax (Impuesto a las Rentas de los No Residente IRNR-) ;

(iv) the tax for social security assistance (Impuesto de Asistencia a la Seguri Social -IASS-); and

(v) the capital tax (Impuesto al Patrimonio -IP-);

(hereinafter referred to as "Uruguayan tax").

4. The Convention shall apply also to any taxes that are imposed after the date of signat of the Convention that fall within the terms of paragraph 1 and to any identical or substantiall similar taxes that are so imposed in addition to, or in place of, the existing taxes. The compete authorities of the Contracting States shall notify each other of any significant changes that hav been made in their taxation laws.

CHAPTER II

DEFINITIONS

Article 3

GENERAL DEFINITIONS

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

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

b) the term "Uruguay" means the Oriental Republic of Uruguay and, when used in a geographical sense means the territory, the airspace and the maritime areas, where the tax laws are applied under Uruguayan sovereign rights or jurisdiction in accordance with international law and national law;

c) the terms "a Contracting State" and "the other Contracting State" mean the United Kingdom or Uruguay, 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 body corporate or any entity that is treated as a body corporate 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 "international traffic" means any transport by a ship or aircraft, except when the ship or aircraft is operated solely between places in a Contracting State and the enterprise that operates the ship or aircraft is not an enterprise of that State;

i) the term "competent authority" means:

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

(ii) in Uruguay, the Ministry of Economy and Finance or its authorised representative;

j) the term "national" means:

(i) in relation to the United Kingdom, any British citizen, or any British subject not possessing the citizenship of any other Commonwealth country or territory, provided he has the right of abode in the United Kingdom; and any legal person, partnership or association deriving its status as such from the laws in force in the United Kingdom;

(ii) in relation to Uruguay, any individual possessing the nationality or citizenship of Uruguay; and any legal person, partnership or association