

**No. 6521**

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**FRANCE  
and  
AUSTRIA**

**Convention for the avoidance of double taxation and the establishment of principles for reciprocal assistance with respect to taxes on income and fortune and succession duties (with exchange of letters) Signed at Vienna, on 8 October 1959**

*Official texts: French and German.*

*Registered by France on 14 February 1963.*

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**FRANCE  
et  
AUTRICHE**

**Convention en vue d'éviter les doubles impositions et de prévoir une assistance réciproque dans le domaine des impôts sur le revenu et sur la fortune, ainsi que dans celui des impôts sur les successions (avec échange de lettres). Signée à Vienne, le 8 octobre 1959**

*Textes officiels français et allemand.*

*Enregistrée par la France le 14 février 1963.*

[TRANSLATION — TRADUCTION]

No. 6521. CONVENTION<sup>1</sup> BETWEEN THE FRENCH REPUBLIC AND THE REPUBLIC OF AUSTRIA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF PRINCIPLES FOR RECIPROCAL ASSISTANCE WITH RESPECT TO TAXES ON INCOME AND FORTUNE AND SUCCESSION DUTIES. SIGNED AT VIENNA, ON 8 OCTOBER 1959

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The President of the French Republic and the Federal President of the Republic of Austria, desiring to avoid double taxation so far as is possible and to establish rules for reciprocal assistance with respect to taxes on income and fortune and succession duties, have resolved to conclude a Convention and have for this purpose appointed as their plenipotentiaries :

The President of the French Republic :

H. E. Mr. Etienne de Crouy-Chanel, Ambassador Extraordinary and Plenipotentiary,

The Federal President of the Republic of Austria :

Dr. Josef Stangelberger, Director-General, and Dr. Otto Watzke,  
Director of the Federal Ministry of Finance,

who, having exchanged their full powers, found in good and due form, have agreed on the following provisions :

CHAPTER I

PURPOSE AND APPLICATION OF THE CONVENTION

*Article 1*

1. The purpose of this Convention is to protect taxpayers of the two States against double taxation which might arise from the simultaneous application of the French and Austrian laws relating to :

- (a) Taxes on income (tax on total income and taxes on parts thereof), and on fortune (general fortune tax and taxes on parts thereof), including taxes on profits

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<sup>1</sup> Came into force on 14 September 1961, upon the exchange of the instruments of ratification in Paris, in accordance with article 28.

derived from the alienation of movable and immovable property and on increments to capital or fortune.

- (b) Succession duties on the estates of persons domiciled on their decease in one of the two States, whether such duties are levied on the whole of the estate or on portions thereof. However, the provisions of this Convention shall not apply to taxes on dispositions *inter vivos* in the form of gifts or grants made for specific purposes or subject to specific obligations, unless such gifts or grants are entirely assimilated to inheritances.

2. The Convention applies to taxes levied by either State or by their *Länder, départements*, municipalities or associations of municipalities. The following shall be deemed to be such taxes :

1. In the case of the French Republic :

- (a) The tax on the income of individuals (proportional tax and progressive surtax) (*impôt sur le revenu des personnes physiques — taxe proportionnelle et surtaxe progressive*) ;
- (b) The tax on the profits of companies and other bodies corporate (*impôt sur les bénéfices des sociétés et autres personnes morales*) ;
- (c) The presumptive tax on certain income from non-commercial professions (*versement forfaitaire sur certaines recettes des professions non commerciales*) ;
- (d) The apprenticeship tax (*taxe d'apprentissage*) ;
- (e) The special tax on the increment value of loans (*impôt spécial sur la plus-value de réévaluation provenant des emprunts*) ;
- (f) The real estate tax on buildings and the real estate tax on land (*contribution foncière des propriétés bâties et contribution foncière des propriétés non bâties*) ;
- (g) The business tax (*contribution des patentes*) ;
- (h) The succession duty, including the special tax established under article 1 of Act No. 56-639 of 30 June 1956 (*impôt sur les successions, y compris la taxe spéciale instituée par l'article premier de la loi n° 56-639 du 30 juin 1956*).

2. In the Republic of Austria :

- (a) The income tax (*Einkommensteuer*) ;
- (b) The corporation tax (*Körperschaftsteuer*) ;
- (c) The fortune tax (*Vermögensteuer*) ;
- (d) The contribution from income for the promotion of residential building and for the equalization of family burdens (*Beitrag vom Einkommen zur Förderung des Wohnbaues und für Zwecke des Familienlastenausgleiches*) ;
- (e) The tax on directors' fees (*Aufsichtsratsabgabe*) ;
- (f) The business tax (*Gewerbesteuer*) including the pay-roll tax (*Lohnsummensteuer*) ;
- (g) The land tax (*Grundsteuer*) ;

(h) The succession duty and gift tax (*Erbschafts- und Schenkungssteuer*).

3. The provisions of this Convention shall also apply to any other taxes of the same or of like nature established by one of the Contracting States after its signature.

4. The chief administrative authorities of the two States shall resolve by agreement any doubts which may arise as to the taxes to be covered by this Convention.

5. The chief administrative authorities referred to in this Convention are, in the case of France, the Ministry of Finance (Department of the Director-General of Taxes) and, in the case of Austria, the Federal Ministry of Finance.

#### *Article 2*

The provisions of this Convention shall not limit any advantages granted to taxpayers under the laws of each of the two States or on the basis of international agreements.

### CHAPTER II

#### TAXES ON INCOME AND FORTUNE

#### *Article 3*

1. Except as otherwise provided in this Convention, income and fortune shall be taxable only in the State in which the recipient of the income or the owner of the fortune is domiciled.

2. Within the meaning and for the purposes of this Convention, an individual shall be deemed to be domiciled in the State in which he has his "permanent place of abode".

3. If an individual has a permanent place of abode in both States, he shall be deemed to be domiciled at the place which is the centre of his vital interests, i.e., the place with which he has the closer personal and economic ties.

4. If the conditions specified in paragraphs 2 or 3 are not fulfilled in either of the two States, the individual shall be deemed to be domiciled in the State in which he has been resident longest.

5. Within the meaning and for the purposes of this Convention, the domicile of a body corporate shall be the place where it has its centre of actual management, or, if its centre of actual management is not situated in either Contracting State, the place where it has its headquarters.

6. Where there is doubt as to which of the two States is the State of domicile of an individual or a body corporate, the question shall be resolved by agreement between the chief administrative authorities of the two States.

*Article 4*

1. Subject to the provisions of article 17, income which, under the terms of this Convention, is taxable in one of the two States shall not be taxable in the other State, even by deduction at the source.

2. This Convention shall not limit the right of the two States to assess the taxes on elements of income or fortune taxable exclusively by them at the rate applicable to the taxpayer's total income or fortune.

*Article 5*

1. Immovable property (including accessories and livestock and equipment of agricultural or forestry enterprises) and income derived therefrom (including profits from agricultural and forestry enterprises) shall be taxable only in the State in which the property is situated.

2. Rights which are governed by the provisions of civil law concerning real property, rights of usufruct in immovable property, and rights to fixed or variable compensation for the use of mineral deposits, oil wells, mineral springs and other mineral resources, with the exception of claims of any kind secured by pledge of immovables, shall also be deemed to be immovable property.

3. The provisions of paragraphs 1 and 2 shall apply to income derived from the administration, direct use, letting, lease or use in any other form of immovable property (e.g. royalties on gross petroleum output). They shall also apply to income from the alienation of immovable property, including accessories or livestock and equipment of agricultural or forestry enterprises alienated with the property. The same rules shall apply to immovable property of the enterprises referred to in article 6, paragraph 1 and article 8, paragraph 1.

4. The terms "immovable property", "accessories", "rights deemed to be immovable property", "rights of usufruct" shall be defined according to the laws of the State in which the property in question or the property to which the right in question relates is situated.

*Article 6*

1. Commercial, industrial and business enterprises of every kind, and the income from their operation, including profits derived from the alienation of an enterprise or of any part thereof, shall be taxable only in the State in whose territory the enterprise has a permanent establishment within the meaning of article 7. This provision shall apply even if the enterprise extends its activities to the territory of the other State without having such an establishment there.

2. If the enterprise has permanent establishments in both States, each State shall tax only the assets employed for the purposes of the permanent establishment