

No. 30285

**FINLAND
and
NORWAY**

**Agreement for the avoidance of double taxation with respect
to death duties. Signed at Helsinki on 29 March 1954**

Authentic texts: Finnish and Norwegian.

Registered by Finland on 28 September 1993.

Termination (*Note by the Secretariat*)

**FINLANDE
et
NORVÈGE**

**Accord tendant à éviter la double imposition en matière de
droits de succession. Signé à Helsinki le 29 mars 1954**

Textes authentiques : finnois et norvégien.

Enregistré par la Finlande le 28 septembre 1993.

Abrogation (*Note du Secrétariat*)

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE REPUBLIC OF FINLAND AND THE
KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE
TAXATION WITH RESPECT TO DEATH DUTIES

The Republic of Finland and the Kingdom of Norway have agreed to conclude an agreement for the avoidance of double taxation with respect to death duties.

They have for that purpose appointed as their plenipotentiaries:

The President of the Republic of Finland: Mr. Ralf Törngren, Minister for Foreign Affairs; and

His Majesty the King of Norway: Mr. Hans Olav, Envoy Extraordinary and Minister Plenipotentiary at Helsinki;

who, having examined each other's full powers, found in good and due form, have agreed upon the following provisions:

Article I

This Agreement refers to death duties applicable to the estates of deceased Finnish and Norwegian nationals.

Article II

For the time being the following duties are regarded as death duties:

In the case of Finland:

The succession duty and communal duty of inherited and bequeathed estate, and poor-relief tax, and

In the case of Norway:

The succession duty, which also applies to donations *mortis causa*.

This Agreement shall also apply to all other death duties imposed in Finland or Norway, after the signing of this Agreement, on property passing on death, whether such duties are levied on the entire estate or on the share accruing to each heir or legatee.

Article III

Immovable property situated in one of the two States shall be subject to duty only in that State.

Immovable property shall include accessories thereto (such as live-stock, tools and other movables employed in agriculture or forestry) and also usufruct and rights to produce or other yield from immovable property.

¹ Came into force on 20 April 1955 by the exchange of the instruments of ratification, which took place at Oslo, in accordance with article XII.

Rights to royalties granted for the use of immovable property, or for the operation of a mine or other natural deposit, shall be subject to duty in the State in which such immovable property, mine or natural deposit is situated.

Article IV

Assets employed in a business or liberal profession and attributable to a permanent establishment in one of the States shall be subject to duty only in that State.

A permanent establishment shall be regarded as a place at which there are special installations or at which special arrangements have been made for the permanent use of such place for business or professional purposes, such as a place where the undertaking has its management, offices, branches, permanent agencies, factories, workshops or the like, buying or selling premises, warehouses (including permanent commission warehouse), mines or other natural deposits.

For the purposes of this article the term “business” includes part-ownership in an undertaking, but not part-ownership resulting from the possession of shares or similar securities.

Article V

Assets not dealt with in article III or IV shall be subject to duty only in the State in which the deceased was domiciled at the time of his death.

For the purposes of this Agreement, a deceased person shall be deemed to have been domiciled in one of the States if he had his permanent residence there. If any doubt arises as to the State in which a deceased person shall be deemed to have been domiciled as aforesaid, or if such person can be deemed to have been domiciled in both States, the question of domicile shall be settled by a special agreement between the competent authorities of the two States. In this respect they shall take into consideration in which State the deceased can be deemed to have had the stronger personal and economic ties or, if this also cannot be decided, his nationality.

If the deceased person did not have a permanent residence in either State, he shall be deemed to have been domiciled in the State of which he was a national. If the deceased person was a national of both States, the question as to where he shall be deemed to have been domiciled shall be settled by a special agreement between the competent authorities.

Article VI

Where debts encumber a deceased's estate to which article III or IV applies, or are secured by such estate, the State having the right to levy duty on the said estate shall deduct such debts from that estate or from other assets on which the said State has the right to levy duty. Debts other than those aforesaid shall be deducted from assets subject to duty in the State in which the deceased person was domiciled at the time of his death.

Where debts which under the provisions of the first paragraph are to be deducted by one of the States exceed the value of all the assets on which the said State has the right to levy duty, the amount of debt in excess shall be deducted from assets subject to duty in the other State.