

No. 43447

**Venezuela
and
Trinidad and Tobago**

Convention between the Government of the Republic of Venezuela and the Government of the Republic of Trinidad and Tobago for the avoidance of double taxation and the prevention of fiscal evasion and avoidance with respect to taxes on income and for the encouragement of international trade and investment (with protocol). Caracas, 31 July 1996

Entry into force: *15 December 1996 by notification, in accordance with article 28*

Authentic texts: *English and Spanish*

Registration with the Secretariat of the United Nations: *Venezuela, 2 January 2007*

**Venezuela
et
Trinité-et-Tobago**

Convention entre le Gouvernement de la République du Venezuela et le Gouvernement de la République de Trinité-et-Tobago en vue d'éviter les doubles impositions et de prévenir l'évasion fiscale en matière d'impôts sur le revenu et d'encourager le commerce et les investissements internationaux (avec protocole). Caracas, 31 juillet 1996

Entrée en vigueur : *15 décembre 1996 par notification, conformément à l'article 28*

Textes authentiques : *anglais et espagnol*

Enregistrement auprès du Secrétariat des Nations Unies : *Venezuela, 2 janvier 2007*

[ENGLISH TEXT – TEXTE ANGLAIS]

CONVENTION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA AND THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION AND AVOIDANCE WITH RESPECT TO TAXES ON INCOME AND FOR THE ENCOURAGEMENT OF INTERNATIONAL TRADE AND INVESTMENT

The Government of the Republic of Venezuela and the Government of the Republic of Trinidad and Tobago desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion and avoidance with respect to taxes on income and for the encouragement of international trade and investment have agreed as follows:

Article 1. Personal Scope

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

Article 2. Taxes Covered

(1) This Convention shall apply to taxes on income imposed on behalf of each Contracting State, irrespective of the manner in which they are levied.

(2) There shall be regarded as taxes on income all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

(3) The existing taxes which are the subject of this Convention are:

(a) in the case of Trinidad and Tobago, the corporation tax, the income tax, the unemployment levy, the petroleum profits tax, the supplemental petroleum tax, the business levy and the health surcharge (hereinafter referred to as "Trinidad and Tobago tax").

(b) in the case of Venezuela, the income tax and the business assets tax (hereinafter referred to as "Venezuelan tax").

(4) This Convention shall apply also to any identical or substantially similar taxes which are imposed by a Contracting State after the date of signature of this Convention in addition to, or in place of, the existing taxes referred to above. At the end of each year, the competent authorities of the Contracting States shall notify each other if any significant changes have been made in their respective taxation laws.

Article 3. General Definitions

- (1) For the purposes of this Convention, unless the context otherwise requires:
- (a) (i) the term "Trinidad and Tobago" means the islands of Trinidad and Tobago; and
 - (ii) when used in a geographical sense, the term "Trinidad and Tobago" includes:
 - (A) the territorial sea thereof; and
 - (B) the seabed and subsoil of the adjacent submarine areas beyond the territorial sea over which Trinidad and Tobago exercises sovereign rights, in accordance with Trinidad and Tobago legislation and international law concerning the continental shelf, for the purpose of exploration and the exploitation of the natural resources of such areas, but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation;
 - (b) the term "Venezuela" means the Republic of Venezuela.
 - (c) the terms "a Contracting State" and "the other Contracting State" mean Trinidad and Tobago or Venezuela 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 which is treated as a body corporate for tax purposes;
 - (f) 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;
 - (g) the term "international traffic" means any transport by ship or aircraft operated by an enterprise which has its place of effective management in a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
 - (h) the term "competent authority" means:
 - (i) in the case of Trinidad and Tobago, the Minister to whom the responsibility for Finance is assigned or his authorised representative;
 - (ii) in the case of Venezuela, the Integrated National Service of Tax Administration (Servicio Nacional Integrate de Administracion Tributaria - SENIAT), its authorized representative or the authority which is designated by the Minister of Finance as the competent authority for the purposes of this Convention.
 - (i) the term "national" means:
 - (i) any individual possessing the nationality of a Contracting State;

- (ii) any legal person, partnership and association deriving its status as such from the laws in force in a Contracting State;
 - (j) the terms "paid", "distributed" and "received" when used with respect to income shall include amounts "credited".
- (2) In the application of this Convention by a Contracting State any term not defined herein shall unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of this Convention.

Article 4. Resident

- (1) For purposes of this Convention, the term "resident of a Contracting State" means:
- (a) any person, who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature;
 - (b) the Government of that State or a political subdivision thereof or any agency or instrumentality of any such Government, subdivision or authority.
- (2) Where by reason of the provisions of paragraph (1) an individual is a resident of both Contracting States, then his status shall be determined in accordance with the following rules:
- (a) he shall be deemed to be a resident of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer ("centre of vital interests");
 - (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
 - (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
 - (d) if he is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
- (3) Where by reason of the provisions of paragraph (1) a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the State in which its place of effective management is situated.

Article 5. Permanent Establishment

(1) For the purposes of this Convention the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

(2) The term "permanent establishment" includes especially:

- (a) a place of management;
- (b) a branch;
- (c) an office;
- (d) a factory;
- (e) a workshop;
- (f) a warehouse in relation to a person providing storage facilities for others;
- (g) a store or other sales outlet;
- (h) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources;
- (i) a drilling rig or ship used for, or in connection with, the exploration or development of natural resources;
- (j) a building site or construction project but only where such site or project continues for a period of more than six (6) months; and
- (k) an assembly, dredging or installation project but only where such project continues for a period of more than three (3) months.

(3) Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:

- (a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise;
- (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage or display;
- (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of delivery for processing by another enterprise.
- (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
- (e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character.

(4) Notwithstanding the provisions of paragraphs (1) and (2), where a person, other than an agent of an independent status to whom paragraph (5) applies, is acting in a Contracting State on behalf of an enterprise of the other Contracting State, that enterprise shall be deemed to have a permanent establishment in the first-mentioned Contracting State in respect of any activities which that person undertakes for the enterprise, if such a person: