

**No. 45769**

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**South Africa  
and  
Egypt**

**Agreement between the Government of the Republic of South Africa and the Government of the Arab Republic of Egypt for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (with protocol). Pretoria, 26 August 1997**

**Entry into force:** *16 December 1998 by notification, in accordance with article 27*

**Authentic text:** *English*

**Registration with the Secretariat of the United Nations:** *South Africa, 2 February 2009*

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**Afrique du Sud  
et  
Égypte**

**Accord entre le Gouvernement de la République sud-africaine et le Gouvernement de la République arabe d'Egypte tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu (avec protocole). Pretoria, 26 août 1997**

**Entrée en vigueur :** *16 décembre 1998 par notification, conformément à l'article 27*

**Texte authentique :** *anglais*

**Enregistrement auprès du Secrétariat des Nations Unies :** *Afrique du Sud, 2 février 2009*

[ ENGLISH TEXT – TEXTE ANGLAIS ]

**A G R E E M E N T**

**BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA**

**AND**

**THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT**

**FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE**

**PREVENTION OF FISCAL EVASION WITH RESPECT TO**

**TAXES ON INCOME**

## **Preamble**

The Government of the Republic of South Africa and the Government of the Arab Republic of Egypt desiring to promote and strengthen the economic relations between the two countries,

Have agreed as follows:

## **Article 1**

### ***Persons Covered***

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

## **Article 2**

### ***Taxes Covered***

1. This Agreement shall apply to taxes on income imposed on behalf of a Contracting State or of its political subdivisions or local authorities, 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 amount of wages or salaries paid by enterprises, as well as taxes on capital appreciation.
  3. The existing taxes to which this Agreement shall apply are:
    - (a) in Egypt:
      - (i) the tax on income derived from immovable property (including the agriculture land tax and the building tax);
      - (ii) the unified tax on income of individuals;
      - (iii) the tax on corporation profits;
      - (iv) the duty for the development of the financial resources of the State; and
      - (v) the supplementary taxes imposed as percentage of taxes mentioned above or otherwise;
- (hereinafter referred to as "Egyptian tax"); and

- (b) in South Africa:
  - (i) the normal tax; and
  - (ii) the secondary tax on companies;

(hereinafter referred to as "South African tax").

- 4. The Agreement shall also apply to any other taxes of a substantially similar character which are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their respective taxation laws.

### **Article 3**

#### ***General Definitions***

- 1. For the purposes of this Agreement, unless the context otherwise requires:
  - (a) the term "Egypt" means the Arab Republic of Egypt and, when used in a geographical sense, the term "Egypt" includes:
    - (i) the territorial seas thereof; and
    - (ii) the seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which Egypt exercises sovereign rights, in accordance with international law, for the purpose of exploration and the exploitation of the natural resources of such area, but only to the extent that the person, property or activity to which the Agreement is being applied is connected with such exploration or exploitation; and
  - (b) the term "South Africa" means the Republic of South Africa and, when used in a geographical sense, includes the territorial sea thereof as well as any area outside the territorial sea, including the continental shelf, which has been or may hereafter be designated, under the laws of South Africa and in accordance with international law, as an area within which South Africa may exercise sovereign rights or jurisdiction;
  - (c) the terms "a Contracting State" and "the other Contracting State" mean Egypt or South Africa, as the context requires;
  - (d) the term "company" means any body corporate or any entity which is treated as a company or body corporate for tax purposes;
  - (e) the term "competent authority" means:
    - (i) in Egypt, the Minister of Finance or his authorised representative; and

- (ii) in South Africa, the Commissioner for Inland Revenue or his authorised representative;
  - (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 a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
  - (h) the term "national" means:
    - (i) any individual possessing the nationality of a Contracting State;
    - (ii) any legal person, or association deriving its status as such from the laws in force in a Contracting State;
  - (i) the term "person" includes an individual, a company and any other body of persons which is treated as an entity for tax purposes; and
  - (j) the term "tax" means Egyptian tax or South African tax as the context requires.
2. As regards the application of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

## **Article 4**

### ***Resident***

1. For the purposes of this Agreement, the term "resident of a Contracting State" means:
- (a) in Egypt, any person who, under the laws of Egypt, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, but this term does not include any person who is liable to tax in Egypt in respect only of income from sources in Egypt;
  - (b) in South Africa, any individual who under the laws of South Africa is ordinarily resident in South Africa and any other person which has its place of effective management in South Africa;
  - (c) that State and any political subdivision or local authority thereof.