

No. 47910

**Latvia
and
Republic of Korea**

Convention between the Government of the Republic of Latvia and the Government of the Republic of Korea for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (with protocol). Jeju, 15 June 2008

Entry into force: *26 December 2009 by notification, in accordance with article 28*

Authentic texts: *English, Korean and Latvian*

Registration with the Secretariat of the United Nations: *Latvia, 15 October 2010*

**Lettonie
et
République de Corée**

Convention entre le Gouvernement de la République de Lettonie et le Gouvernement de la République de Corée tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu (avec protocole). Jeju, 15 juin 2008

Entrée en vigueur : *26 décembre 2009 par notification, conformément à l'article 28*

Textes authentiques : *anglais, coréen et letton*

Enregistrement auprès du Secrétariat des Nations Unies : *Lettonie, 15 octobre 2010*

[ENGLISH TEXT – TEXTE ANGLAIS]

CONVENTION

**BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF LATVIA
AND THE GOVERNMENT OF THE REPUBLIC OF KOREA**

**FOR THE AVOIDANCE OF DOUBLE TAXATION
AND THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME**

The Government of the Republic of Latvia and the Government of the Republic of Korea,

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

Have agreed as follows:

Article 1

PERSONS COVERED

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 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, as well as taxes on capital appreciation.

3. The existing taxes to which the Convention shall apply are in particular:

a) in Korea:

- (i) the income tax;**
- (ii) the corporation tax;**
- (iii) the special tax for rural development; and**
- (iv) the inhabitant tax;**

(hereinafter referred to as "Korean tax");

b) in Latvia:

- (i) the enterprise income tax (uzņēmumu ienākuma nodoklis); and**
- (ii) the personal income tax (iedzīvotāju ienākuma nodoklis);**

(hereinafter referred to as "Latvian tax").

4. The Convention shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Convention 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 within a reasonable period of time after such changes.

Article 3

GENERAL DEFINITIONS

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

- a) the term "Korea" means the Republic of Korea, and when used in a geographical sense, means the territory of the Republic of Korea, including its territorial sea, and any other area adjacent to the territorial sea of the Republic of Korea as an area within which the sovereign rights or jurisdiction of the Republic of Korea with respect the waters, the sea-bed and subsoil, and their natural resources may be exercised;
- b) the term "Latvia" means the Republic of Latvia and, when used in the geographical sense, means the territory of the Republic of Latvia and any other area adjacent to the territorial waters of the Republic of Latvia within which under the laws of Latvia and in accordance with international law, the rights of Latvia may be exercised with respect to the sea-bed and its subsoil and their natural resources;
- c) the terms "a Contracting State" and "the other Contracting State" mean Latvia or Korea, as the context requires;
- d) the term "tax" means Latvian tax or Korean tax, as the context requires;
- e) the term "person" includes an individual, a company and any other body of persons;
- f) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;

- 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 operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
 - i) the term "competent authority" means:
 - (i) in Korea, the Minister of Finance and Economy or his authorized representative;
 - (ii) in Latvia, the Ministry of Finance or its authorised representative;
 - j) the term "national" means:
 - (i) any individual possessing the nationality of a Contracting State;
 - (ii) any legal person, partnership or association deriving its status as such from the laws in force in a Contracting State.
2. As regards the application of the Convention 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 Convention 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.