

No. 49255

**Switzerland
and
Georgia**

Agreement between the Swiss Confederation and Georgia for the avoidance of double taxation with respect to taxes on income and on capital (with protocol). Bern, 15 June 2010

Entry into force: *7 July 2011 by notification, in accordance with article 28*

Authentic texts: *English, Georgian and German*

Registration with the Secretariat of the United Nations: *Switzerland, 6 January 2012*

**Suisse
et
Géorgie**

Convention entre la Confédération suisse et la Géorgie en vue d'éviter les doubles impositions en matière d'impôts sur le revenu et sur la fortune (avec protocole). Berne, 15 juin 2010

Entrée en vigueur : *7 juillet 2011 par notification, conformément à l'article 28*

Textes authentiques : *anglais, géorgien et allemand*

Enregistrement auprès du Secrétariat des Nations Unies : *Suisse, 6 janvier 2012*

[ENGLISH TEXT – TEXTE ANGLAIS]

A G R E E M E N T

BETWEEN

THE SWISS CONFEDERATION

AND

GEORGIA

**FOR THE AVOIDANCE OF DOUBLE TAXATION
WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL**

THE SWISS CONFEDERATION

AND

GEORGIA

**DESIRING to conclude an Agreement for the Avoidance of Double Taxation with
respect to taxes on income and on capital**

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 and on capital 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 and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, 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 to which this Agreement shall apply are in particular:**
 - a) in Georgia:**
 - (i) profit tax;**
 - (ii) income tax;**

(iii) property tax

(hereinafter referred to as "Georgian tax");

b) in Switzerland:

the federal, cantonal and communal taxes

(i) on income (total income, earned income, income from capital, industrial and commercial profits, capital gains and other items of income); and

(ii) on capital (total property, movable and immovable property, business assets, paid-up capital and reserves, and other items of capital)

(hereinafter referred to as "Swiss tax").

4. The Agreement shall apply also to any identical or substantially similar taxes that 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 that have been made in their taxation laws.

Article 3

General Definitions

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

a) (i) the term "Georgia" means the territory within the state borders of Georgia, including land territory, internal waters and territorial sea, the air space above them as well as the contiguous zone, the exclusive economic zone and the continental shelf adjacent to its territorial sea, in respect of which Georgia may exercise its sovereign rights in accordance with the international law;

- (ii) the term "Switzerland" means the Swiss Confederation;
- b) the terms a "Contracting State" and "the other Contracting State" mean Georgia and Switzerland, as the context requires;
- c) the term "person" includes an individual, a company and any other body of persons;
- d) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- e) 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;
- f) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise that 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;
- g) the term "competent authority" means:
 - (i) in the case of Georgia, the Ministry of Finance or its authorized representative;
 - (ii) in the case of Switzerland, the Director of the Federal Tax Administration or his authorized representative;
- h) the term "national", in relation to a Contracting State, means:
 - (i) any individual possessing the nationality or citizenship of that Contracting State; and
 - (ii) any legal person, partnership or association deriving its status as such from the laws in force in that Contracting State.