

**No. 50492**

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**United States of America  
and  
Estonia**

**Convention between the United States of America and the Republic of Estonia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Washington, 15 January 1998**

**Entry into force:** *30 December 1999 by notification, in accordance with article 28*

**Authentic texts:** *English and Estonian*

**Registration with the Secretariat of the United Nations:** *United States of America,  
26 February 2013*

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**États-Unis d'Amérique  
et  
Estonie**

**Convention entre les États-Unis d'Amérique et la République d'Estonie en vue d'éviter la double imposition et de prévenir l'évasion fiscale en matière d'impôts sur le revenu. Washington, 15 janvier 1998**

**Entrée en vigueur :** *30 décembre 1999 par notification, conformément à l'article 28*

**Textes authentiques :** *anglais et estonien*

**Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies :** *États-Unis  
d'Amérique, 26 février 2013*

[ ENGLISH TEXT – TEXTE ANGLAIS ]

CONVENTION BETWEEN THE  
UNITED STATES OF AMERICA AND THE  
REPUBLIC OF ESTONIA FOR THE AVOIDANCE OF  
DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION  
WITH RESPECT TO TAXES ON INCOME

The United States of America and the Republic of  
Estonia, 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

General Scope

1. This Convention shall apply to persons who are residents of one or both of the Contracting States, except as otherwise provided in the Convention.

2. The Convention shall not restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded:

a) by the laws of either Contracting State; or

b) by any other agreement between the Contracting States.

3. Notwithstanding the provisions of subparagraph 2 b):

a) the provisions of Article 25 (Mutual Agreement Procedure) of this Convention exclusively shall apply to any dispute concerning whether a measure is within the scope of this Convention, and the procedures under this Convention exclusively shall apply to that dispute; and

b) unless the competent authorities determine that a taxation measure is not within the scope of this Convention, the nondiscrimination obligations of this Convention exclusively shall apply with respect to that measure, except for such national treatment or most-favored-nation obligations as may apply to trade in

goods under the General Agreement on Tariffs and Trade. No national treatment or most-favored-nation obligation under any other agreement shall apply with respect to that measure.

c) For the purpose of this paragraph, a "measure" is a law, regulation, rule, procedure, decision, administrative action, or any similar provision or action.

4. Notwithstanding any provision of the Convention except paragraph 5 of this Article, a Contracting State may tax its residents (as determined under Article 4 (Resident)), and by reason of citizenship may tax its citizens, as if the Convention had not come into effect. For this purpose, the term "citizen" shall include a former citizen or long-term resident whose loss of such status had as one of its principal purposes the avoidance of tax, but only for a period of 10 years following such loss.

5. The provisions of paragraph 4 shall not affect:

a) the benefits conferred by a Contracting State under paragraph 2 of Article 9 (Associated Enterprises), under paragraphs 2 and 5 of Article 18 (Pensions, Social Security, Annuities, Alimony, and Child Support), and under Articles 23 (Relief from Double Taxation), 24 (Nondiscrimination), and 25

(Mutual Agreement Procedure); and

b) the benefits conferred by a Contracting State under Articles 19 (Government Service), 20 (Students, Trainees and Researchers), and 27 (Members of Diplomatic Missions and Consular Posts), upon individuals who are neither citizens of, nor have been admitted for permanent residence in, that State.

## ARTICLE 2

### Taxes Covered

1. The existing taxes to which the Convention shall apply are:

a) in the United States: the Federal income taxes imposed by the Internal Revenue Code (but excluding the accumulated earnings tax, the personal holding company tax, and social security taxes), and the excise taxes imposed with respect to the investment income of private foundations (hereafter referred to as "United States tax");

b) in Estonia: the income tax (tulumaks) (but excluding the tax on insurance companies provided in paragraph 35 of the Estonian income tax law), and the local income tax (kohalik tulumaks), (hereafter referred to as "Estonian tax").