

No. 50587

**Brazil
and
Japan**

Exchange of notes constituting an agreement between the Government of the Federative Republic of Brazil and the Government of Japan regarding the taxation of Japanese air carriers operating in Brazil. Brasília, 22 July 2009

Entry into force: *22 July 2009 by the exchange of the said notes, in accordance with their provisions*

Authentic texts: *English and Portuguese*

Registration with the Secretariat of the United Nations: *Brazil, 15 April 2013*

**Brésil
et
Japon**

Échange de notes constituant un accord entre le Gouvernement de la République fédérative du Brésil et le Gouvernement du Japon concernant l'imposition des compagnies aériennes japonaises opérant au Brésil. Brasília, 22 juillet 2009

Entrée en vigueur : *22 juillet 2009 par l'échange desdites notes, conformément à leurs dispositions*

Textes authentiques : *anglais et portugais*

Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies : *Brésil, 15 avril 2013*

[ENGLISH TEXT – TEXTE ANGLAIS]

I

*Embaixada do Japão
Brasil*

Brasilia, July 22, 2009

Excellency,

I have the honour to confirm the following understanding between the Government of Japan and the Government of the Federative Republic of Brazil, aimed at the implementation of Article 4 of Brazilian Law No. 10.560 of 13 November 2002, as amended by Article 20 of Brazilian Law No. 11.051 of 29 December 2004:

1. The Government of Japan confirms that Brazilian carriers operating in Japan have not been and are not on the date of exchange of this Note and Your Excellency's Note in reply subject to turnover taxes equivalent to the Brazilian "Contribution to the Social Integration Program" (hereinafter referred to as "PIS"), "Social Contribution to the Social Investment Fund" (hereinafter referred to as "FINSOCIAL") and "Social Contribution to the Financing of Social Security System" (hereinafter referred to as "COFINS").

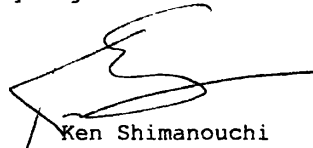
2. Bearing in mind reciprocal treatment, the Government of Japan understands that:

- a) pursuant to Section V and paragraph 1 of Article 14 of Provisional Measure No. 2.158-35 of 24 August 2001, Japanese carriers operating in the Federative Republic of Brazil shall be exempt from PIS and COFINS; and
- b) pursuant to Article 4 of Law No. 10.560 of 13 November 2002, as amended by Article 20 of Law No. 11.051 of 29 December 2004, and due regard being paid to the procedures set out in the Joint Directive PGFN/SRF No. 6 of 30 December 2003, the charge imposed on the Japanese air carriers operating in the Federative Republic of Brazil in accordance with the PIS, FINSOCIAL and COFINS regarding the taxable events that occurred until the day before the entry into force of Section V and paragraph 1 of Article 14 of Provisional Measure No. 2.158-35 of 24 August 2001 are cancelled and the corresponding assessments are declared null and void for all purposes.

His Excellency
Mr. Celso Amorim
Minister of External Relations
of the Federative Republic of Brazil

I have further the honour to propose that this Note and Your Excellency's Note in reply confirming the foregoing understanding on behalf of the Government of the Federative Republic of Brazil shall be regarded as constituting an agreement between the two Governments, which shall become effective on the date of Your Excellency's reply.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

A handwritten signature in black ink, appearing to be 'Ken Shimanouchi', written in a cursive style.

Ken Shimanouchi
Ambassador Extraordinary and
Plenipotentiary of Japan
to the Federative Republic of Brazil

II

DAI/DCF/2 /PAIN BRAS JAPA

Brasília, July 22, 2009

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[See note I]

I have further the honour to confirm on behalf of the Government of the Federative Republic of Brazil that the foregoing is also the understanding of the Government of the Federative Republic of Brazil and to agree that Your Excellency's Note and this Note in reply shall be considered as constituting an agreement between the two Governments, which shall enter into force on the date of this Note in reply.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.



Celso Amorim
Minister of External Relations
of the Federative Republic of Brazil

His Excellency
Mr. Ken Shimanouchi
Ambassador Extraordinary
and Plenipotentiary of Japan
to the Federative Republic of Brazil