

2. *Brazil, Bulgaria, Indonesia, Malaysia, the People's Republic of China, Singapore, Thailand and Vietnam* reserve their positions on the Article if and when they impose taxes on capital.
3. *India* reserves the right to tax capital as per domestic law.

POSITIONS ON ARTICLES 23 A AND 23 B (EXEMPTION METHOD AND CREDIT METHOD) AND ITS COMMENTARY

Positions on the Article

1. *Albania, Argentina, Brazil, India, Ivory Coast, Malaysia, Morocco, the People's Republic of China, Serbia, Thailand, Tunisia and Vietnam* reserve the right to add tax sparing provisions in relation to the tax incentives that are provided for under their respective national laws.
2. *Argentina and Vietnam* reserve the right to add a matching credit for some or all of the income covered under Articles 10, 11 and 12 with the result that tax shall be deemed to have been paid, for purposes of the Article on elimination of double taxation, at a certain rate, to be negotiated, of the gross income.
3. *Brazil* reserves the right to add a matching credit for some or all of the income covered under Articles 11 and 12 with the result that tax shall be deemed to have been paid, for purposes of the Article on elimination of double taxation, at a certain rate, to be negotiated, of the gross income.
4. *Brazil and Tunisia* reserve the right to provide that income covered under Article 10 shall be exempt or entitled to a matching credit in the other Contracting State.
5. *Brazil* reserves its position on paragraph 4 of Article 23 A.

POSITIONS ON ARTICLE 24 (NON-DISCRIMINATION) AND ITS COMMENTARY

Positions on the Article

Paragraph 1

1. [Deleted]
2. *Brazil, Colombia, Romania, Russia, Singapore, Thailand and Vietnam* reserve their position on the second sentence of paragraph 1.

2.1 *Bulgaria* reserves the right to omit the words “other or” in the first sentence of paragraph 1.

2.2 *Indonesia, Malaysia and Tunisia* reserve the right to restrict the scope of the Article to residents of the Contracting States.

2.3 *Singapore* reserves the right to add a provision to state that the granting of tax incentives to its nationals designed to promote economic or social developments shall not be construed as discriminatory.

Paragraph 2

3. [Deleted]

4. *Albania, Bulgaria, India, Malaysia, the Philippines, Russia, Serbia, Singapore and Vietnam* reserve the right not to insert paragraph 2 in their conventions.

Paragraph 3

5. *Argentina* reserves the right to apply a branch profits tax.

6. *Brazil* reserves its position on paragraph 3 since royalties paid by a permanent establishment situated in Brazil to its head office abroad are not deductible under its law.

7. *Thailand* reserves the right to apply a profit remittance tax and a special taxation regime in respect of agricultural production activities.

7.1 *Morocco* reserves the right to add a paragraph stating that nothing in this article can be interpreted as prohibiting Morocco to apply its branch tax, its domestic thin-capitalisation and transfer-pricing legislation.

7.2 *Argentina* reserves the right to provide in paragraph 3 that no exemptions or concession provided for in its internal laws shall be granted as long as that would result in a transfer of taxes to foreign tax administrations.

7.3 *Colombia* reserves the right to impose its tax on the transfer of profits attributable to permanent establishments.

Paragraph 4

8. *Vietnam* reserves its position on this paragraph in the case of interest paid to non-residents that is not subject to a withholding tax.

8.1 *Malaysia* reserves its position on this paragraph in the case of interest, royalties, or fees for technical services paid to non-residents where withholding tax has not been deducted.

8.2 *Singapore* reserves its position on this paragraph in the case of interest paid to non-residents where withholding tax has not been deducted.

8.3 *Argentina* reserves the right not to include paragraph 4 of Article 24.

Paragraph 5

9. Brazil reserves the right to include, after the words “other similar enterprises of the first-mentioned State”, the words “whose capital is totally or partially, directly or indirectly, held or controlled by one or several residents of a third State”.

Paragraph 6

10. Albania, Argentina, Brazil, Bulgaria, Colombia, Malaysia, the Philippines, Romania, Serbia, Singapore, Thailand, Tunisia, Vietnam and Ukraine reserve the right to restrict the scope of the Article to the taxes covered by the Convention.

Positions on the Commentary

11. India, Malaysia and Singapore reserve their position on the interpretation set out in paragraph 44.

11.1 Argentina does not agree with the interpretation in paragraph 44 because Argentina considers that paragraph 3 of Article 24 does not preclude a State to establish, on any ground, a preferential tax regime that only residents are able to apply for.

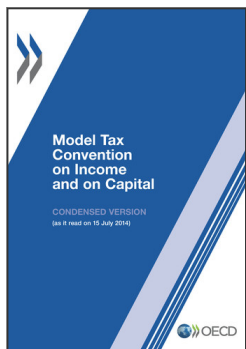
12. India reserves the right to add a paragraph to clarify that this provision can neither be construed as preventing a Contracting State from charging the profits of a permanent establishment which a company of the other Contracting State has in the first-mentioned State at a rate of tax which is higher than that imposed on the profits of a similar company of the first-mentioned Contracting State, nor as being in conflict with the provisions of paragraph 3 of Article 7 (as it read before the 2010 update to the Model Tax Convention).

**POSITIONS ON ARTICLE 25
(MUTUAL AGREEMENT PROCEDURE)
AND ITS COMMENTARY**

Positions on the Article**Paragraph 1**

1. Brazil, the Philippines and Thailand reserve their positions on the last sentence of paragraph 1.

1.1 Kazakhstan reserves its position on the second sentence of paragraph 1 and reserves its right to supplement the paragraph with the following sentence: “In the case of judicial proceedings, a court decision cannot be reconsidered by the competent authority of Kazakhstan.”



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