

**CONVENTION
BETWEEN
THE GOVERNMENT
OF THE GERMAN DEMOCRATIC REPUBLIC
AND
THE GOVERNMENT
OF THE KINGDOM OF THAILAND
FOR
THE AVOIDANCE OF DOUBLE TAXATION
AND THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME**

The Government of the German Democratic Republic and the Government of the Kingdom of Thailand, desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to promote the economic cooperation between the two Contracting States,

Have agreed as follows:

Article 1

Personal Scope

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 each Contracting State or of its political subdivisions or its local authorities, irrespective of the manner in which they are levied.

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

(a) in the case of the German Democratic Republic:

- Revenue transfer by public enterprises
- Income tax
- Corporate income tax
- Tax on wages
- Tax on income from a free-lance activity
- Tax on Royalties
- Capital-gains tax;

(b) in the case of the Kingdom of Thailand:

- the income tax and
- the petroleum income tax.

3. 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 significant changes which have been made in their respective taxation laws.

Article 3

General Definitions

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

(a) the term "German Democratic Republic" means the sovereign territory of the German Democratic Republic

and includes its territorial waters as well as—for the purposes of this Convention—any sea area which in accordance with the general international law and the laws of the German Democratic Republic being in conformity with it are designated or may be designated as an area within which the sovereign rights of the German Democratic Republic with respect to the sea bed, subsoil and their natural resources may be exercised;

(b) the term "Kingdom of Thailand" means the sovereign territory of the Kingdom of Thailand and includes its territorial waters as well as—for the purposes of this Convention—any sea area which in accordance with the general international law and the laws of the Kingdom of Thailand being in conformity with it are designated or may be designated as an area within which the sovereign rights of the Kingdom of Thailand with respect to the sea bed, subsoil and their natural resources may be exercised;

(c) the terms "a Contracting State" and "the other Contracting State" mean the German Democratic Republic or the Kingdom of Thailand as the context requires;

(d) the term "person" includes an individual, an undivided estate, a company and any other body of persons which is treated as an entity for tax purposes;

(e) the term "national" means:

(i) in the case of the German Democratic Republic

aa) any individual who, under the laws of the German Democratic Republic, is a national thereof,

bb) any legal person, partnership or association and any other entity deriving its status as such from the laws in force in the German Democratic Republic;

(ii) in the case of the Kingdom of Thailand

aa) any individual who, under the laws of the Kingdom of Thailand, is a national thereof,

bb) any legal person, partnership or association and any other entity deriving its status as such from the laws in force in the Kingdom of Thailand;

(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 or an enterprise carried on by a resident of the other Contracting State;

(h) the term "competent authority" means:

(i) in the case of the German Democratic Republic, the Ministry of Finance,

(ii) in the case of the Kingdom of Thailand, the Minister of Finance or his authorized representative;

(i) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except where such ship or aircraft is operated solely between places in the other Contracting State.

2. As regards the application of the Convention by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that Contracting State concerning the taxes to which the Convention applies.