

**UK/BRAZIL**

**AGREEMENT TO AVOID THE DOUBLE TAXATION OF  
SALARIES OF AIRCREW**

**SIGNED IN BRASILIA ON 2 SEPTEMBER 2010**

**This Agreement has not yet entered into force.**

**This will happen when both countries have completed their Parliamentary procedures and notified each other of the completion of those procedures.**

**An announcement will be made when the Agreement enters into force.**

**HM Revenue & Customs  
September 2010**

**Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Federative Republic of Brazil to avoid the Double Taxation of salaries, wages and other remuneration derived by a member of the crew of an aircraft operated in international traffic**

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Federative Republic of Brazil,

Having regard to the need to avoid the double taxation of salaries, wages and other remuneration derived by a member of the crew of an aircraft operated in international traffic;

Have agreed as follows:

**Article 1**

**General Scope**

This Agreement shall apply to individuals who are residents of one or both Contracting States.

**Article 2**

**Taxes Covered**

1. The Agreement shall apply to the following taxes:
  - (a) in the case of the United Kingdom:

the income tax;
  - (b) in the case of Brazil:

the individual income tax (“IRPF”).
  
2. The Agreement shall also apply to any identical or substantially similar taxes which are imposed after the date of signature of the Agreement in addition to, or in place of, those referred to in paragraph 1. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their taxation laws.

**Article 3**

**General Definitions**

1. For the purposes of this Agreement:
  - (a) the term “international traffic” means any transport by an aircraft, except where such transport takes place solely between points within a Contracting State;

- (b) the term “United Kingdom” means Great Britain and Northern Ireland;
- (c) the term “Brazil” means the Federative Republic of Brazil;
- (d) the term “competent authority” means
  - (i) in the case of the United Kingdom, the Commissioners for Her Majesty’s Revenue and Customs or their authorised representative; and
  - (ii) in the case of Brazil, the Minister of Finance, the Secretary of the Federal Revenue or their authorised representatives;
- (e) the terms “a Contracting State” and “the other Contracting State” mean the United Kingdom or Brazil, as the context requires
- (f) the term “national” means:
  - (i) in relation to the United Kingdom, any British citizen, or any British subject not possessing the citizenship of any other Commonwealth country or territory, provided he has the right of abode in the United Kingdom;
  - (ii) in relation to Brazil, any individual possessing the Brazilian nationality.

2. As regards the application of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires or the competent authorities agree to a common meaning pursuant to the provisions of Article 6 (Mutual Agreement Procedure), have the meaning that it has at that time under the law of that Contracting State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that Contracting State prevailing over a meaning given to the term under other laws of that Contracting State.

#### **Article 4**

##### **Resident**

1. For the purposes of this Agreement, the term “resident of a Contracting State” means any individual who, under the laws of that Contracting State, is liable to tax therein by reason of his domicile, residence or any other criterion of a similar nature.
2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his status shall be determined as follows:
  - (a) he shall be deemed to be a resident only of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident

only of the State with which his personal and economic relations are closer (centre of vital interests);

- (b) if the State in which he has his centre of vital interests cannot be determined, or if he does not have a permanent home available to him in either State, he shall be deemed to be a resident only of the State in which he has an habitual abode;
- (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident only of the State of which he is a national;
- (d) if he is a national of both States or of neither of them, the competent authorities of the Contracting States shall endeavour to settle the question by mutual agreement.

## **Article 5**

### **Rules of Taxation**

Salaries, wages and other remuneration derived by a resident of a Contracting State in respect of an employment as a member of the crew of an aircraft operated in international traffic shall be taxable only in that State.

## **Article 6**

### **Mutual Agreement Procedure**

The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts regarding the interpretation or application of this Agreement.

## **Article 7**

### **Exchange of Information**

1. The competent authorities of the Contracting States shall exchange such information as is relevant for carrying out the provisions of this Agreement. The exchange of information is not restricted by Article 1.
2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that Contracting State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment, collection, or administration of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by this Agreement or the oversight of the preceding activities. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

## Article 8

### Entry into Force and Termination

1. Each Contracting State shall notify the other of the completion of the procedures required by its laws for the bringing into force of this Agreement. This Agreement shall enter into force on the date of the later of these notifications and shall thereupon have effect:

- (a) in the United Kingdom for any year of assessment beginning on or after 6<sup>th</sup> April in the calendar year next following that in which this Agreement enters into force;
- (b) in Brazil with respect to salaries, wages and other remuneration arising in the taxable year beginning on or after the first day of January of the calendar year next following that in which this Agreement enters into force.

2. This Agreement shall remain in force indefinitely, but either Contracting State may terminate the Agreement by giving written notice of termination to the other Contracting State at least six months in advance. In that event the Agreement shall cease to have effect as regards all income arising after 31<sup>st</sup> December of the calendar year in which the notice is given.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Agreement.

Done in duplicate at Brasilia this 2nd day of September 2010 in the English and Portuguese languages, both texts being equally authoritative.

For the Government of the  
United Kingdom of Great  
Britain and Northern  
Ireland:

*Vince Cable*

For the Government of the  
Federative Republic of  
Brazil:

*Pedro Luiz Carneiro de  
Mendonça*