
EXPLANATORY NOTE

(This note is not part of the Order)

The Schedule to this Order contains a Protocol (“the Protocol”) which amends the Convention between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Belgium for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains, which was scheduled to the Double Taxation Relief (Taxes on Income) (Belgium) Order 1987 (S.I. 1987/2053) (“the Convention”). This Order brings the Protocol into effect.

Article 1 provides for citation.

Article 2 makes a declaration as to the effect and content of the Protocol.

The Convention aims to eliminate the double taxation of income or gains arising in one country and paid to residents of the other country. It does this by dividing the taxing rights that each country has under its domestic law over the same income and gains, and/or by providing relief from double taxation. It also has specific measures which combat discriminatory tax treatment and provide for assistance in international tax enforcement. The Protocol continues this approach.

The Protocol will enter into force on the date of the later of the notifications by each country of the completion of its legislative procedures. It will take effect in the United Kingdom—

- (a) in respect of income tax and capital gains tax, for any year of assessment beginning on or after 6th April in the calendar year next following that in which the Protocol enters into force;
- (b) in respect of corporation tax, for any financial year beginning on or after 1st April in the calendar year next following that in which the Protocol enters into force; and
- (c) in respect of petroleum revenue tax, for any chargeable period beginning on or after 1 January in the calendar year next following that in which the Protocol enters into force.

The Protocol will take effect in Belgium—

- (a) in respect of taxes due at source on income credited or payable on or after 1 January in the calendar year next following that in which the Protocol enters into force; and
- (b) in respect of all taxes other than taxes due at source on income for any chargeable period ending on or after 31 December in the calendar year next following that in which the Protocol enters into force.

The Protocol will take effect in respect of exchange of information on the date it enters into force.

The date(s) of entry into force will, in due course, be published in the *London, Edinburgh and Belfast Gazettes*.

A full and final Impact Assessment has not been produced for this Order as a negligible impact on the private or voluntary sectors is foreseen.