
EXPLANATORY NOTE

(This note is not part of the Order)

The Schedule to this Order contains a Protocol (“the Arrangements”) which further amend a 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 (the “Convention”). The Convention was scheduled to the Double Taxation Relief (Taxes on Income) (Belgium) Order (S.I. 1987/2053) and was previously amended by the arrangements scheduled to Double Taxation Relief and International Tax Enforcement (Belgium) 2010 (S.I. 2010/2979). This Order brings the Arrangements into effect.

The Convention aims to eliminate the double taxation of income and gains arising in one country and paid to residents of the other country. This is done by allocating 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. There are also specific measures which combat discriminatory tax treatment and provide for assistance in international tax enforcement. The Arrangements continue this approach.

The Arrangements make amendments to the Convention to acknowledge the Regions and Communities of Belgium. The amendments make it clear that the term “competent authority” includes not only the Minister of Finance of the federal Government, but also those of the Regions and Communities, or their authorised representatives.

Article 1 provides for citation.

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

The Arrangements will enter into force on the date of the later of the notifications by each country of the completion of its legislative procedures. They will take effect in each country, with respect to taxable periods beginning on or after 1 January 2013 or, where there is no taxable period, for taxable events occurring on or after that date.

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

A Tax Information and Impact Note has not been produced for this Order as it gives effect to a previously announced policy to enact a double taxation agreement.