

EXPLANATORY NOTE

The Protocol scheduled to this Order makes certain alterations to the Convention set out in the Schedule to the Double Taxation Relief (Taxes on Income) Switzerland Order 1978.

It amends the Dividends Article by removing the entitlement to a tax credit in respect of a United Kingdom company dividend unless it is shown by the recipient that the shares were acquired for *bona fide* commercial reasons or in the ordinary course of making and managing investments and it was not the main object nor one of the main objects of that acquisition to obtain entitlement to the tax credit.

The Protocol is to take effect in relation to dividends paid on or after the date that instruments of ratification are exchanged.