
EXPLANATORY NOTE

(This note is not part of the Order)

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) (Republic of Ireland) Order 1976, as amended by the Protocol set out in the Schedule to the Double Taxation Relief (Taxes on Income) (Republic of Ireland) (No. 2) Order 1976.

The Protocol inserts a new Article 17A providing that tax relief may be given by one State where an employee who has been sent temporarily to work in that State pays contributions to an approved pension scheme in the other State.

In addition, any contributions paid to the pension scheme by the employer will not be treated as part of the employee's taxable income; and the employer will be entitled to a deduction for those contributions when computing taxable profits.

The Protocol will enter into force after both countries have notified each other of the completion of their legislative procedures and shall have effect in both the United Kingdom and the Republic of Ireland from 1st April 1994 in respect of corporation tax; and from 6th April 1994 in respect of income tax. The date of entry into force will be published in the *London, Edinburgh and Belfast Gazettes*.