

SCHEDULE

PART II

Exchange of Notes

Note from Her Majesty's Government

Sir,

I refer to the text of the proposed model “Agreement on the Taxation of Savings Income between the United Kingdom Overseas Territory of Montserrat and [EU Member State that is to apply automatic exchange of information]” that was approved at the High Level Working Party (Taxation of Savings) of the Council of Ministers of the European Union of 22 June 2004 .

In view of the above mentioned text, and respecting the constitutional relationship between the United Kingdom of Great Britain and Northern Ireland and Montserrat, I have the honour

- to propose to you the arrangements contained in the Agreement on the taxation of savings income at Appendix 1 to this letter;
- to propose that the said arrangements may come into effect on the date of application of Council Directive [2003/48/EC](#) of 3 June 2003 on taxation of savings income in the form of interest payments, which date shall be subject to the conditions set out in Article 17(2) of the Directive, subject to the notification to each other that the internal constitutional formalities for the coming into effect of these arrangements are completed;
- to propose our mutual commitment to comply at the earliest date with our said internal constitutional formalities and to notify each other without delay through the formal channels when such formalities are completed.

I have the honour to propose that, if the above is acceptable to your Government, this letter together with its Appendix 1 and your confirmation shall together constitute our mutual acceptance and making of the arrangements between the United Kingdom and Montserrat.

Please accept, Sir, the assurance of our highest consideration,

Bill Rammell

Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs

For the Government of the United Kingdom

Done in London on 22 July 2004 in three copies.

Note from the Government of Montserrat

Sir,

I have the honour to acknowledge receipt of your letter of 22 July 2004, which reads as follows:

“Sir,

I refer to the text of the proposed model “Agreement on the Taxation of Savings Income between the United Kingdom Overseas Territory of Montserrat and [EU Member State that is to apply automatic exchange of information]” that was approved by the High Level Working Party (Taxation of Savings) of the Council of Ministers of the European Union on 22 June 2004.

In view of the above mentioned text, and respecting the constitutional relationship between the United Kingdom of Great Britain and Northern Ireland and Montserrat, I have the honour

- to propose to you the arrangements contained in the Agreement on the taxation of savings income at Appendix 1 to this letter;

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- to propose that the said arrangements may come into effect on the date of application of Council Directive [2003/48/EC](#) of 3 June 2003 on taxation of savings income in the form of interest payments, which date shall be subject to the conditions set out in Article 17(2) of the Directive, subject to the notification to each other that the internal constitutional formalities for the coming into effect of these arrangements are completed;
- to propose our mutual commitment to comply at the earliest date with our said internal constitutional formalities and to notify each other without delay through the formal channels when such formalities are completed.

I have the honour to propose that, if the above is acceptable to your Government, this letter together with its Appendix 1 and your confirmation shall together constitute our mutual acceptance and making of the arrangements between the United Kingdom and Montserrat.

Please accept, Sir, the assurance of our highest consideration”

I am able to confirm that the Government of Montserrat is in agreement with the contents of your letter dated 22 July 2004.

Please accept, Sir, the assurance of my highest consideration,

John A Osborne

Chief Minister

For the Government of Montserrat

Done in Montserrat on 16 December 2004 in three copies.