

法規名稱：CONVENTION BETWEEN THE REPUBLIC OF CHINA AND THE REPUBLIC OF PARAGUAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

簽訂日期：民國 83 年 04 月 28 日

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The Republic of China

And

The Republic of Paraguay,

DESIRING to conclude a convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,

HAVE AGREED AS FOLLOWS:

ARTICLE 1

PERSONAL SCOPE

This Convention shall apply to persons who are residents of one or both of the Contracting States.

ARTICLE 2

TAXES COVERED

1.The existing taxes to which this Convention shall apply are:

(a)in the Republic of China:

--the individual consolidated income tax and the profit seeking enterprise income tax;

(b)in the Republic of Paraguay:

--the income tax.

2.This Convention shall also apply to any identical or substantially similar taxes which are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their respective taxation laws

and of any official published material concerning the application of the convention, including explanations, regulations, rulings, or judicial decisions.

ARTICLE 3

GENERAL DEFINITIONS

1. In this Convention, unless the context otherwise requires:

- (a) the terms "a Contracting State" and "the other Contracting State" mean the Republic of China or the Republic of Paraguay as the context requires;
- (b) the term "person" comprises an individual, a company and any other body of persons which is treated as an entity for tax purposes;
- (c) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
- (d) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- (e) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
- (f) the term "competent authority" means:
 - (i) in the Republic of China, the Minister of Finance or his delegate.
 - (ii) in the Republic of Paraguay, the Minister of Finance or his delegate;

2. As regards the application of the Convention by a Contracting State, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that State concerning the taxes to which the Convention applies.

ARTICLE 4

RESIDENT

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who is a resident in accordance with the tax laws in that State.
2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his case shall be determined in accordance with the following rules:
 - (a) he shall be deemed to be a resident of the State in which he has a permanent home available to him. If he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
 - (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
 - (c) if he has an habitual abode in both States or in either of them, the competent authorities of the State shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident of the Contracting State in which the control and management of its business is exercised.

ARTICLE 5

PERMANENT ESTABLISHMENT

1. For the purposes of this Convention, the term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on.
2. The term "permanent establishment" shall include especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;

- (d)a factory;
 - (e)a workshop;
 - (f)a mine, oil well, quarry or other place of extraction of natural resources;
 - (g)a plantation, farm; and
 - (h)building site, construction, installation and assembly project which last for a period of more than twelve months.
- 3.The term "permanent establishment" shall not be deemed to include:
- (a)the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;
 - (b)the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
 - (c)the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (d)the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;
 - (e)the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise;
 - (f)the maintenance of a fixed place of business solely for any combination of activities mentioned in sub-paragraph (a) to (e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
- 4.An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the

ordinary course of their business.

5. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute for either company a permanent establishment of the other.

ARTICLE 6

INCOME FROM IMMOVABLE PROPERTY

1. Income from immovable property may be taxed in the Contracting State in which such property is situated.
2. The term "immovable property" shall be defined in accordance with the law in the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

ARTICLE 7

BUSINESS PROFITS

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on

business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other Contracting State but only so much of them as is attributable to that permanent establishment.

2. Where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, according to the laws of each State, including executive and general administrative expenses so incurred, whether in the Contracting State in which the permanent establishment is situated or elsewhere.
4. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
5. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8

SHIPPING AND TRANSPORT

1. Profits derived by an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that State.
2. Paragraph 1 shall also apply to profits from the participation

in a pool, a joint business or an international operating agency.

- 3.Paragraph 1 shall also apply to profits from the rental of ships or aircraft on a full (time, voyage or bareboat) basis and profits from the rental of containers and related equipment, which is incidental to the international operation of ships or aircraft.

ARTICLE 9

ASSOCIATED ENTERPRISE

Where

- (a)an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
- (b)the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

ARTICLE 10

DIVIDENDS

- 1.Dividends arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
- 2.However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident, and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged

shall not exceed 5 per cent of the gross amount of the dividends.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The term "dividends" as used in this Article means income from shares or other right, not being debt-claims, participating in profits, as well as income from other corporate rights which is subject to the same taxation treatment as income from shares according to the taxation law in the State of which the company making the distribution is a resident.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, has in the other Contracting State, of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case, the provision of Article 7 shall apply.
5. Where a company which is resident of a Contracting State derives profits or income from the other Contracting State, no tax may be imposed in that other State on the dividends paid by the company except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment in that other State, or on the company's undistributed profits even if the dividends paid or undistributed profits consist wholly or partly of profits or income arising in such other State.
6. Dividends shall be deemed to arise in a Contracting State if they are paid by a company resident in that State.

ARTICLE 11

INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner of the interest, the tax so charged shall not exceed 10 per cent of the gross amount of the interest.
3. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such a case, the provisions of Article 7 shall apply.
5. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, or a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment, then such interest shall be deemed to arise in the State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such

case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

ARTICLE 12

ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient who is a resident of the other Contracting State beneficially owns the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of scientific work, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial or scientific experience.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise, a permanent establishment with which the right or property in respect of which the royalties are paid is effectively connected. In such a case, the provisions of Article 7 shall apply.
5. Where, owing to a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties paid, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the

provisions of this Article shall apply only to the last-mentioned amount. In such a case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

6. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the obligation to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment is situated.

ARTICLE 13

CAPITAL GAINS

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.
2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.
3. Gains from the alienation of ships or aircraft operated in international traffic, boats engaged in inland waterways transport or movable property pertaining to the operation of such ships, aircraft or boats, shall be taxable only in the

Contracting State in which the enterprise is incorporated.

4. Gains from the alienation of any property other than that referred to in paragraphs 1, 2 and 3, shall be taxable only in the Contracting State of which the alienator is a resident.

ARTICLE 14

INDEPENDENT PERSONAL SERVICES

1. Income derived by a resident of a Contracting State in respect of professional services or other activities of an independent character shall be taxable only in that State unless he has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities. If he has such a fixed base, the income may be taxed in the other Contracting State but only so much of it as is attributable to that fixed base.
2. The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

ARTICLE 15

DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of Articles 16, 19 and 20, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State, unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other State.
2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned Contracting State if:
 - (a) the recipient is present in the other State for a period or

- periods not exceeding in the aggregate 183 days in the calendar year concerned; and
- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other State; and
- (c) the remuneration is not borne by a permanent establishment which the employer has in the other State.
3. Notwithstanding the previous provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic may be taxed in the Contracting State in which the enterprise is incorporated.

ARTICLE 16

DIRECTORS' FEES

1. Directors' fees and similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other State.
2. The remuneration which a person to whom paragraph 1 applies derives from the company in respect of the discharge of day-to-day functions of a managerial or technical nature may be taxed in accordance with the provisions of Article 15.

ARTICLE 17

ARTISTES AND ATHLETES

1. Notwithstanding the provisions of Articles 14 and 15, income derived by entertainers, such as theatre, motion picture, radio or television artistes, or musicians, or by athletes, from their personal activities as such may be taxed in the Contracting State in which these activities are exercised.
2. Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the Contracting State in which the

activities of the entertainer or athlete are exercised.

3.The provisions of paragraph 1 shall not apply to remuneration or profits, salaries, wages and similar income derived from activities exercised in a Contracting State by public entertainers if the visit to that State is substantially supported by public funds as recognized by the competent authorities of both States.

4.Notwithstanding the provisions of Article 7, where the activities mentioned in paragraph 1 are provided in a Contracting State by an enterprise of the other Contracting State the profits derived from providing these activities by such an enterprise may be taxed in the first-mentioned State unless the enterprise is substantially supported from the public funds as recognized by the competent authorities of both States in connection with the provisions of such activities.

ARTICLE 18

TEACHERS

1.An individual who is a resident of a Contracting State immediately before making a visit to the other Contracting State, and who, at the invitation of any university, college, school or other similar educational institution, which is recognized by the competent authority in that other State, visits that other State for a period not exceeding two years solely for the purpose of teaching or research or both at such educational institution shall be exempt from tax in that other State on his remuneration for such teaching or research.

2.The provisions of paragraph 1 shall not apply where his visit, under one or more contracts with the educational institutions of the other Contracting State, exceeds two years.

ARTICLE 19

PENSIONS

Pensions and other similar remuneration for past employment

derived from a Contracting State shall be taxable only in that State.

ARTICLE 20

GOVERNMENT SERVICE

1. Remuneration paid by, or out of funds created by, one of the Contracting States or a political subdivision or local authority thereof to any individual for services rendered to that State or a political subdivision or local authority thereof in the discharge of functions of a government nature shall be exempt from tax in the other Contracting State if the individual is not ordinarily resident in that other Contracting State or is ordinarily resident in that other Contracting State solely for the purpose of rendering those services.
2. The provisions of this Article shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the Contracting State or a political subdivision or local authority thereof for the purpose of profits.

ARTICLE 21

STUDENTS AND TRAINEES

1. An individual, who immediately before visiting a Contracting State, is a resident of the other Contracting State and is temporarily present in the first-mentioned State for the primary purpose of:
 - (a) studying at a university, college or school in the first-mentioned State, or
 - (b) securing training required to qualify him to practice a profession or a professional specialty, shall be exempt from tax in that State in respect of:
 - (i) remittances from the other State for the purpose of his maintenance, study or training; and
 - (ii) any remuneration for personal services rendered in the

first- mentioned State with a view to supplementing the resources available to him for such purposes in an amount not exceeding 3,500 U\$ dollars in any calendar year.

2. An individual, who immediately before visiting a Contracting State, is a resident of the other Contracting State and is temporarily present in the first-mentioned State for the primary purpose of study, research or training solely as a recipient of a grant, allowance or award from the Government or a scientific, educational, religious or charitable organization of one of the States, shall be exempt from tax in the first-mentioned State in respect of:

- (a) remittances from the other State for the purpose of his maintenance, study, research or training; and
- (b) the amount of such grant, allowance or award; and
- (c) any remuneration for personal services rendered in the first-mentioned State, provided such services are in connection with his studies, research or training or are incidental thereto, in an amount not exceeding 3,500 U\$ dollars in any calendar year.

3. An individual, who immediately before visiting a Contracting State, is a resident of the other Contracting State and is temporarily present in the first-mentioned State for a period not exceeding twelve months solely as an employee of, or under contract with, the Government or an enterprise of the second-mentioned State for the purpose of acquiring technical, professional or business experience shall be exempt from tax in the first-mentioned State on:

- (a) all remittances from the second-mentioned State for the purposes of his maintenance, education or training; and
- (b) any remuneration for personal services rendered in the first-mentioned State, provided such services are in connection with his studies, research or training or are incidental thereto, in an amount not exceeding 10,000 U\$ dollars.

OTHER INCOME

Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Convention shall be taxable only in that State.

ARTICLE 23

ELIMINATION OF DOUBLE TAXATION

Subject to the tax laws in either Contracting States regarding the allowance as a credit against tax payable in that State of tax payable outside that State, tax payable in a Contracting State in respect of income derived from that State, shall be allowed as a credit against tax payable in the other Contracting State in respect of that income.

ARTICLE 24

NON-DISCRIMINATION

- 1.The nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected. This provision shall not be construed as obliging the competent authority of a Contracting State to grant to nationals of the other Contracting State not resident in the first-mentioned State those personal allowances, reliefs and reductions for tax purposes which are by law available only to nationals of the first-mentioned State or to such other persons as may be specified therein who are not resident in that State.
- 2.The term "nationals" means all individuals possessing the nationality of either Contracting State and all legal persons, partnerships, associations and other entities deriving their status as such from the laws in force in that State.
- 3.The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State

shall not be less favorably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.

4. The provisions of this Article shall not be construed as obliging the competent authority of a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which are granted to the residents of the first-mentioned State.
5. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned State are or may be subjected.
6. In this Article the term "taxation" means taxes which are the subject of this Convention.

ARTICLE 25

MUTUAL AGREEMENT PROCEDURES

1. Where a resident of a Contracting State considers that the actions of one or both of the competent authorities result or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the domestic laws of those Contracting States, present his case to the competent authority of the State of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of this Convention.
2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other

Contracting State, with a view to the avoidance of taxation not in accordance with the Convention.

3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Convention. They may also consult together for the elimination of double taxation in cases not provided for in this Convention.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

ARTICLE 26

EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is necessary for carrying out the provisions of this Convention and of the domestic laws of the States concerning taxes covered by this Convention insofar as the taxation thereunder is in accordance with this Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons or authorities other than those concerned with the assessment or collection of the taxes which are the subject of this Convention.
2. In no case shall the provisions of paragraph 1 be construed so as to impose on one of the competent authorities the obligation:
 - (a) to carry out administrative measures at variance with the laws or the administrative practice of that or of the other State;
 - (b) to supply particulars which are not obtainable under the laws or in the normal course of the administration of that or of the other State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or

trade process, or information, the disclosure of which would be contrary to public policy.

ARTICLE 27

ENTRY INTO FORCE

This Convention shall enter into force on the date on which both Contracting States shall have notified each other of compliance with their respective legal requirements for entry into force of this Convention and thereupon shall have effect:

- (a) in respect of taxes withheld at source, for amounts paid or credited on or after the first day of the second month next following the date on which the Convention enters into force; and
- (b) in respect of other taxes, for taxable years of the persons entitled to the benefits of this Convention beginning on or after the first day of January next following the date on which the Convention enters into force.

ARTICLE 28

TERMINATION

This Convention shall remain in force until terminated by either of the Contracting States. Either of the Contracting States may terminate the Convention at any time after a period of five years from the date on which the Convention enters into force, provided that written notice of termination has been given not later than 30 June of any calendar year. In such event, the Convention shall cease to have effect:

- (a) in respect of taxes withheld at source, for amounts paid or credited on or after the end of the calendar year in which the notice is given; and
- (b) in respect of other taxes, for taxable years of the persons entitled to the benefits of the Convention beginning on or after the first day of January following that in which the notice is given.

In witness whereof the undersigned, being duly authorized thereto, have signed this Convention.

DONE in duplicate, at Asuncion, on the 28th day of April, one thousand nine hundred and ninety four Year of the Christian Era, each in Chinese, Spanish and English languages, all texts being equally authentic, except in the case of discrepancy then the English text shall prevail.