

法規名稱：Agreement between The Ministry of Finance of the Republic of China (Taiwan) and The Ministry of Finance of the Slovak Republic For The Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income

簽訂日期：民國 100 年 08 月 10 日

生效日期：民國 100 年 09 月 24 日

Have agreed as follows:

#### Article 1

##### Persons Covered

This Agreement shall apply to persons who are residents of one or both of the territories.

#### Article 2

##### Taxes Covered

1. The existing taxes to which the Agreement shall apply are:
  - a) in the territory in which the taxation laws administered by the Ministry of Finance of the Slovak Republic are applied:
    - (i) the tax on income of individuals;
    - (ii) the tax on income of legal persons;
  - b) in the territory in which the taxation laws administered by the Ministry of Finance of the Republic of China (Taiwan) are applied:
    - (i) the profit-seeking enterprise income tax;
    - (ii) the individual consolidated income tax;
    - (iii) the income basic tax.
2. The Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the territories shall notify each other of any significant changes that have been made in taxation laws in force of each of the respective territories.

#### Article 3

##### General Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
  - a) the term "territory", means the territory referred to in paragraph 1a) or 1b) of Article 2, as the context requires;
  - b) the term "person" includes an individual, a company and any other body of persons;
  - 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 territory" and "enterprise of

- the other territory" mean respectively an enterprise carried on by a resident of a territory and an enterprise carried on by a resident of the other territory; e) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a territory, except when the ship or aircraft is operated solely between places in the other territory;
- f) the term "competent authority" means:
- (i) in the case of the territory in which the taxation laws administered by the Ministry of Finance of the Slovak Republic are applied, the Ministry of Finance of the Slovak Republic or its authorized representative, and
  - (ii) in the case of the territory in which the taxation laws administered by the Ministry of Finance of the Republic of China (Taiwan) are applied, the Minister of Finance of the Republic of China (Taiwan) or its authorized representative.
2. As regards the application of the Agreement at any time by a territory, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law in force of that territory for the purposes of the taxes to which the Agreement applies, any meaning under the tax laws in force of that territory prevailing over a meaning given to the term under other laws in force of that territory.

#### Article 4

##### Resident of a Territory

1. For the purposes of this Agreement, the term "resident of a territory" means any person who, under the laws in force of that territory, is liable to tax therein by reason of his domicile, residence, place of management, place of incorporation or any other criterion of a similar nature, and also includes any authority administering the territory and any subdivision or local authority thereof.
2. A person is not a resident of a territory for the purposes of this Agreement if that person is liable to tax in that territory in respect only of income from sources in that territory, provided that this paragraph shall not apply to individuals who are residents of the territory referred to in paragraph 1b) of Article 2, as long as under its Income Tax Act resident individuals are taxed only in respect of income from sources in that territory.
3. Where by reason of the provisions of paragraphs 1 and 2 an individual is a resident of both territories, then his status shall be determined as follows:
  - a) he shall be deemed to be a resident only of the territory in which he has a permanent home available to him; if he

- has a permanent home available to him in both territories, he shall be deemed to be a resident only of the territory with which his personal and economic relations are closer (centre of vital interests);
- b) if the territory 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 territory, he shall be deemed to be a resident only of the territory in which he has an habitual abode;
  - c) if he has an habitual abode in both territories or in neither of them, he shall be deemed to be a resident only of the territory of which he is a national under the laws in force in that territory;
  - d) if he is a national as referred to under subparagraph c) of both territories or of neither of them, the competent authorities shall endeavour to settle the question by mutual agreement.
4. Where by reason of the provisions of paragraphs 1 and 2 a person other than an individual is a resident of both territories, the competent authorities of the territories shall settle the question by mutual agreement.

## Article 5

### Permanent Establishment

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
2. The term "permanent establishment" includes especially:
  - a) a place of management;
  - b) a branch;
  - c) an office;
  - d) a factory;
  - e) a workshop, and
  - f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.
3. A building site or construction or installation project constitutes a permanent establishment only if it lasts more than 9 months.
4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not 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 of collecting information, for the enterprise;
  - e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;
  - f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs 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.
5. Notwithstanding the provisions of paragraphs 1 and 2, where a person - other than an agent of an independent status to whom paragraph 6 applies - is acting on behalf of an enterprise and has, and habitually exercises, in a territory an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that territory in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.
6. An enterprise shall not be deemed to have a permanent establishment in a territory merely because it carries on business in that territory through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.
7. The fact that a company which is a resident of a territory controls or is controlled by a company which is a resident of the other territory, or which carries on business in that other territory (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

## Article 6

### Income from Immovable Property

- 1. Income derived by a resident of a territory from immovable property (including income from agriculture or forestry) situated in the other territory may be taxed in that other territory.
- 2. The term "immovable property" shall have the meaning which it has under the law of the territory 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 in force of the territory 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 territory shall be taxable only in that territory unless the enterprise carries on business in the other territory 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 territory but only so much of them as is attributable to that permanent establishment.
2. Subject to the provisions of paragraph 3, where an enterprise of a territory carries on business in the other territory through a permanent establishment situated therein, there shall in each territory 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 determining the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment including executive and general administrative expenses so incurred, whether in the territory 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. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method, year by year, unless there is good and sufficient reason to the contrary.

6. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

## Article 8

### Shipping and Air Transport

1. Profits of an enterprise of a territory from the operation of ships or aircraft in international traffic shall be taxable only in that territory.
2. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic include:
  - a) profits from the rental on a full (time or voyage) basis or a bareboat basis of ships or aircraft, and
  - b) profits from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers) used for the transport of goods or merchandise, where such rental or such use, maintenance or rental, as the case may be, is incidental to the operation of ships or aircraft in international traffic.
3. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency, but only to so much of the profits so derived as is attributable to the participant in proportion to its share in the joint operation.

## Article 9

### Associated Enterprises

1. Where
  - a) an enterprise of a territory participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or
  - b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a territory and an enterprise of the other territory,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.
2. Where an authority administering the territory includes in the profits of an enterprise of that territory - and taxes accordingly - profits on which an enterprise of the other territory has been charged to tax in that other territory and the profits so included are profits which would have accrued

to the enterprise of the first-mentioned territory if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that the authority administering that other territory shall make an appropriate adjustment to the amount of the tax charged therein on those profits if the authority administering that other territory considers the adjustment justified. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of territories shall if necessary consult each other.

## Article 10

### Dividends

1. Dividends paid by a company which is a resident of a territory to a resident of the other territory may be taxed in that other territory.
2. However, such dividends may also be taxed in the territory of which the company paying the dividends is a resident and according to the laws of that territory, but if the beneficial owner of the dividends is a resident of the other territory, the tax so charged shall not exceed 10 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, "jouissance" shares or "jouissance" rights, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws in force of the territory 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 territory, carries on business in the other territory of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
5. Where a company which is a resident of a territory derives profits or income from the other territory, that other territory may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a

resident of that other territory or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other territory, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other territory.

#### Article 11

##### Interest

1. Interest arising in a territory and paid to a resident of the other territory may be taxed in that other territory.
2. However, such interest may also be taxed in the territory in which it arises and according to the laws in force of that territory, but if the beneficial owner of the interest is a resident of the other territory, the tax so charged shall not exceed 10 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraphs 1 and 2, interest arising in a territory shall be exempt from tax in that territory if it is paid:
  - a) to the authority administering the other territory, a subdivision or a local authority or the Central Bank thereof in relation to any loan, debt-claim or credit granted by any such bodies;
  - b) in respect of a loan granted, guaranteed or insured or a credit extended, guaranteed or insured by an approved instrumentality of the other territory which aims at promoting export.
4. 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, including premiums and prizes attaching to such securities, bonds or debentures. However, the term "interest" shall not include for the purpose of this Article income dealt with in Article 10, penalty charges for late payment and interest on commercial debt-claims resulting from deferred payments for goods, merchandise or services supplied by an enterprise.
5. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a territory, carries on business in the other territory in which the interest arises, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent

- establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.
6. Interest shall be deemed to arise in a territory when the payer is a resident of that territory. Where, however, the person paying the interest, whether he is a resident of a territory or not, has in a territory a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the territory in which the permanent establishment or fixed base is situated.
  7. 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 debtclaim for which it is 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 case, the excess part of the payments shall remain taxable according to the laws in force of each territory, due regard being had to the other provisions of this Agreement.

## Article 12

### Royalties

1. Royalties arising in a territory and paid to a resident of the other territory may be taxed in that other territory.
2. However, such royalties may also be taxed in the territory in which they arise and according to the laws in force of that territory, but if the beneficial owner of the royalties is a resident of the other territory, the tax so charged shall not exceed:
  - a) 5 per cent of the gross amount of the royalties paid as a consideration for the use of, or the right to use, industrial, commercial, or scientific equipment, and
  - b) 10 per cent of the gross amount of the royalties in all other cases.
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 literary, artistic or scientific work including cinematograph films, any patent, trademark, 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, commercial 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 territory, carries on business in the other territory in

- which the royalties arise, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14 shall apply.
5. Royalties shall be deemed to arise in a territory when the payer is a resident of that territory. Where, however, the person paying the royalties, whether he is a resident of a territory or not, has in a territory a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the territory in which the permanent establishment or fixed base is situated.
  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 royalties, 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 case, the excess part of the payments shall remain taxable according to the laws in force of each territory, due regard being had to the other provisions of this Agreement.

## Article 13

### Capital Gains

1. Gains derived by a resident of a territory from the alienation of immovable property referred to in Article 6 and situated in the other territory may be taxed in that other territory.
2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a territory has in the other territory or of movable property pertaining to a fixed base available to a resident of a territory in the other territory 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 territory.
3. Gains derived by an enterprise of a territory from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in that

territory.

4. Gains derived by a resident of a territory from the alienation of shares or other similar rights in a company deriving more than 50% of their value directly or indirectly from immovable property situated in the other territory may be taxed in that other territory.
5. Gains from the alienation of any property other than that referred in the preceding paragraphs, shall be taxable only in the territory of which the alienator is a resident.

#### Article 14

##### Independent Personal Services

1. Income derived by a resident of a territory in respect of professional services or other activities of an independent character shall be taxable only in that territory except in the following circumstances, when such income may also be taxed in the other territory:
  - a) if he has a fixed base regularly available to him in the other territory for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that territory; or
  - b) if his stay in the other territory is for a period or periods amounting to or exceeding in the aggregate 183 days in any twelve-month period commencing or ending in the calendar year concerned; in that case, only so much of the income as is derived from his activities performed in the other territory may be taxed in that territory.
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

##### Income from Employment

1. Subject to the provisions of Articles 16, 18 and 19, salaries, wages and other similar remuneration derived by a resident of a territory in respect of an employment shall be taxable only in that territory unless the employment is exercised in the other territory. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other territory.
2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a territory in respect of an employment exercised in the other territory shall be taxable only in the firstmentioned territory if:
  - a) the recipient is present in the other territory for a

- period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the fiscal year concerned, and
- b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other territory, and
  - c) the remuneration is not borne by a permanent establishment which the employer has in the other territory.
3. Notwithstanding the preceding 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 territory of which the enterprise is a resident.

#### Article 16

##### Director' s Fees

Directors' fees and other similar payments derived by a resident of a territory in his capacity as a member of the board of directors or any other similar organ having supervisory functions of a company which is a resident of the other territory may be taxed in that other territory.

#### Article 17

##### Artistes and Sportsmen

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of a territory as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other territory, may be taxed in that other territory.
2. Where income in respect of personal activities exercised by an entertainer or a sportsman in his capacity as such accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the territory in which the activities of the entertainer or sportsman are exercised.
3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities exercised in a territory by an artistes or sportsmen if the visit to that territory is wholly or mainly supported by public funds of one or both of the authorities administering a territory or any subdivision or local authority thereof. In such case, the income is taxable only in the territory of which the artiste or the sportsman is a resident.

#### Article 18

##### Pensions and Annuities

1. Pensions and other similar remuneration paid to a resident of a territory in consideration of past employment, shall be

taxable only in the territory in which they arise. This provision shall also apply to annuities and to pensions and other similar remuneration paid under social security legislation in force in that territory or under a public scheme organized by that territory in order to supplement the benefits of that social security legislation.

2. The term "annuity" means a stated sum payable periodically at stated times during life or during a specified or ascertainable period of time under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

## Article 19

### Government Services

1.
  - a) Salaries, wages and other similar remuneration, other than a pension or annuity, paid by an authority administering a territory or a subdivision thereof or a local authority of that territory to an individual in respect of services to such authorities shall be taxable only in that territory.
  - b) However, such salaries, wages and other similar remuneration shall be taxable only in the other territory if the services are rendered in that territory and the individual is a resident of that territory who:
    - (i) is a national of a territory under the laws in force in that territory; or
    - (ii) did not become a resident of that territory solely for the purpose of rendering the services.
2. The provisions of Articles 15, 16, 17 and 18 shall apply to salaries, wages and other similar remuneration, and to pensions or annuities, in respect of services rendered in connection with a business carried on by an authority administering the territory or a subdivision or a local authority thereof.

## Article 20

### Students

Payments which a student or business apprentice who is or was immediately before visiting a territory a resident of the other territory and who is present in the first-mentioned territory solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that territory, provided that such payments arise from sources outside that territory.

## Article 21

### Other Income

1. Items of income of a resident of a territory, wherever

- arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that territory.
2. The provisions of paragraph 1 shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6, if the recipient of such income, being a resident of a territory, carries on business in the other territory through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or 14, as the case may be, shall apply.
  3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, items of income of a resident of a territory not dealt with in the foregoing Articles of this Agreement and arising in the other territory may also be taxed in that other territory.

## Article 22

### Elimination of Double Taxation

1. Subject to the provision of the laws in force of the territory referred to in paragraph 1a) of Article 2, double taxation shall be eliminated as follows:
  - a) when imposing taxes on its residents, the competent authority of the territory referred to in paragraph 1a) of Article 2 may include in the tax base upon which such taxes are imposed the items of income which according to the provisions of this Agreement may also be taxed in the territory referred to in paragraph 1b) of Article 2, but shall allow as a deduction from the amount of tax computed on such a base an amount equal to the tax paid in the territory referred to in paragraph 1b) of Article 2;
  - b) such deduction shall not, however, exceed that part of the tax payable in the territory referred to in paragraph 1a) of Article 2, as computed before the deduction is given, which is appropriate to the income that may be taxed in the territory referred to in paragraph 1b) of Article 2 in accordance with the provisions of this Agreement.
2. Subject to the provision of the laws in force of the territory referred to in paragraph 1b) of Article 2, double taxation shall be eliminated as follows:

Where a resident of the territory referred to in paragraph 1b) of Article 2 derives income from the other territory, the amount of tax on that income paid in the other territory (but excluding, in the case of a dividend, tax paid in respect of the profits out of which the dividend is paid) and in accordance with the provisions of this Agreement, shall be credited against

the tax levied in the firstmentioned territory imposed on that resident. The amount of credit, however, shall not exceed the amount of the tax in the firstmentioned territory on that income computed in accordance with its taxation laws and regulations.

## Article 23

### Non-Discrimination

1. Nationals of a territory under the laws in force in that territory shall not be subjected in the other territory to any taxation or any requirements connected therewith which is other or more burdensome than the taxation and connected requirements, to which nationals of that other territory in the same circumstances, in particular with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the territories.
2. The taxation on a permanent establishment which an enterprise of a territory has in the other territory shall not be less favourably levied in that other territory than the taxation levied on enterprises of that other territory carrying on the same activities. This provision shall not be construed as obliging a territory to grant to residents of the other territory any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.
3. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, or paragraph 6 of Article 12 apply, interest, royalties and other disbursements paid by an enterprise of a territory to a resident of the other territory shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned territory.
4. Enterprises of a territory, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other territory, shall not be subjected in the firstmentioned territory 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 the first-mentioned territory are or may be subjected.
5. The provisions of this Article shall apply to taxes which are the subject of this Agreement.

## Article 24

### Mutual Agreement Procedure

1. Where a person considers that the actions of authorities of

- one or both of the territories result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law in force of those territories, present his case to the competent authority administering the territory of which he is a resident or, if his case comes under paragraph 1 of Article 23, to that of the territory of which he is a national under the laws in force of that territory. 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 the Agreement.
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 a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other territory, with a view to the avoidance of taxation which is not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of territories.
  3. The competent authorities of the territories shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.
  4. The competent authorities of the territories may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

## Article 25

### Exchange of Information

1. The competent authorities of the territories shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or of the domestic laws concerning taxes of every kind and description imposed on behalf of the territories, or of their subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Articles 1 and 2.
2. Any information received under paragraph 1 by a competent authority of the territory shall be treated as secret in the same manner as information obtained under the laws in force of that territory and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1. Such persons or authorities shall use the information only

- for such purposes. They may disclose the information in public court proceedings or in judicial decisions.
3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a competent authority of a territory the obligation:
    - a) to carry out administrative measures at variance with the laws in force of the territory and administrative practice of that or of the other territory;
    - b) to supply information which is not obtainable under the laws in force of the territory or in the normal course of the administration of that or of the other territory;
    - 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 (ordre public).
  4. If information is requested by a competent authority of the territory in accordance with this Article, the other competent authority of the territory shall use its information gathering measures to obtain the requested information, even though that other competent authority of the territory may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a competent authority of the territory to decline to supply information solely because it has no domestic interest in such information.

## Article 26

### Limitation on Benefits

1. Notwithstanding the provisions of any other Article of this Agreement, a resident of a territory shall not receive the benefit of any reduction in or exemption from tax provided for in the Agreement by the other territory if the competent authority of the other territory determines that the main purpose or one of the main purposes of such resident or a person connected with such resident was to obtain the benefits of this Agreement.
2. The Agreement shall not prevent a territory from applying its domestic laws on the prevention of tax evasion or tax avoidance.

## Article 27

### Entry into Force

This Agreement shall be approved in accordance with the internal legal procedures under the laws in force of both territories and shall enter into force on the 30th day after the date of the later written information of the competent authority confirming

that the internal legal procedures have been completed. The provisions of this Agreement shall thereupon have effect in both territories

- a) in respect of taxes withheld at source, to income payable on or after the first day of January of the calendar year following the year in which this Agreement enters into force;
- b) in respect of other taxes, to such taxes as will be imposed for any tax periods beginning on or after the first day of January of the calendar year following the year in which this Agreement enters into force.

## Article 28

### Termination

1. This Agreement shall remain in force for an indefinite period until terminated by one of the competent authorities.
2. Either of the competent authorities may terminate this Agreement by giving notice of termination, at least six months before the end of any calendar year following after the period of at least five years from the date on which this Agreement enters into force. In such event, the Agreement shall cease to have effect in both territories
  - a) in respect of taxes withheld at source, to income payable on or after the first day of January in the calendar year next following the year in which the notice of termination is given;
  - b) in respect of other taxes, in any tax year beginning on or after the first day of January in the calendar year next following the year in which the notice of termination is given.

In witness whereof, the undersigned, being duly authorised thereto, have signed this Agreement.

Done in duplicate at ..... this ..... day of ..... 20...., each original in the Chinese, Slovak and English languages. In case of divergence of interpretation, the English text shall prevail.

For	For
The Ministry of Finance of the	The Ministry of Finance of the
Republic of China (Taiwan)	Slovak Republic

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Director General of the  
Taxation Agency

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Director General of the Tax and  
Customs Section