



Double Taxation Avoidance Agreement between Philippines and China

Protocol

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DEZAN SHIRA & ASSOCIATES

Corporate Establishment, Tax, Accounting & Payroll Throughout Asia

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PROTOCOL

At the moment of signing the Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, this day concluded between the People's Republic of China and the Republic of Philippines, the undersigned have agreed that the following provisions shall form an integral part of the Agreement:

1. With reference to Article 1, nothing in this Agreement shall be construed as preventing the Philippines from taxing its nationals who may be residing in China, in accordance with its domestic laws. However, no credit shall be given for taxes paid in pursuance thereto.

2. With reference to Article 8, if, under any Agreement or Convention concluded by the Philippines, a resident of any other country is given an exemption or a reduction from the Philippine income tax on gross billings relating to the operation of aircraft or ships in international traffic, the Philippines will grant a corresponding exemption or reduction to the residents of China and China will grant a corresponding exemption or reduction to the residents of the Philippines.

3. With reference to Article 10, paragraph 2, if under any Agreement or Convention concluded by the Philippines, a resident of any other country is given an exemption or a reduction from the Philippine tax on dividends, the Philippines will grant a corresponding exemption or reduction to the residents of China.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Agreement.

Done at Beijing on the 18th day of November 1999, in duplicate in the Chinese and English languages, both texts being equally authentic. In case of any divergence of interpretation the English text shall prevail.

For the Government of
the People's Republic of China

For the Government of
the Republic of the Philippines