

CONVENTION AND PROTOCOL BETWEEN  
THE UNITED STATES OF AMERICA AND GREECE

*Convention Signed at Athens February 20, 1950; Protocol Signed at Athens April 20, 1953  
Ratification of the Convention Advised by the Senate of the United States of America, with an  
Understanding, September 17, 1951*

*Convention Ratified by the President of the United States of America, Subject to the Said  
Understanding, December 5, 1951*

*Convention and Protocol Ratified by Greece December 22, 1953  
Ratifications Exchanged at Athens December 30, 1953*

*Convention and Protocol Proclaimed by the President of the United States of America  
January 15, 1954*

*Entered into Force December 30, 1953; Operative Retroactively January 1, 1953  
And*

*Protocol of Exchange of Ratifications Signed at Athens December 30, 1953*

GENERAL EFFECTIVE DATE UNDER ARTICLE XXI: 1 JANUARY 1953

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CONVENTION WITH GREECE FOR AVOIDANCE OF DOUBLE TAXATION AND  
PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

THE CONVENTION WITH GREECE, SIGNED AT ATHENS ON FEBRUARY 20, 1950,  
FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL  
EVASION WITH RESPECT TO TAXES ON INCOME

LETTER OF SUBMITTAL

DEPARTMENT OF STATE,  
*Washington, April 14, 1950.*

The PRESIDENT,  
*The White House:*

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgement approve thereof, a convention between the United States of America and Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Athens on February 20, 1950.

This convention, together with another relating to taxes on estates of deceased persons, was formulated as a result of technical discussions between representatives of each of the two Governments. As in similar discussions with representatives of other governments, an effort was made to determine the conventional bases upon which double taxation might be avoided and certain procedures for mutual administrative assistance in relation to taxation might be established.

The Department of State and the Treasury Department collaborated in the negotiation of the convention, after public announcement of the contemplated negotiations. It has the approval of both Departments.

It is believed that the income-tax convention with Greece, if and when brought into force, will establish, in the mutual interest of the two countries and of considerable benefit to taxpayers of both countries, a satisfactory basis for the accomplishment of objectives essentially the same as those of income-tax conventions now in force between the United States and certain other

countries, namely, the elimination, as far as practicable, of double taxation with respect to the same income and the setting up of a system for the exchange of information and administrative assistance.

The convention contains provisions similar to, if not identical with, provisions in force between the United States and a number of other countries, dealing with such items as business income, interest royalties, government wages and salaries, compensation for personal services, pensions and life annuities, compensation of visiting professors or teachers, and payments for the maintenance, education, or training of students or business apprentices. It may be compared in this respect with existing conventions of the United States with Sweden (March 23, 1939, 54 Stat., pt. 2, 1759), France (July 25, 1939, 59 Stat., pt. 2, 893, as modified by the convention of October 18, 1946, S. Ex. A, 80th Cong., 1st sess., and supplementary protocol of May 17, 1948, S. Ex. G, 80th Cong., 2d sess.), Canada (March 4, 1942, 56 Stat., pt. 2, 1399), the United Kingdom (April 16, 1945, with protocol of June 6, 1946, 60 Stat., pt. 2, 1377), the Netherlands (April 29, 1948, S. Ex. I, 80th Cong., 2d sess.), and Denmark (May 6, 1948, S. Ex. H, 80th Cong., 2d sess.). Also, comparison may be made with certain conventions now pending in the Senate, namely, those which have been signed with the Union of South Africa (December 13, 1946, S. Ex. O, 80th Cong., 1st sess.), New Zealand (March 16, 1948, S. Ex. J, 80th Cong., 2d sess.), Belgium (October 28, 1948, S. Ex. I, 81st Cong., 1st sess.), Norway (June 13, 1949, S. Ex. Q, 81st Cong., 1st sess.), and Ireland (September 13, 1949, S. Ex. F, 81st Cong., 2d sess.).

The principal features and objectives of the convention may be summarized as follows:

(1) Description of the taxes which are the subject of the convention: article I. In the case of the United States the convention applies only to the Federal income tax, including surtaxes, and does not apply to taxes imposed by the several States of the United States, the District of Columbia, or the Territories or possessions of the United States, with the sole exception of the "national treatment" provisions in paragraph (3) of article XVI, wherein expression is given, on a reciprocal basis, to the long-recognized principles relating to equality of treatment in respect of the taxation of resident aliens as compared with the taxation of resident nationals. In the case of Greece the convention applies, correspondingly, to "the income tax, including the schedular or analytical tax, the complementary tax under the professional or business tax".

(2) Adoption of principles affecting the determination of amount, and affecting the taxation of business income derived by enterprises of one country from sources within the other country. Under article III, upon a reciprocal basis, the business income of a Greek enterprise would be subjected to taxation by the United States only if such enterprise is engaged in trade or business through a permanent establishment in the United States, "permanent establishment" being defined fully, along with various other terms, in article II. Article IV authorizes the allocation of business income as between the two countries, in accordance with the principle in section 45 of the Internal Revenue Code affecting the adjustment of accounts as between interlocking businesses, in order that a reasonable tax basis may be allocated to each of the two countries. Article V, relating to the reciprocal exemption from taxation of profits from the operation of ships or aircraft registered or documented in the respective countries, is consistent with the principle embodied in sections 212 (b) and 231(d) of the Internal Revenue Code, as amended, and applies only to business income from such operations, having no application to corporate

dividends.

(3) Reciprocal exemption from taxation, upon certain conditions, specified items of income derived from sources within one country by residents or corporations of the other country. Article VI relates to exemption from taxation of interest derived by a resident or corporation of one of the countries from sources within the other country, with an exception in the case of interest paid by a subsidiary corporation in one country to its parent corporation in the other country. The Greek Government, being opposed in principle to exempting from Greek tax what is deemed to be exorbitantly high interest, set a maximum of 9 percent per annum for the purposes of paragraph (2) of article VI. Article VII relates to exemption from taxation of royalties for the right to use copyrights, patents, trademarks, and analogous property and of royalties for the use of industrial, commercial, or scientific equipment. The provisions of article VII do not extend to royalties derived from the use or exploitation of motion-picture films; the absence of an adequate basis for reciprocal exemption and the comparative importance to the Greek Government of revenue derived from the exploitation of American films in Greece made it impracticable to include such royalties among those to which the exemption would apply. Article VIII relates to exemption from taxation of royalties from natural resources and rentals of real property; it is provided that a resident or corporation of one of the countries deriving such income from sources within the other country may elect to be subject to the tax of such other country on a net basis as if he were engaged in trade or, business therein through a permanent establishment. Article X provides for exemption from taxation with respect to compensation for labor or personal services performed by any person (a resident of one of the countries) temporarily present within the other country for a period or periods not exceeding 183 days during the taxable year, provided he is employed by a resident, corporation, or other entity of the country first mentioned or his compensation for such labor or personal services does not exceed \$10,000 during the taxable year. Article XI contains the provisions regarding exemption from taxation of government salaries, wages, and pensions and of private pensions and life annuities. Articles XII and XIII contain, respectively, the provisions relating to exemption from taxation, on certain conditions, with respect to remuneration of professors or teachers and with respect to remittances received by students or business apprentices.

(4) Alleviation of taxation by the United States, as applied to nonresident aliens and foreign corporations, in the case of certain taxes which have been the subject of criticism as being extraterritorial in character. Under article IX, dividends and interest paid by a Greek corporation would be exempted from United States tax except where the recipient is a citizen, resident, or corporation of the United States.

(5) Allowance of credits for foreign taxes paid. The principle of the United States tax credit is adopted in article XIV, the provisions of which are similar in principle to provisions in all existing income-tax conventions of the United States. It will be noted that paragraph (1) of article XIV reserves the right of each country to continue to tax its own citizens, residents, and corporations as though the convention had not come into effect. By virtue of the credit provisions, double taxation may be eliminated in cases where no specific exemption from tax is allowable under the convention.

(6) Establishment of a system of administrative cooperation between the competent

authorities of the two countries, involving exchange of information, mutual assistance in the collection of taxes in certain cases, and consultation. Article XV deals with the prescribing of regulations to give effect to the convention and of rules concerning procedure and related matters; Article XVI, in addition to the "national treatment" provision mentioned herein before, contains the customary provision that nothing in the convention shall restrict any exemption, deduction, credit, or other allowance accorded by the laws of one of the countries in the determination of its taxes and the provision regarding settlement of questions as to interpretation or application of the convention. Article XVII contains the provisions regarding action to be taken respecting claims lodged by taxpayers. Article XVIII relates to the exchange of information. Article XIX, relating to assistance in the collection of taxes, contains the provision that such assistance shall not be accorded with respect to the citizens, corporations, or other entities of the country to which application for assistance is made, except to the extent necessary to insure that the exemption or reduced rate of tax granted by the convention shall not be enjoyed by persons not entitled to such benefits. Article XX contains adequate safeguards against the carrying out of administrative measures at variance with the regulations and practice of the taxing country and against any requirement to comply with a request for information or assistance when this would be considered contrary to public policy or when compliance would involve disclosure of a technical secret or process relating to trade, industry, business, or a profession.

Article XXI provides for ratification and for the exchange of instruments of ratification and prescribes the effective date of the convention, namely, January 1 of the year in which the exchange of instruments of ratification takes place. It is provided further that the convention shall remain in force for a minimum period of 5 years, but may be terminated at the end of that period or thereafter by the giving of written notice by one of the contracting States to the other contracting State, in which event the convention would terminate on January 1 following the expiration of a 6-month period after the date of such notice.

Respect fully submitted,

DEAN ACHESON.

(Enclosure: Income-tax convention between the United States and Greece, signed February 20, 1950.)

#### LETTER OF TRANSMITTAL

THE WHITE HOUSE, *April 17, 1950.*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and Greece, signed at Athens on February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention.

The convention has the approval of the Department of State and the Treasury Department.

HARRY S. TRUMAN.

DOUBLE TAXATION TAXES ON INCOME CONVENTION AND PROTOCOL BETWEEN  
THE UNITED STATES OF AMERICA AND GREECE

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS a convention between the United States of America and the Kingdom of Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income was signed at Athens on February 20, 1950, the original of which convention, in the English and Greek languages, is word for word as follows:

C O N V E N T I O N

BETWEEN

The United States of America and the Kingdom of Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income

The Government of the United States of America and the Government of the Kingdom of Greece, desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, have appointed for that purpose as their Plenipotentiaries:

The Government of the United States of America: The Honorable HENRY F. GRADY, Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece, and

The Government of the Kingdom of Greece: His Excellency PANAYOTIS PIPINELIS, Minister of Foreign Affairs, who having exhibited their respective full powers, found in good and due form, have agreed as follows:

ARTICLE I  
(Taxes Covered)

- (1) The taxes which are the subject of the present Convention are:
  - a) In the case of the United States of America: the Federal income tax, including surtaxes (hereinafter referred to as United States tax).

b) In the case of the Kingdom of Greece: the income tax, including the schedular or analytical tax, the complementary tax and the professional or business tax (hereinafter referred to as Greek tax).

(2) The present Convention shall apply to any other taxes of a substantially similar character imposed by either Contracting State subsequently to the date of signature of the present Convention.

## ARTICLE II (General Definitions)

(1) In the present Convention, unless the context otherwise requires -

a) The term "United States" means the United States of America and when used in a geographical sense means the States, the Territories of Alaska and Hawaii, and the District of Columbia.

b) The term "Greece" means the territories of the Kingdom of Greece.

c) The term "United States Corporation" means a corporation, association or other like entity created or organized in or under the laws of the United States.

d) The term "Greek Corporation" means a legal entity established under the laws of Greece.

e) The terms "corporations of one Contracting State" and "corporation of the other Contracting State" mean a United States corporation or a Greek corporation, as the context requires.

f) The term "United States enterprise" means an industrial or commercial enterprise or undertaking carried on in the United States by a citizen or resident of the United States or by a United States corporation.

g) The term "Greek Enterprise" means an industrial or commercial enterprise or undertaking carried on in Greece by a subject or resident of Greece or by a Greek corporation.

h) The terms "enterprise of one of the Contracting States" and "enterprise of the other Contracting State" mean a United States enterprise or a Greek enterprise, as the context requires.

i) The term "permanent establishment" when used with respect to an enterprise of one of the Contracting States, means a branch, factory or other fixed place of business, but does not include an agency unless that agent has, and habitually exercise, a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on behalf of such enterprise. An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business dealings in such other Contracting State through a bona fide commission agent, broker or custodian acting in the ordinary course of his business as such. The fact that an enterprise of one of the Contracting States maintains in the other Contracting State a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute such fixed place of business a permanent establishment of such enterprise. When a corporation of one Contracting State has a subsidiary corporation which is a

corporation of the other Contracting State or which is engaged in trade or business in such other Contracting State, such subsidiary corporation shall not, merely because of that fact, be deemed to be a permanent establishment of its parent corporation.

j) The term “competent authority” or “competent authorities” means, in the case of the United States, the Commissioner of Internal Revenue or his duly authorized representative; in the case of Greece, the General Director of Direct Taxes, or his duly authorized representative.

(2) In the application of the provisions of the present Convention by either of the Contracting States, any term which is not defined in the present Convention shall, unless the context otherwise requires, have the meaning which that term has under the laws of such Contracting State relating to the taxes which are the subject of the present Convention.

### ARTICLE III (Permanent Establishment)

(1) An enterprise of one of the Contracting States shall not be subject to taxation by the other Contracting State in respect of its industrial or commercial profits unless it is engaged in trade or business in the other Contracting State through a permanent establishment situated therein. If it is so engaged the other Contracting State may impose the tax only upon the income of such enterprise from sources within such other State.

(2) Where an enterprise of one of the Contracting States is engaged in trade or business in the other Contracting State through a permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm’s length with the enterprise of which it is a permanent establishment, and the profits so attributed shall, subject to the law of such other Contracting State, be deemed to be income from sources within such other Contracting State.

(3) In determining the industrial or commercial profits from sources within one of the Contracting States of an enterprise of the other Contracting State, no profits shall be deemed to arise from the mere purchase of goods or merchandise within the former Contracting State by such enterprise.

(4) The competent authorities of the Contracting States may lay down rules by agreement for the appointment of industrial or commercial profits.

### ARTICLE IV (Related Enterprises)

Where an enterprise of one of the Contracting States, by reason of its participation in the management, control or capital of an enterprise of the other Contracting State, makes with or imposes on the latter enterprise, in their commercial or financial relations, conditions different



from those which would be made with an independent enterprise, any profits which would, but for those conditions, have accrued to one of the enterprises, may be included in the taxable profits of that enterprise.

#### ARTICLE V (Ships and Aircraft)

(1) Income which an enterprise of one of the Contracting States derives from the operation of ships or aircraft registered or documented in that State shall be exempt from tax by the other Contracting State. Income derived by such an enterprise from the operation of ships or aircraft not so registered or documented shall be subject to the provisions of Article III.

(2) The present Convention shall be deemed to suspend, for the duration of the Convention as between the Contracting States, the provisions of the arrangement effected by exchange of notes between the United States and Greece, dated February 29, 1928, April 28, 1928, April 2, 1929, and June 10, 1929, providing for relief from double income taxation on shipping profits.

#### ARTICLE VI (Interest)

(1) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness) received from sources within the United States by a resident or corporation of Greece not engaged in trade or business in the United States through a permanent establishment therein, shall be exempt from United States tax; but such exemption shall not apply to such interest paid by a United States corporation to a Greek corporation controlling directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

(2) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness) received from sources within Greece by a resident or corporation of the United States not engaged in trade or business in Greece through a permanent establishment therein, shall be exempt from Greek tax but only to the extent that such interest does not exceed 9 percent per annum; but such exemption shall not apply to such interest paid by a Greek corporation to a United States corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

#### ARTICLE VII (Royalties)

Royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade marks and other analogous property, and royalties (including rentals), (other than those in respect of motion picture films) for the use of industrial, commercial or scientific equipment, derived from sources within one of the Contracting States by a resident or corporation of the

other Contracting State not engaged in trade or business in the former State through a permanent establishment therein, shall be exempt from tax by the former State.

ARTICLE VIII  
(Income from Real Property and Natural Resources)

A resident or corporation of one of the Contracting States, deriving from sources within the other Contracting State royalties in respect of the operation of mines, quarries, or other natural resources, or rentals from real property, may elect for any taxable year to be subject to the tax of such other Contracting State on the basis of net income as determined under the laws of such other Contracting State during such taxable year.

ARTICLE IX  
(Dividends)

Dividends and interest paid by a Greek corporation shall be exempt from United States tax except where the recipient is a citizen, resident or corporation of the United States.

ARTICLE X  
(Personal Services)

(1) A resident of Greece shall be exempt from United States tax upon compensation for labor or personal services (including the practice of the liberal and artistic professions) if he is temporarily present in the United States for a period or periods not exceeding a total of 183 days during the taxable year and either of the following conditions is met:

- a) his compensation is received for labor or personal services performed as an employee, or under contract with, a resident, or corporation or other entity of Greece, or
- b) his compensation received for labor or personal services does not exceed \$10,000.

(2) The provisions of paragraph (1) of this Article shall apply *mutatis mutandis*, to a resident of the United States with respect to compensation for such labor or personal services performed in Greece.

(3) The provisions of this Article shall have no application to the income to which Article XI relates.

ARTICLE XI  
(Government Employees; Pensions and Annuities)

(1) Wages, salaries and similar compensation and pensions paid by one of the Contracting States or the subdivisions thereof to an individual for services rendered to such State or

subdivision shall be exempt from taxation by the other Contracting State.

(2) Private pensions and life annuities derived from within one of the Contracting States by an individual who is a resident of the other Contracting State shall be exempt from taxation by the former Contracting State.

(3) The term "pensions" as used in this Article means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

(4) The term "life annuities" as used in this Article means a stated sum payable periodically at stated times during life, or during life, an obligation to make the payments in return for adequate and full consideration in money or money's worth.

## ARTICLE XII (Professors and Teachers)

A professor or teacher who is a resident of one of the Contracting States and who is temporarily present within the other Contracting State for the purpose of teaching, for a maximum period of three years, in a university, college or other educational institution within the other Contracting State, shall be exempt from taxation by such other Contracting State on his remuneration for such teaching for such period.

## ARTICLE XIII (Students and Apprentices)

Students or business apprentices who are residents of one of the Contracting States but who are temporarily present in the other Contracting State exclusively for the purposes of study or for acquiring business experience shall not be taxable by such other Contracting State upon remittances received by them from sources without such other State for the purpose of their maintenance or studies.

## ARTICLE XIV (Foreign Tax Credit)

(1) Notwithstanding any provision of the present Convention each of the Contracting States, in determining the taxes, including all surtaxes and complementary taxes, of its citizens, subjects, residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under its revenue laws as though this Convention had not come into effect.

(2) Subject to section 131 of the United States Internal Revenue Code, Greek tax shall be allowed as a credit against United States tax.

(3) Greece will allow against Greek tax a credit for the amount of United States tax imposed

upon income from sources within the United States but in an amount not exceeding the amount of the Greek tax imposed upon such income.

#### ARTICLE XV (Regulations)

(1) The authorities of each of the Contracting States, in accordance with the practices of that State, may prescribe regulations necessary to carry out the provisions of the present Convention.

(2) With respect to the provisions of the present Convention relating to exchange of information and mutual assistance in the collection of taxes, the Contracting States may, in accordance with their respective practices, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency disposition of amounts collected, minimum amounts subject to collection, and related matters.

#### ARTICLE XVI (Elimination of Double Taxation)

(1) The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the Contracting States in the determination of the taxes imposed by such State.

(2) Should any difficulty or doubt arise as to the interpretation or application of the present Convention, the competent authorities of the Contracting States shall undertake to settle the question by mutual agreement.

(3) The citizens or subjects of one of the Contracting States shall not, while resident in the other Contracting State, be subjected therein to other or more burdensome taxes than are the citizens or subjects of such other Contracting State residing in its territory. The term "citizens" or "subjects", as used in this Article, includes all legal persons, partnerships and associations deriving their status from, or created or organized under, the laws in force in, the respective Contracting States. In this Article the word "taxes" means taxes of every kind or description whether national, federal, state, provincial or municipal.

#### ARTICLE XVII (Taxpayer Claims)

Where the action of the revenue authorities of the Contracting States has resulted or will result in double taxation contrary to the provisions of the present Convention, the taxpayer shall be entitled to lodge a claim with the State of which he is a citizen or subject or, if he is not a citizen or subject of either of the Contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State shall undertake to come to an agreement

with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XVIII  
(Exchange of Information)

The competent authorities of the Contracting States shall exchange such information (being information which such authorities have at their disposal) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than those concerned with the assessment and collection of the taxes which are the subject of the present Convention. No information shall be exchanged which would disclose a technical secret, or process relating to trade, industry, business, or a profession.

ARTICLE XIX  
(Mutual Assistance)

(1) The Contracting States undertake to lend assistance and support to each other in the collection of the taxes which are the subject of the present Convention, together with interest, costs and additions to the taxes and fines not being of a penal character.

(2) In the case of applications for collection of taxes, revenue claims of each of the Contracting States which have been finally determined may be accepted for enforcement by the other Contracting State and collected in that State as though such taxes were taxes finally imposed, due and payable to that State. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

(3) Any application shall be accompanied by documents establishing that under the laws of the State making the application the taxes have been finally determined.

(4) The assistance provided for in this Article shall not be accorded with respect to the citizens or subjects, or corporation or other entities of the State to which application is made, except as is necessary to insure that the exemption or reduced rate of tax granted under the convention to such citizens or subjects, or corporations or other entities shall not be enjoyed by persons not entitled to such benefits.

ARTICLE XX  
(Limitation on Administrative Procedures)

(1) In no case shall the provisions of Article XVIII and XIX be construed so as to impose upon either of the Contracting States the obligation

- a) to carry out administrative measures at variance with the regulations and practice of either Contracting State, or
- b) to supply information which is not procurable under its own legislation or that of the State making application.

(2) The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve disclosure of a technical secret or process relating to trade, industry, business, or a profession. In such case it shall inform as soon as possible, the State making the application.

## ARTICLE XXI

(Entry into Force; Termination)

(1) The present Convention shall be ratified and the instruments of ratification shall be exchanged at *Athens* as soon as possible.

(2) The present Convention shall become effective on the first day of January of the year in which the exchange of the instruments of ratification takes place. It shall continue effective for a period of five years beginning with that date and indefinitely after that period, but may be terminated by either of the Contracting States at the end of the five-year period or at any time thereafter, provided that at least six-months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

DONE at Athens, in duplicate, in the English and Greek languages, the two texts having equal authenticity, this *20th* day of February, 1950.

FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA

(s) Henry F. Grady

FOR THE GOVERNMENT OF  
THE KINGDOM OF GREECE

(s) Pan. Pipinelis

AND WHEREAS the Senate of the United States of America, by their resolution of September 17, 1951, two-thirds of the Senators present concurring therein, did advise and consent to the ratification of the aforesaid convention, subject to an understanding as follows:

“It is understood that the application of Article XIX of the convention shall be confined and limited as granting authority to each Contracting State to collect only such taxes imposed by the other Contracting State as will insure that the exemption or reduced rate of tax granted under the present convention by such other State shall not be enjoyed by persons not entitled to such benefits”;

AND WHEREAS the text of the aforesaid understanding was communicated by the Government of the United States of America to the Government of the Kingdom of Greece and

the aforesaid understanding was accepted by the Government of the Kingdom of Greece;

AND WHEREAS the aforesaid convention was duly ratified by the President of the United States of America on December 5, 1951, in pursuance of the aforesaid advice and consent of the Senate and subject to the aforesaid understanding, and the aforesaid convention was duly ratified on the part of the Kingdom of Greece;

AND WHEREAS a protocol between the United States of America and the Kingdom of Greece was signed at Athens on April 20, 1953, in evidence of the acceptance by the Government of the Kingdom of Greece of the aforesaid understanding, the original of which protocol, in the English and Greek languages, is word for word as follows:

### PROTOCOL 1

With reference to the convention between the United States of America and the Kingdom of Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Athens on February 20, 1950, the undersigned, The Honorable JOHN E. PEURIFOY, Ambassador of the United States of America in Greece, and His Excellency STEPHANOS STEPHANOPOULOS, Minister of Foreign Affairs of Greece, being duly authorized thereto by their respective Governments, have met and, having considered a resolution adopted by the United States Senate with respect to reciprocal assistance in the collection of taxes, have reached an understanding reading as follows:

"It is understood that the application of article XIX of the convention shall be confined and limited as granting authority to each Contracting State to collect only such taxes imposed by the other Contracting State as will insure that the exemption or reduced rate of tax granted under the present convention by such other State shall not be enjoyed by persons not entitled to such benefits".

This Protocol shall be considered to be an integral part of the Convention as signed in Athens on February 20, 1950, and shall enter into force on the date on which the Government of the United States of America receives formal notice of the ratification of this Protocol by the Parliament of the Kingdom of Greece.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Protocol.

DONE at Athens in duplicate in the English and Greek languages both texts having equal authenticity, this 20th day of April 1953.

FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA  
(s) John E. Peurifoy

FOR THE GOVERNMENT OF  
THE KINGDOM OF GREECE  
(s) Stephanos Stephanopoulos

AND WHEREAS it is provided in Article XXI of the aforesaid convention that it shall become effective on the first day of January of the year in which the exchange of the instruments of ratification takes place;

AND WHEREAS it is provided in the aforesaid protocol that it shall be considered to be an integral part of the aforesaid convention and shall enter into force on the date on which the Government of the United States of America receives formal notice of the ratification of the said protocol by the Parliament of the Kingdom of Greece;

AND WHEREAS the respective instruments of ratification of the aforesaid convention were duly exchanged at Athens on December 30, 1953, and a protocol of exchange, in the English and Greek languages, was signed at that place and on that date by the respective Plenipotentiaries of the United States of America and the Kingdom of Greece, the signing of the said protocol of exchange being deemed to constitute receipt by the Government of the United States of America of formal notice of the ratification on the part of the Kingdom of Greece of the aforesaid protocol of April 20, 1953;

AND WHEREAS, in accordance with the provisions of Article XXI of the aforesaid convention, the convention is effective beginning January 1, 1953;

Now, THEREFORE, be it known that I, Dwight D. Eisenhower, President of the United States of America, do hereby proclaim and make public the aforesaid convention of February 20, 1950, with the aforesaid protocol of April 20, 1953, to the end that the same and every article and clause thereof may be observed and fulfilled in good faith by the United States of America and by the citizens of the United States of America and all other persons subject to the jurisdiction thereof, subject to the aforesaid understanding.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this fifteenth day of January in the year of our Lord one thousand nine hundred fifty-four and of the Independence of the United States of America the one hundred seventy-eighth.

(s) Dwight D. Eisenhower

By the President:

JOHN FOSTER DULLES  
*Secretary of State*

## PROTOCOL 2

The undersigned, the Honorable CAVENDISH W. CANNON, Ambassador of the United States of America in Greece, and His Excellency ALEXANDER PAPAGOS, Field marshal of Greece Prime Minister, Minister for Foreign Affairs ad interim, being duly authorized by their respective Governments, have met for the purpose of exchanging the instruments of ratification



by their respective Governments of the convention between the United States of America and the Kingdom of Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Athens on February 20, 1950, and the respective instruments of ratification of the convention aforesaid having been compared and found to be in due form, the exchange took place this day.

As recited in the ratification on the part of the United States of America, the Senate of the United States of America, in its resolution of September 17, 1951 advising and consenting to the ratification of the convention aforesaid, expressed a certain understanding with respect thereto, as follows:

“It is understood that the application of Article XIX of the convention shall be confined and limited as granting authority to each Contracting State to collect only such taxes imposed by the other Contracting State as will insure that the exemption or reduced rate of tax granted under the present convention by such other State shall not be enjoyed by persons not entitled to such benefits”.

The text of the said understanding was communicated by the Government of the United States of America to the Government of the Kingdom of Greece. The Government of the Kingdom of Greece has accepted the said understanding by a supplementary protocol signed in Athens on April 20, 1953 and ratified by Legislative Decree No 2548, of August 16, 1953, promulgated with the advice and consent of the Interim Parliamentary Committee and published in the Greek Government Gazette, Volume I, Folio 231, of August 27, 1953.

Accordingly it is understood by the two Governments that, upon entry into force of the convention aforesaid in accordance with its provisions, Article XIX thereof shall be applied in accordance with the said understanding.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Protocol of Exchange.

DONE in duplicate, in the English and Greek languages, at Athens this 30th day of December 1953.

FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA  
(s) Cavendish W. Cannon

FOR THE GOVERNMENT OF  
THE KINGDOM OF GREECE  
(s) A. Papagos