

AGREEMENT

BETWEEN

THE PRINCIPALITY OF LIECHTENSTEIN

AND

THE KINGDOM OF BELGIUM

FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS

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THE GOVERNMENT OF THE PRINCIPALITY OF LIECHTENSTEIN

AND

THE GOVERNMENT OF THE KINGDOM OF BELGIUM,

herein referred to as “the Contracting Parties”,

WHEREAS the Contracting Parties recognise that the well-developed economic ties between the Contracting Parties call for further cooperation;

WHEREAS the Contracting Parties wish to develop their relationship further by cooperating to their mutual benefits in the field of taxation;

WHEREAS the Contracting Parties wish to strengthen the ability of both Contracting Parties to enforce their respective tax laws; and

WHEREAS the Contracting Parties wish to establish the terms and conditions governing the exchange of information on tax matters;

HAVE AGREED as follows:

Article 1

Object and Scope of the Agreement

The Contracting Parties, through their competent authorities, shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Contracting Parties concerning taxes covered by this Agreement, including information that is foreseeably relevant to the determination, assessment and collection of such taxes with respect to persons subject to such taxes or to the investigation in or prosecution of criminal tax matters in relation to such persons. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 8. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable.

Article 2

Jurisdiction

A requested Party is not obliged to provide information which is neither held by its authorities, nor in the possession or control of persons who are within its territorial jurisdiction.

Article 3

Taxes Covered

1. This Agreement shall apply to the following taxes:
 - a) in the case of Liechtenstein,
 - (i) the personal income tax (Erwerbssteuer);
 - (ii) the corporate income tax (Ertragssteuer);
 - (iii) the corporation taxes (Gesellschaftssteuern);
 - (iv) the real estate capital gains tax (Grundstücksgewinnsteuer);
 - (v) the wealth tax (Vermögenssteuer);
 - (vi) the coupon tax (Couponsteuer);
 - (vii) the estate, inheritance and gift taxes (Nachlass-, Erbanfalls- und Schenkungssteuern);
and
 - (viii) the value added tax,
 - b) in the case of Belgium,
 - (i) the individual income tax;
 - (ii) the corporate income tax;
 - (iii) the income tax on legal entities;
 - (iv) the income tax on non-residents; and
 - (v) the value added tax.

2. This Agreement shall apply also to any identical or substantially similar taxes imposed after the date of signature of this Agreement in addition to or in place of the existing taxes if the Contracting Parties, through their competent authorities, so agree. The competent authority of each Contracting Party shall notify the other of any substantial changes in laws which may affect the obligations of that Party pursuant to this Agreement.
3. This Agreement shall not apply to taxes imposed in both Contracting Parties by or on behalf of its political subdivisions or local authorities until the date on which Belgium shall notify Liechtenstein through diplomatic channels that Belgium agrees on such application.

Article 4

Definitions

1. In this Agreement, unless otherwise defined:
 - a) “Liechtenstein” means the Principality of Liechtenstein, and, when used in a geographical sense, the area in which the tax laws of the Principality of Liechtenstein apply;
 - b) “Belgium” means the Kingdom of Belgium; used in a geographical sense, it means the territory of the Kingdom of Belgium, including the territorial sea and any other area in the sea and in the air within which the Kingdom of Belgium, in accordance with international law, exercises sovereign rights or its jurisdiction;
 - c) “collective investment fund or scheme” means any pooled investment vehicle, irrespective of legal form;
 - d) “public collective investment fund or scheme” means any collective investment scheme or fund in which the purchase, sale or redemption of units, shares or other interests is not implicitly or explicitly restricted to a limited group of investors;
 - e) “company” means any body corporate, as well as entities and special asset endowments that are treated as a body corporate for tax purposes;
 - f) “competent authority” means,
 - (i) in the case of Liechtenstein, the Government of the Principality of Liechtenstein or its authorised representative; and
 - (ii) in the case of Belgium, the Minister of Finance or his authorised representative;
 - g) “criminal laws” means all criminal laws designated as such under domestic law, irrespective of whether such are contained in the tax laws, the criminal code or other statutes;
 - h) “criminal tax matters” means tax matters involving intentional conduct which is liable to prosecution under the criminal laws of the requesting Party;
 - i) “information” means any fact, statement or record in whatever form;
 - j) “information gathering measures” means administrative or judicial procedures enabling a requested Party to obtain and provide the information requested;

- k) “person” means an individual, a company, a dormant inheritance and any other body of persons;
 - l) “principal class of shares” means the class or classes of shares representing a majority of the voting power or of the statutory capital of the company;
 - m) “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
 - n) “recognised stock exchange” means any stock exchange that fulfils the material requirements of Article 4 of the directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004;
 - o) “requested Party” means the Contracting Party to this Agreement which is requested to provide information or has provided information in response to a request;
 - p) “requesting Party” means the Contracting Party to this Agreement submitting a request for or having received information from the requested Party;
 - q) “tax” means any tax covered by this Agreement.
2. As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires or the competent authorities agree on a common meaning pursuant to the provisions of Article 10 of this Agreement, have the meaning that it has at that time under the laws of that Contracting Party, any meaning under the applicable tax laws of that Contracting Party prevailing over a meaning given to the term under other laws of that Contracting Party.

Article 5

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide upon request by the requesting Party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the requested Party if it had occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means available in its own territory, except where recourse to such means would give rise to disproportionate difficulty.
2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use all appropriate information gathering measures to provide the requesting Party with the information requested, notwithstanding that the requested Party may not, at that time, need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.
4. Notwithstanding any contrary provisions in its domestic laws, each Party shall ensure that its competent authorities have the authority, subject to the terms of Articles 1 and 2 of this Agreement, to obtain and to provide upon request:
 - a) information held by banks, other financial institutions and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
 - b) information regarding the ownership of companies, partnerships, collective investment schemes and other persons, including:
 - (i) within the constraints of Article 2, ownership information on all such persons in an ownership chain;
 - (ii) in the case of collective investment schemes, information on shares, units and other interests in the fund or scheme;
 - (iii) in the case of trusts, information on settlors, trustees and beneficiaries;
 - (iv) in the case of foundations, information on founders, members of the foundation council and beneficiaries; and
 - (v) in the case of persons that are neither collective investment schemes, trusts or foundations, equivalent information to the information in subparagraphs (i) to (iv).

Provided that this Agreement does not create an obligation on the Parties to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes unless such information can be obtained without giving rise to disproportionate difficulties.

5. Any request for information shall be formulated with the greatest possible details and shall in all cases specify in writing:
 - a) the identity of the person under examination or investigation;
 - b) the taxable period for which the information is requested;
 - c) a statement of the information sought including the nature of the information requested and the form in which the requesting Party would prefer to receive it;
 - d) the matter under the requesting Party's tax law with respect to which the information is sought;
 - e) the reasons for believing that the information requested is foreseeably relevant to the administration or enforcement of the taxes of the requesting Party covered under Article 3, with respect to the person identified in subparagraph (a) of this paragraph;
 - f) grounds for believing that the information requested is present in the requested Party or is in the possession or control of a person within the jurisdiction of the requested Party;
 - g) to the extent known, the name and address of any person believed to be in possession or control of the requested information;
 - h) a statement that the request is in conformity with this Agreement; and

- i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulty.
6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours within its means to forward the requested information to the requesting Party with the least reasonable delay.

Article 6

Tax Examinations Abroad

1. By reasonable notice given in advance the competent authority of the requesting Party may request that the competent authority of the requested Party allows representatives of the competent authority of the requesting Party to enter the territory of the requested Party, to the extent permitted under its laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the requesting Party shall give reasonable notice to the competent authority of the requested Party of the time and place of the intended meeting with the individuals concerned.
2. At the request of the competent authority of the requesting Party, the competent authority of the requested Party may allow representatives of the competent authority of the requesting Party to be present at the appropriate part of a tax examination in the territory of the requested Party.
3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the tax examination shall be made by the requested Party conducting the examination.

Article 7

Possibility of Declining a Request

1. The competent authority of the requested Party may decline to assist:
 - a) where the request is not made in conformity with this Agreement, and in particular where the requirements of Article 5 are not met; or
 - b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
 - c) where the disclosure of the information requested would be contrary to public policy (ordre public) of the requested party.
2. This Agreement shall not impose on the requested Party any obligation:

- a) to provide information subject to legal privilege, or which would disclose any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 5 paragraph 4 shall not by reason of that fact alone be treated as such a secret or trade process; or
 - b) to carry out administrative measures at variance with its laws and administrative practices, provided that nothing in this subparagraph shall affect the obligations of a Contracting Party under Article 5 paragraph 4 of this Agreement.
3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.
4. The requested Party shall not be required to obtain and to provide information which the competent authority of the requesting Party would not be able to obtain under its own laws or in the normal course of administrative practice in response to a valid request made in similar circumstances from the requested Party under this Agreement.
5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a citizen of the requested Party as compared with a citizen of the requesting Party in the same circumstances.

Article 8

Confidentiality

Any information provided and received by the competent authority of a Contracting Party under this Agreement shall be treated as confidential and may be disclosed only to persons or authorities (including courts and administrative bodies) in the jurisdiction of the Contracting Party concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by this Agreement. Such persons or authorities shall use such information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions for these purposes. The information may not be disclosed to any other person or entity or authority or any other jurisdiction, State or sovereign territory not party to this Agreement without the express written consent of the competent authority of the requested Party. Information received by the requested Party in conjunction with a request for assistance under this Agreement shall likewise be treated as confidential in the requested Party.

Article 9

Costs

Unless the competent authorities of the Parties otherwise agree, indirect costs incurred in providing assistance shall be borne by the requested Party, and direct costs incurred in providing assistance (including costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party in advance if the costs of providing information with respect to a specific request are expected to be significant.

Article 10

Mutual Agreement Procedure

1. Where difficulties or doubts arise between the Contracting Parties regarding the implementation or interpretation of this Agreement, the competent authorities shall endeavour to resolve the matter by mutual agreement.
2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Contracting Parties may mutually agree on the procedures to be used under this Agreement.
3. The competent authorities of the Contracting Parties may communicate with each other directly for purposes of reaching agreement under this Article.
4. The Contracting Parties may also agree on other forms of dispute resolution.

Article 11

Protocol

The attached Protocol shall be an integral part of this Agreement.

Article 12

Implementation Legislation

The Contracting Parties shall enact any legislation necessary to comply with, and give effect to, the terms of this Agreement.

Article 13

Entry into Force

Each of the Contracting Parties shall notify to the other the completion of the procedures required by its law for the bringing into force of this Agreement. This Agreement shall enter into force on the date of the later of these notifications, and shall have effect for all requests made but only in respect of taxable periods beginning on or after January 1 of the year next following the year in which the Agreement entered into force or, where there is no taxable period, in respect of taxes due in respect of taxable events taking place on or after January 1 of the year next following the year in which the Agreement entered into force.

Article 14

Termination

1. This Agreement shall remain into force until terminated. Either Contracting Party may terminate the Agreement by giving a notice of termination in writing.
2. Such termination shall become effective on the first day of the month following the expiration of a period of three months after the date of receipt of notice of termination by the other Contracting Party. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.
3. After termination of this Agreement, both Contracting Parties shall remain bound by the provisions of Article 8 with respect to any information obtained under this Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at, this, in the English language.

**FOR THE GOVERNMENT
OF THE PRINCIPALITY
OF LIECHTENSTEIN:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF BELGIUM:**

**PROTOCOL
TO
THE AGREEMENT
BETWEEN
THE PRINCIPALITY OF LIECHTENSTEIN
AND
THE KINGDOM OF BELGIUM
FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

On the occasion of the signing of the Agreement between the Principality of Liechtenstein and the Kingdom of Belgium (the „Contracting Parties”) for the exchange of information relating to tax matters, the Contracting Parties have agreed upon the following provisions, which are an integral part of this Agreement:

1. With respect to Article 5 paragraph 1, it is understood that the taxpayer, unless subject to criminal investigations, can be informed about the intention to make a request for information. If the information of the taxpayer would jeopardise the purpose of the investigation, information is not necessary.
2. With respect to Article 5 paragraph 5 subparagraph a, it is understood that it is not necessary to provide the name of the taxpayer in order to define its identity, if this identity can be determined from equivalent elements.
3. In Article 9 the term “direct” costs shall be interpreted as follows:
 - a) examples of the ‘direct costs’ include, but are not limited to, the following:
 - aa) reasonable costs of reproducing and transporting documents or records to the competent authority of the applicant Party;
 - bb) reasonable fees imposed by a financial institution or other record keeper for copying records and research related to a specific request for information;
 - cc) reasonable costs for stenographic reports and interviews, depositions or testimony;
 - dd) reasonable fees and expenses, determined in accordance with amounts allowed under applicable law, on the person who voluntarily appears in the territory of one of the Contracting Parties for interview, deposition or testimony relating to a particular information request;
 - ee) reasonable legal fees for non-government counsel appointed or retained, with the approval of the competent authority of the applicant Party, for litigation in the courts of the requested Party related to a specific request for information.
 - b) ‘Direct costs’ do not include ordinary administrative and overhead expenses incurred by the requested Party in reviewing and responding to information requests submitted by the applicant Party.
 - c) If the direct costs pertaining to a specific request are expected to exceed EUR 500 or the Swiss Franc equivalent, the competent authority of the requested Party shall contact the competent authority of the applicant Party to determine whether the applicant Party wants to pursue the request and bear the costs.

4. Formal communications, including requests for information, made in connection with or pursuant to the provisions of this Agreement entered into will be in writing directly to the competent authority of the other Contracting Party at the addresses given below, or such other address as may be notified by one Contracting Party to the other from time to time. Any subsequent communications regarding requests for information will be in writing between the earlier mentioned competent authorities or their authorised entities, whereas the possibility of direct consultation is being given.

Address of the competent authority of Liechtenstein:

Government of the Principality of Liechtenstein
Peter-Kaiser-Platz 1
9490 Vaduz

Address of the competent authority of Belgium:

Federal Public Service Finance
Administration for the taxation of enterprises and income
Department III International Relations
Section III 1/A
North Galaxy Tower A 15th Floor
Boulevard du Roi Albert II 33 – bte 25
1030 Bruxelles

5. Both Contracting Parties are committed to examine other areas of mutual cooperation and benefits. Following the entry into force of this Agreement the Contracting Parties will jointly explore the possibility of entering into a convention for the avoidance of double taxation.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Protocol.

DONE in duplicate at, this, in the English language.

**FOR THE GOVERNMENT
OF THE PRINCIPALITY
OF LIECHTENSTEIN:**

**FOR THE GOVERNMENT
OF THE KINGDOM OF BELGIUM:**