



REPÚBLICA DE PANAMÁ
— GOBIERNO NACIONAL —

**MINISTERIO DE
ECONOMÍA Y FINANZAS**

REPUBLIC OF PANAMA

Status of List of Reservations and Notifications upon Deposit of the Instrument of Ratification

This document contains the list of reservations and notifications made by the Republic of Panama upon deposit of the instrument of ratification pursuant to Articles 28(5) and 29(1) of the Convention.

Article 2 – Interpretation of Terms

Notification - Agreements Covered by the Convention

Pursuant to Article 2(1)(a)(ii) of the Convention, the Republic of Panama wishes the following agreements to be covered by the Convention:

No	Title	Other Contracting Jurisdiction	Original / Amending Instrument	Date of Signature	Date of Entry into Force
1	Convention between The Republic of Panama and Barbados for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Barbados	Original	21-06-2010	18-02-2011
2	Convention between The Republic of Panama and The Czech Republic for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Czech Republic	Original	04-07-2012	25-02-2013
3	Convention entre Le Gouvernement de la Republique de Panama et Le Gouvernement de la Republique Francaise en vue d'eviter les doubles impositions et de prevenir l'evasion et la fraude fiscales en matiere d'impots sur le revenu	France	Original	30-06-2011	01-02-2012
4	Convention between The Republic of Panama and Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains	Ireland	Original	22-11-2011	19-12-2012
5	Convention between The Republic of Panama and The State of Israel for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Israel	Original	08-11-2012	30-06-2014
6	Convention between The government of The Republic of Panama and The government of The Italian Republic for the avoidance of double taxation with respect to taxes on income and the prevention of fiscal evasion	Italy	Original	30-12-2010	01-06-2017
7	Convention between The Government of The Republic of Panama and The Government of The Republic of Korea for the avoidance of double taxation	Korea	Original	20-10-2010	01-04-2012

No	Title	Other Contracting Jurisdiction	Original / Amending Instrument	Date of Signature	Date of Entry into Force
	and the prevention of fiscal evasion with respect to taxes on income				
8	Convention between The Republic of Panama and the Grand Duchy of Luxembourg for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital	Luxemburg	Original	07-10-2010	01-11-2011
9	Convenio entre El Gobierno de La República de Panamá y El Gobierno de Los Estados Unidos Mexicanos para evitar la doble imposición y prevenir la evasión fiscal en materia de impuestos sobre la renta	Mexico	Original	23-02-2010	30-12-2010
10	Convention between The Republic of Panama and The Kingdom of The Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Netherlands	Original	06-10-2010	01-12-2011
11	Convention between The Republic of Panama and The Portuguese Republic for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Portugal	Original	27-08-2010	10-06-2012
12	Agreement between the Government of The Republic of Panama and The Government of The State of Qatar for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Qatar	Original	23-09-2010	06-05-2011
13	Agreement between the Government of The Republic of Panama and the Government of The Republic of Singapore for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Singapore	Original	18-10-2010	19-12-2011
14	Convenio entre la República de Panamá y el Reino de España para evitar la doble imposición en materia de impuestos sobre la renta y sobre el patrimonio y prevenir la evasión fiscal	Spain	Original	07-10-2010	25-07-2011
15	Convention between the Government	United Arab	Original	13-10-2012	23-10-2013

No	Title	Other Contracting Jurisdiction	Original / Amending Instrument	Date of Signature	Date of Entry into Force
	of The Republic of Panama and the Government of The United Arab Emirates for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	Emirates			
16	Convention between The Republic of Panama and The United Kingdom of Great Britain and Northern Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital gains	United Kingdom	Original	29-07-2013	13-12-2013
17	Convention between the Government of The Republic of Panama and The Government of The Socialist Republic of Vietnam for the avoidance of double taxation with respect to taxes on income	Vietnam	Original	30-08-2016	14-02-2017

Article 3 – Transparent Entities

Reservation

Pursuant to Article 3(5)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 3 not to apply to its Covered Tax Agreements.

Article 4 – Dual Resident Entities

Pursuant to Article 4(3)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 4 not to apply to its Covered Tax Agreements.

Article 5 – Application of Methods for Elimination of Double Taxation

Reservation

Pursuant to Article 5(8) of the Convention, the Republic of Panama reserves the right for the entirety of Article 5 not to apply with respect to all of its Covered Tax Agreements.

Article 6 – Purpose of a Covered Tax Agreement

Notification of Choice of Optional Provisions

Pursuant to Article 6(6) of the Convention, the Republic of Panama hereby chooses to apply Article 6(3).

Notification of Existing Preamble Language in Listed Agreements

Pursuant to Article 6(5) of the Convention, the Republic of Panama considers that the following agreements are not within the scope of a reservation under Article 6(4) and contain preamble language described in Article 6(2). The text of the relevant preambular paragraph is defined below.

Listed Agreement Number	Other Contracting Jurisdiction	Preamble Text
1	Barbados	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
2	Czech Republic	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
3	France	désireux de conclure une Convention en vue d'éviter les doubles impositions et de prévenir l'évasion et la fraude fiscales en matière d'impôts sur le revenu,
4	Ireland	desiring to conclude a Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains,
5	Israel	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
6	Italy	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
7	Korea	desiring to conclude a Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income,
8	Luxemburg	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital,
9	Mexico	deseando concluir el presente Convenio para evitar la doble imposición y prevenir la evasión fiscal en materia de impuestos sobre la renta,
10	Netherlands	desiring that a convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income be concluded by both States,
11	Portugal	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
12	Qatar	desiring to conclude an Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
13	Singapore	desiring to conclude an Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes

Listed Agreement Number	Other Contracting Jurisdiction	Preamble Text
		on Income,
14	Spain	deseando concluir un Convenio para Evitar la Doble Imposición en materia de Impuestos sobre la Renta y sobre el Patrimonio y Prevenir la Evasión Fiscal,
15	United Arab Emirates	<desiring to promote their mutual economic relations> through the conclusion between them of a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,
16	United Kingdom	desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital gains,
17	Vietnam	desiring to conclude a Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income,

Notification of Listed Agreements Not Containing Existing Preamble Language

Pursuant to Article 6(6) of the Convention, the Republic of Panama considers that the following agreements do not contain preamble language referring to a desire to develop an economic relationship or to enhance co-operation in tax matters.

Listed Agreement Number	Other Contracting Jurisdiction
1	Barbados
2	Czech Republic
3	France
4	Ireland
5	Israel
6	Italy
7	Korea
8	Luxemburg
9	Mexico
10	Netherlands
11	Portugal
12	Qatar
13	Singapore
14	Spain
15	United Arab Emirates
16	United Kingdom
17	Vietnam

Article 7 – Prevention of Treaty Abuse

Notification of Existing Provisions in Listed Agreements

Pursuant to Article 7(17)(a) of the Convention, the Republic of Panama considers that the following agreements are not subject to a reservation under Article 7(15)(b) and contain a provision described in Article 7(2). The article and paragraph number of each such provision is identified below.

Listed Agreement Number	Other Contracting Jurisdiction	Provision
2	Czech Republic	Article 26(2)
3	France	Articles 10(8), 11(8), 12(7), 20(4) and 25(1)
5	Israel	Articles 10(8), 11(8), 12(7) 13(9), 21(5) and 26(1)
6	Italy	Articles 10(6), 11(8), 12(7), 21(4) and 28(1)
7	Korea	Article 27(1)
11	Portugal	Article 27(3)
14	Spain	Protocol VIII C
16	United Kingdom	Articles 10(10), 11(9), 12(7) and 20(4)

Article 8 – Dividend Transfer Transactions

Reservation

Pursuant to Article 8(3)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 8 not to apply to its Covered Tax Agreements.

Article 9 – Capital Gains from Alienation of Shares or Interests of Entities Deriving their Value Principally from Immovable Property

Reservation

Pursuant to Article 9(6)(a) of the Convention, the Republic of Panama reserves the right for Article 9(1) not to apply to its Covered Tax Agreements.

Article 10 – Anti-abuse Rule for Permanent Establishments Situated in Third Jurisdictions

Reservation

Pursuant to Article 10(5)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 10 not to apply to its Covered Tax Agreements.

Article 11 – Application of Tax Agreements to Restrict a Party's Right to Tax its Own Residents

Reservation

Pursuant to Article 11(3)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 11 not to apply to its Covered Tax Agreements.

Article 12 – Artificial Avoidance of Permanent Establishment Status through Commissionnaire Arrangements and Similar Strategies

Reservation

Pursuant to Article 12(4) of the Convention, the Republic of Panama reserves the right for the entirety of Article 12 not to apply to its Covered Tax Agreements.

Article 13 – Artificial Avoidance of Permanent Establishment Status through the Specific Activity Exemptions

Reservation

Pursuant to Article 13(6)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 13 not to apply to its Covered Tax Agreements.

Article 14 – Splitting-up of Contracts

Reservation

Pursuant to Article 14(3)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 14 not to apply to its Covered Tax Agreements.

Article 15 – Definition of a Person Closely Related to an Enterprise

Reservation

Pursuant to Article 15(2) of the Convention, the Republic of Panama reserves the right for the entirety of Article 15 not to apply to the Covered Tax Agreement to which the reservations described in Article 12(4), Article 13(6)(a) or (c), and Article 14(3)(a) apply.

Article 16 – Mutual Agreement Procedure

Notification of Existing Provisions in Listed Agreements

Pursuant to Article 16(6)(a) of the Convention, the Republic of Panama considers that the following agreements contains a provision described in Article 16(4)(a)(i). The article and paragraph number of each such provision is identified below.

Listed Agreement Number	Other Contracting Jurisdiction	Provision
1	Barbados	Article 24(1), first sentence
2	Czech Republic	Article 23(1), first sentence
3	France	Article 23(1), first sentence
4	Ireland	Article 24(1), first sentence
5	Israel	Article 24(1), first sentence
6	Italy	Article 24(1), first sentence
7	Korea	Article 24(1), first sentence
8	Luxemburg	Article 25(1), first sentence
9	Mexico	Article 24(1), first sentence
10	Netherlands	Article 23(1), first sentence

Listed Agreement Number	Other Contracting Jurisdiction	Provision
11	Portugal	Article 24(1), first sentence
12	Qatar	Article 25(1), first sentence
13	Singapore	Article 24(1), first sentence
14	Spain	Article 25(1), first sentence
15	United Arab Emirates	Article 26(1), first sentence
16	United Kingdom	Article 23(1), first sentence
17	Vietnam	Article 24(1), first sentence

Pursuant to Article 16(6)(b)(ii) of the Convention, the Republic of Panama considers that the following agreements contains a provision that provides that a case referred to in the first sentence of Article 16(1) must be presented within a specific time period that is at least three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Covered Tax Agreement. The article and paragraph number of each such provision is identified below.

Listed Agreement Number	Other Contracting Jurisdiction	Provision
1	Barbados	Article 24(1), second sentence
2	Czech Republic	Article 23(1), second sentence
3	France	Article 23(1), second sentence
4	Ireland	Article 24(1), second sentence
5	Israel	Article 24(1), second sentence
6	Italy	Article 24(1), second sentence
7	Korea	Article 24(1), second sentence
8	Luxemburg	Article 25(1), second sentence
9	Mexico	Article 24(1), second sentence
10	Netherlands	Article 23(1), second sentence
11	Portugal	Article 24(1), second sentence
12	Qatar	Article 25(1), second sentence
13	Singapore	Article 24(1), second sentence
14	Spain	Article 25(1), second sentence
15	United Arab Emirates	Article 26(1), second sentence
16	United Kingdom	Article 23(1), second sentence
17	Vietnam	Article 24(1), second sentence

Notification of Listed Agreements Not Containing Existing Provisions

Pursuant to Article 16(6)(c)(i) of the Convention, the Republic of Panama considers that the following agreements do not contain a provision described in Article 16(4)(b)(i).

Listed Agreement Number	Other Contracting Jurisdiction
9	Mexico

Pursuant to Article 16(6)(c)(ii) of the Convention, the Republic of Panama considers that the following agreements do not contain a provision described in Article 16(4)(b)(ii).

Listed Agreement Number	Other Contracting Jurisdiction
6	Italy
9	Mexico
12	Qatar
15	United Arab Emirates

Article 17 – Corresponding Adjustments

Reservation

Pursuant to Article 17(3)(a) of the Convention, the Republic of Panama reserves the right for the entirety of Article 17 not to apply to its Covered Tax Agreements that already contain a provision described in Article 17(2). The following agreements contain provisions that are within the scope of this reservation.

Listed Agreement Number	Other Contracting Jurisdiction	Provision
1	Barbados	Article 9(2)
2	Czech Republic	Article 9(2)
3	France	Article 9(2)
4	Ireland	Article 9(2)
5	Israel	Article 9(2)
7	Korea	Article 9(2)
8	Luxemburg	Article 9(2)
9	Mexico	Article 9(2)
11	Portugal	Article 9(2)
13	Singapore	Article 9(2)
14	Spain	Article 9(2)
15	United Arab Emirates	Article 10 (2)
16	United Kingdom	Article 9(2)
17	Vietnam	Article 9(2)

Article 35 – Entry into Effect

Reservation

Pursuant to Article 35(6) of the Convention, the Republic of Panama reserves the right for Article 35(4) not to apply with respect to its Covered Tax Agreements.