

INCOME TAX ACT 1970

INCOME TAX (USA) (AMENDMENT) ORDER 2014

*Approved by Tynwald
Coming into operation*

*20 February 2014
21 February 2014*

The Council of Ministers makes the following Order under section 104B of the Income Tax Act 1970.

1 Title

This Order is the Income Tax (USA) (Amendment) Order 2014.

2 Commencement

If approved by Tynwald, this Order comes into operation on 21 February 2014.¹

3 Interpretation

In this Order “applicable arrangement” means the Protocol signed by the Government of the United States of America and the Government of the Isle of Man in London on 13 December 2013, which amends the Agreement between the Government of the United States of America and the Government of the Isle of Man for the Exchange of Information Relating to Taxes signed at Washington on October 3 2002.

The Protocol is set out in the Schedule.

4 Implementation of the applicable arrangement

It is declared that –

- (a) the applicable arrangement has been made with the Government of the United States of America for the exchange of information relating to taxes; and

¹ Tynwald approval is required by section 104B(6) of the Income Tax Act 1970.

(b) the arrangement should have effect as part of the law of the Island.

MADE 15th January 2014

W GREENHOW
Chief Secretary

EXPLANATORY NOTE
(This note is not part of the Order)

This Order is made under section 104B of the Income Tax Act 1970. It implements a Protocol amending the 2002 agreement between the Government of the United States of America and the Government of the Isle of Man for the exchange of information relating to taxes.

PROTOCOL
Amending the Agreement between
the Government of the United States of America and
the Government of the Isle of Man
for the Exchange of Information Relating to Taxes,
signed at Washington, on October 3, 2002.

The Government of the United States of America and the Government of the Isle of Man (hereinafter “the Contracting Parties”),

Desiring to amend the Agreement between the Government of the United States of America and the Government of the Isle of Man for the Exchange of Information Relating to Taxes, signed at Washington, on October 3, 2002,

Acknowledging that the Government of the Isle of Man has been entrusted, under the terms of the Entrustment from the United Kingdom of Great Britain and Northern Ireland, to negotiate, conclude, perform and subject to the terms of this Agreement terminate a tax information exchange agreement with the Government of the United States of America,

Have agreed as follows:

ARTICLE I

Clause (ii) subparagraph b) of paragraph 1 of Article 4 (Definitions) shall be deleted and replaced with the following:

“(ii) in the case of the Isle of Man, the Assessor of Income Tax or his or her delegate;”

ARTICLE II

The following shall be added after Article 5 (Exchange of Information Upon Request):

**“ARTICLE 5A
Automatic Exchange of Information**

1. The competent authorities of the Contracting Parties may automatically transmit information to each other for the purposes referred to in Article 1 (Object and Scope of the Agreement). The Contracting Parties shall determine the items of information to be exchanged pursuant to this Article and the procedures to be used to exchange such items of information.

2. The competent authorities of the Contracting Parties may mutually agree on additional procedures to be used for the purposes of this Article.

ARTICLE 5B
Spontaneous Exchange of Information

The competent authority of a Contracting Party may spontaneously transmit to the competent authority of the other Contracting Party information that has come to the attention of the first-mentioned competent authority and that the first-mentioned competent authority supposes to be foreseeably relevant to the accomplishment of the purposes referred to in Article I (Object and Scope of the Agreement). The competent authorities of the Contracting Parties shall determine the procedures to be used to exchange such information.”

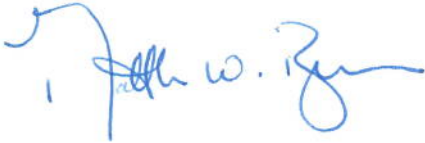
ARTICLE III

The Contracting Parties shall notify each other in writing when their necessary internal procedures for entry into force of this Protocol have been completed. This Protocol shall enter into force on the date of the later of such written notifications.

In witness whereof, the undersigned, being duly authorised thereto by the respective parties, have signed this Protocol.

Done at *London* in duplicate, this *13th* day of *December*, 2013.

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
ISLE OF MAN:

