

**AGREEMENT BETWEEN**  
**THE ISLE OF MAN**  
**AND**  
**THE REPUBLIC OF POLAND**  
**FOR THE AVOIDANCE OF DOUBLE TAXATION WITH**  
**RESPECT TO ENTERPRISES OPERATING SHIPS OR**  
**AIRCRAFT IN INTERNATIONAL TRAFFIC**

**THE ISLE OF MAN**

and

**THE REPUBLIC OF POLAND**

**Desiring** to conclude an agreement for the avoidance of double taxation with respect to enterprises operating ships or aircraft in international traffic,

**Have agreed as follows:**

**ARTICLE 1**  
**SCOPE OF THE AGREEMENT**

This Agreement shall apply to enterprises operating ships or aircraft in international traffic which are residents of one or both of the Contracting Parties.

## **ARTICLE 2**

### **TAXES COVERED**

1 This Agreement shall apply to the following taxes imposed by the Contracting Parties:

- (a) in the Isle of Man:
  - taxes on income or profits;
- (b) in Poland:
  - (i) personal income tax, and
  - (ii) corporate income tax.

2 This Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of this Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting Parties shall notify each other of any significant changes that have been made in their taxation laws.

## **ARTICLE 3**

### **DEFINITIONS**

- 1 For the purposes of this Agreement, unless the context otherwise requires:
  - (a) the term "a Contracting Party" means the Isle of Man or the Republic of Poland, as the context requires; the term "Contracting Parties" means the Isle of Man and the Republic of Poland;
  - (b) the term "Isle of Man" means the island of the Isle of Man, including its territorial sea, in accordance with international law;
  - (c) the term "Poland" means the Republic of Poland and, when used in a geographical sense, means the territory of the Republic of Poland, and any area adjacent to the territorial waters of the Republic of Poland within which, under the laws of Poland and in accordance with international law, the rights of Poland with respect to the exploration and exploitation of the natural resources of the seabed and its sub-soil may be exercised;
  - (d) the term "person" includes an individual, a company and any other body of persons;
  - (e) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
  - (f) the term "competent authority" means:
    - (i) in the case of the Isle of Man, the Assessor of Income Tax or his delegate;
    - (ii) in the case of Poland, the Minister of Finance or his authorised representative;
  - (g) the term "resident of a Contracting Party" means any person who, under the law of that Contracting Party, is liable to taxation therein by

reason of his domicile, residence, place of effective management or any other criterion of a similar nature;

- (h) the term "enterprise of a Contracting Party" means an enterprise carried on by a resident of a Contracting Party;
- (i) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise that has its place of effective management in the territory of a Contracting Party, except when the ship or aircraft is operated solely between places in the territory of the other Contracting Party.

2 As regards the application of the Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Contracting Party for the purposes of the taxes to which the Agreement applies, 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 4**

### **SHIPPING AND AIR TRANSPORT PROFITS AND GAINS**

1 Profits derived by an enterprise of a Contracting Party from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting Party in which the place of effective management of the enterprise is situated.

2 Gains derived by an enterprise of a Contracting Party from the alienation of ships or aircraft operated in international traffic or from movable property pertaining to the operation of such ships or aircraft shall be taxable only in the Contracting Party in which the place of effective management of the enterprise is situated.

3 The provisions of paragraphs 1 and 2 shall also apply to profits and gains derived by an enterprise of a Contracting Party from the participation in a pool, a joint business or an international operating agency.

4 If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the territory of the Contracting Party in which the home harbour of the ship is situated, or, if there is no such home harbour, in the territory of the Contracting Party of which the operator of the ship is a resident.

## **ARTICLE 5**

### **MUTUAL AGREEMENT PROCEDURE**

1 Where a person considers that the actions of one or both of the Contracting Parties result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those Contracting Parties, present his case to the competent authority of the Contracting Party of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of this Agreement.

2 The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting Party, with a view to the avoidance of taxation which is not in accordance with this Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting Parties.

3 The competent authorities of the Contracting Parties shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Agreement. They may also consult together for the elimination of double taxation in cases not provided for in this Agreement.

4 The competent authorities of the Contracting Parties may communicate with each other directly for the purpose of applying this Agreement.

**ARTICLE 6**  
**ENTRY INTO FORCE**

This Agreement shall enter into force on the later of the dates on which each of the Contracting Parties has notified the other in writing that the procedures required by its law have been complied with. This Agreement shall have effect in respect of taxes chargeable for any tax year beginning on or after the first day of January of the year next following that in which this Agreement enters into force.



## **ARTICLE 7**

### **TERMINATION**

1 This Agreement shall remain in force until terminated by a Contracting Party. Either Contracting Party may terminate this Agreement by giving written notice of termination at least six months before the end of any calendar year beginning on or after the expiration of a period of two years from the date of its entry into force.

2 In such event, this Agreement shall cease to have effect the first day of January in the calendar year next following that in which the notice is given.

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

**DONE** in duplicate at London, this 7<sup>th</sup> day of March, 2011, in two originals in the English and Polish languages, both texts being equally authentic.

**FOR  
THE ISLE OF MAN:**



**FOR  
THE REPUBLIC OF POLAND:**

