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equal to the tax so withheld from income received by the taxpayer in a taxable year beginning on or after January 1, 1959.

(4) *Interest paid to the State Bank of Pakistan.* If United States tax at the statutory rate has been withheld on or after January 1, 1959, from interest of the State Bank of Pakistan, the withholding agent shall release and pay over to that bank an amount which is equal to the tax so withheld.

(b) *Amounts not to be released.* The provisions of this section do not apply to excess tax withheld at source which has been paid by the withholding agent to the Director of International Operations, Internal Revenue Service.

(c) *Statutory rate.* As used in this section, the term ''statutory rate'' means the rate of tax required to be withheld in accordance with chapter 3 of the Internal Revenue Code of 1954 as though the convention had not come into effect.

§ 517.8 Information to be furnished in ordinary course.

For provisions relating to the exchange of information under Article XVI of the convention, see paragraph (d) of § 1.1461–2 of this chapter (Income Tax Regulations; 26 CFR 1.1461–2(d)).

§ 517.9 Application of the convention to fiscal years.

Since the convention is effective for taxable years beginning on or after January 1, 1959, the fact that the exemption from, or reduction in the rate of, withholding of United States tax at source authorized by §§ 517.1 to 517.9 is made effective beginning January 1, 1959, is not a determination in itself that the item of income concerned is entitled to the benefit of the exemption from, or reduced rate of, United States tax granted by the convention.

PARTS 518—519 [RESERVED]

PART 520—SWEDEN

Subpart—General Income Tax

Sec.

520.101 Introductory.
520.102 Scope of this subpart.
520.103 Definitions.
520.104 Scope of convention with respect to determination of ''industrial and commercial profits'' of a nonresident alien individual resident of Sweden or of a Swedish corporation or other entity carrying on a Swedish enterprise in the United States.
520.105 Control of a domestic enterprise by a Swedish enterprise.
520.106 Income from operation of ships or aircraft.
520.107 Income from real property.
520.108 Mineral royalties.
520.109 Patent and copyright royalties.
520.110 Dividends and interest.
520.111 Capital gains.
520.112 Wages, salaries and similar compensation, pensions and life annuities.
520.113 Compensation for labor or personal services.
520.114 Remittances.
520.115 Scope of Article XIV.
520.116 Reciprocal administrative assistance.
520.117 Information to be furnished in the ordinary course.
520.118 Information in specific cases.
520.119 Mutual assistance in the collection of taxes.

AUTHORITY: 53 Stat. 32, 467; 26 U.S.C. 62, 3791.

SOURCE: Treasury Decision 4975, 5 FR 2400, June 28, 1940, unless otherwise noted. Redesignated at 25 FR 14022, Dec. 31, 1960.

Subpart—Withholding of Tax

§ 520.101 Introductory.

(a) The tax convention and protocol between the United States and Sweden, referred to in this subpart as the convention, proclaimed by the President of the United States on December 12, 1939, and effective January 1, 1940, provides as follows:

ARTICLE I

The taxes referred to in this Convention are: