

United States of America and the Government of the Republic of Venezuela for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Texas on Income and Capital, together with a Protocol, signed at Caracas on January 25, 1999 (Treaty Doc. 106-3), subject to the understanding of subsection (a), the declarations of subsection 9(b), and the proviso of subsection (c).

(a) UNDERSTANDINGS.—The Senate's advice and consent is subject to the following understandings, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) PREVENTION OF DOUBLE EXEMPTION.—Where under Article 7 (Business Profits) or Article 14 (Independent Personal Services) of this Convention income is relieved from tax in one Contracting State and, under the law in force in the other Contracting State a person is not subject to tax in that other Contracting State in respect of such income, then the relief to be allowed under this Convention in the first-mentioned Contracting State shall apply only to so much of the income as is subject to tax in the other Contracting State. This understanding shall cease to have effect when the provisions of Venezuela's Law Amending the Income Tax Law (hereinafter the "new Venezuelan tax law"), relating to the implementation of a worldwide tax system in replacement of Venezuela's current territorial tax system, are effective in accordance with the provisions of such new Venezuelan tax law.

(2) VENEZUELAN BRANCH PROFITS TAX.—The United States understands that the reference to an "additional tax" in Article 11A of the Convention includes the tax that may be imposed by Venezuela (the "Venezuelan Branch Tax") pursuant to the relevant provisions of the new Venezuelan tax law. In addition, the United States understands that the limit imposed under Article 11A of the Convention shall apply with respect to the Venezuelan Branch Tax and that for purposes of that article the Venezuelan Branch Tax shall be imposed only on an amount not in excess of the amount that is analogous to the "dividend equivalent amount" defined in subparagraph (a) of paragraph 10 of the Protocol with respect to the United States.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be binding on the President:

(1) NEW VENEZUELAN TAX LAW.—Before the President may notify Venezuela pursuant to Article 29 of the Convention that the United States has completed the required ratification procedures, he shall certify to the Committee on Foreign Relations that:

(i) the new Venezuelan tax law has been enacted in accordance with Venezuelan law;

(ii) the Department of the Treasury in consultation with the Department of State, has thoroughly examined the new Venezuelan tax law; and

(iii) the new Venezuelan tax law is fully consistent with and appropriate to the obligations under the Convention.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISIO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes leg-

islation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

### TAX CONVENTION WITH SLOVENIA

The resolution of ratification is as follows:

*Resolved, (two-thirds of the Senators present concurring therein),* That the Senate advise and consent to the ratification of the Convention between the United States of America and the Republic of Slovenia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, signed at Ljubljana on June 21, 1999 (Treaty Doc. 106-9), subject to the reservation of subsection (a), the understanding of subsection (b), the declaration of subsection (c), and the proviso of subsection (d).

(a) RESERVATION.—The Senate's advice and consent is subject to the following reservation, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) MAIN PURPOSE TESTS.—Paragraph 10 of Article 10 (Dividends), paragraph 10 of Article 11 (Interest), paragraph 7 of Article 12 (Royalties), paragraph 3 of Article 21 (Other Income), and subparagraph (g) of paragraph 3 of Article 25 (Mutual Agreement Procedure) of the Convention shall be stricken in their entirety.

(b) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) EXCHANGE OF INFORMATION.—The United States understands that, pursuant to Article 26 of the Convention, both the competent authority of the United States and the competent authority of the Republic of Slovenia have the authority to obtain and provide information held by financial institutions, nominees or persons acting in an agency or fiduciary capacity, or respecting interests in a person.

(c) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(d) PROVISIO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

### TAX CONVENTION WITH ITALY

The resolution of ratification is as follows:

*Resolved (two-thirds of the Senators present concurring therein),* That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Italian Republic for the Avoid-

ance of Double Taxation with Respect to Taxes on Income and the Prevention of Fraud or Fiscal Evasion, signed at Washington on August 25, 1999, together with a Protocol (Treaty Doc. 106-11), subject to the reservation of subsection (a), the understanding of subsection (b), the declaration of subsection (c), and the proviso of subsection (d).

(a) RESERVATION.—The Senate's advice and consent is subject to the following reservation, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) MAIN PURPOSE TESTS.—Paragraph 10 of Article 10 (Dividends), paragraph 9 of Article 11 (Interest), paragraph 8 of Article 12 (Royalties), and paragraph 3 of Article 22 (Other Income) of the Convention, and paragraph 19 of Article 1 of the Protocol (dealing with Article 25 (Mutual Agreement Procedure) of the Convention) shall be stricken in their entirety, and paragraph 20 of Article 1 of the Protocol shall be renumbered as paragraph 19.

(b) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) EXCHANGE OF INFORMATION.—The United States understands that, pursuant to Article 26 of the Convention, both the competent authority of the United States and the competent authority of the Republic of Italy have the authority to obtain and provide information held by financial institutions, nominees or persons acting in an agency or fiduciary capacity, or respecting interests in a person.

(c) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(d) PROVISIO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

### TAX CONVENTION WITH DENMARK

The resolution of ratification is as follows:

*Resolved, (two-thirds of the Senators present concurring therein),* That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on August 19, 1999, together with a Protocol (Treaty Doc. 106-12), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of