

## **PROTOCOL**

At the signing of the Agreement between the Government of the People's Republic of China and the Government of the Kingdom of Norway for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and on Capital (hereinafter referred to as "the Agreement"), the undersigned have agreed upon the following provisions which shall form an integral part of the Agreement:

1. This Agreement shall not affect the application of Article 8 of the Agreement on Maritime Transport signed between the Government of the People's Republic of China and the Government of the Kingdom of Norway on August 2, 1974.
2. When applying the Agreement with respect to the air transport consortium. Scandinavian Airlines System (SAS), the provision of paragraph 1 of Article 8 and paragraph 3 of Article 13 shall apply only to such part of its profits as corresponds to the participation held in that consortium by Det Norske Luftfartsselskap (DNL), the Norwegian partner of Scandinavian Airlines System (SAS) .
3. It is understood that where a resident of Norway derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS), such remuneration shall be taxable only in Norway.
4. The provisions of Article 26 of this Agreement shall not be construed as obliging a Contracting State to grant to nationals of the other Contracting State not being nationals of the first Contracting State any exceptional tax relief accorded to repatriating nationals of this Contracting State.
5. Notwithstanding the provisions of paragraph 2 of Article 26 of this Agreement, if an enterprise of a Contracting State has a permanent establishment in the other Contracting State that other Contracting State may tax the permanent establishment at the rate applying to nondistributed profits of a company resident of that other Contracting State.

Done at Beijing on the 25th day of February, 1986, in duplicate in the Chinese, Norwegian and English languages, the three texts being equally authentic. In case of any divergence of interpretation between the Chinese and Norwegian texts, the English text shall prevail.

**For the Government**

**of the People's Republic of China**

**For the Government**

**of the Kingdom of Norway**