

PROTOCOL
TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF PAKISTAN AND THE GOVERNMENT OF THE PEOPLE’S
REPUBLIC OF CHINA FOR THE AVOIDANCE OF DOUBLE TAXATION
AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES
ON INCOME

The Government of the Islamic Republic of Pakistan and the Government of the People’s Republic of China, having regard to the Agreement between the Government of the Islamic Republic of Pakistan and the Government of the People’s Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income done at Islamabad on the 15th day of November, 1989 (hereinafter referred to as “the Agreement”),

Have agreed that the following provisions shall form an integral part of the Agreement:

ARTICLE 1

Paragraph 2 of article 2 of the Agreement shall be deleted and replaced by the following:

“2. The existing taxes to which the Agreement shall apply are

(a) **in Pakistan:**

- (i) the income tax;
- (ii) the super tax; and
- (iii) the surcharge;

(hereinafter referred to as 'Pakistan tax');

(b) **in China:**

- (i) the individual income tax;
- (ii) the income tax for enterprises with foreign investment and foreign enterprises.

(hereinafter referred to as 'Chinese tax')”

ARTICLE 2

Sub-paragraph (j) of paragraph 1 of Article 3 of the Agreement shall be deleted and replaced by the following:

“(j) the term ‘competent authority’ means, in the case of China, the State Administration of Taxation or its authorized representative, and in the case

of Pakistan, the Central Board of Revenue or its authorized representative.”

ARTICLE 3

With reference to Article 16 “Dependent Personal Services”, wages, salaries and other similar remuneration derived by employees of airlines or shipping company of a Contracting State stationed in the other Contracting State shall be taxed in respect of such income only in that Contracting State of which they are nationals.

ARTICLE 4

1. Items (i) and (ii) of sub-paragraph (c) of paragraph 1 of Article 24 of the Agreement shall be substituted by the following:

“(i) the provisions of Articles 7, 8, 9, 10 and the provisions of paragraphs 1, 3, and 4 of Article 19 of the Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises and the provisions of Articles 73, 75 and 81 of the Detailed Rules and Regulations for the Implementation of the Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises.”

2. Items (iii), (iv) (v), (vi) and (vii) of sub-paragraph (c) of paragraph 1 of Article 24 of the Agreement shall be renumbered as (ii), (iii), (iv) (v) and (vi), respectively.

ARTICLE 5

1. Each of the Contracting State shall notify each other that the procedures required by its laws for the entry into force of this Protocol have been complied with.
2. This Protocol shall enter into force on the day after the day of the latter of the notifications referred to in paragraph 1 of this Article.

Done at Beijing on the 19th day of June, 2000 in duplicate in English and Chinese, both texts being equally authentic.

For the Government of the
Islamic Republic of Pakistan

For the Government of the
People's Republic of China