

**France - Sri Lanka  
Income Tax Treaty  
(Unofficial translation)  
(1981)**

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**Note:** The French text is also available in this database.

**CONVENTION BETWEEN  
THE GOVERNMENT OF THE FRENCH REPUBLIC AND  
THE GOVERNMENT OF THE  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA  
FOR THE AVOIDANCE OF DOUBLE TAXATION AND  
THE PREVENTION OF FISCAL EVASION  
WITH RESPECT TO TAXES ON INCOME**

**Article 1**

**Personal scope**

This Convention shall apply to persons who are residents of one or both of the Contracting States.

**Article 2**

**Taxes covered**

1. This Convention shall apply to taxes on income imposed on behalf of a State or of its local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income all taxes imposed on total income, or on elements of income, including taxes on the total amounts of wages or salaries paid by enterprises.
3. The existing taxes to which the Convention shall apply are in particular:
  - (a) in France:
    - (i) the income tax;
    - (ii) the corporation tax;including any withholding tax, prepayment (précompte) or advance payment with respect to the aforesaid taxes (hereinafter referred to as "French tax");
  - (b) in Sri Lanka:
    - the income tax;(hereinafter referred to as "Sri Lankan tax").
4. The Convention shall apply also to any identical or substantially similar taxes which are imposed after the date of the Convention in addition to, or in place of, the existing taxes. The competent authorities of the States shall notify each other of important changes which have been made in their respective taxation laws.
5. If, by reason of changes made in the taxation laws of either State, it seems desirable to amend any Article of this Convention without affecting the general principles thereof, the necessary amendments may be made by mutual consent by means of an exchange of diplomatic notes or in any other manner in accordance with the constitutional provisions of both States.

**Article 3**

**General definitions**

1. For the purposes of this Convention, unless the context otherwise requires:
  - (a) the term "France" means the European and overseas departments (Guadeloupe, Guyana, Martinique, Reunion and Saint Pierre-et- Miquelon) of the French Republic; the term "Sri Lanka" means the Democratic Socialist Republic of Sri Lanka;
  - (b) the terms "a State" and "the other State" mean France or Sri Lanka, as the context requires;
  - (c) the term "person" includes an individual, a company and any other body of persons;
  - (d) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
  - (e) the terms "enterprise of a State" and "enterprise of the other State" mean respectively an enterprise carried on by a resident of a State and an enterprise carried on by a resident of the other State;
  - (f) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise which has its place of effective management in a State, except when the ship or aircraft is operated solely between places in the other State;
  - (g) the term "competent authority" means:
    - (i) in the case of France -- the Minister of Finance or his authorized representative;
    - (ii) in the case of Sri Lanka -- the Commissioner General of Inland Revenue.
2. As regards the application of the Convention by a State any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that State concerning the taxes to which the Convention applies.

**Article 4  
Resident**

1. For the purposes of this Convention, the term "resident of a State" means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature. But this term does not include any person who is liable to tax in that State in respect only of income from sources in that State or capital situated therein.
2. Where by reason of the provisions of paragraph 1 an individual is a resident of both States, then his status shall be determined as follows:
  - (a) he shall be deemed to be a resident of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident of the State with which his personal and economic relations are closer (centre of vital interests);
  - (b) if the State in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either State, he shall be deemed to be a resident of the State in which he has an habitual abode;
  - (c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident of the State of which he is a national;
  - (d) if he is a national of both States or of neither of them, the competent authorities of the States shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both States, then it shall be deemed to be a resident of the State in which its place of effective management is situated.
4. The terms "resident of a State" and "resident of the other State" mean a resident of France or a resident of Sri Lanka, as the context requires.

**Article 5  
Permanent establishment**

1. For the purposes of this Convention, the term "permanent establishment" used with regard to an enterprise means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
2. The term "permanent establishment" includes especially:
  - (a) a place of management;
  - (b) a branch;
  - (c) an office;

- (d) a factory;
- (e) a workshop;
- (f) a warehouse;
- (g) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources;
- (h) an agricultural or farming estate or a plantation.

3. A building site or construction or installation project or supervisory activities connected therewith constitute a permanent establishment only if the site or activities last for a period longer than six months.

4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:

- (a) the use of facilities solely for the purpose of storage, or the maintenance of a stock of goods or merchandise, whether or not in a warehouse, solely for the purpose of delivery;
- (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage;
- (c) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;
- (d) the maintenance of a fixed place of business solely for the purpose of publicity, including the display of products, for furnishing information, for scientific research or for similar activities of a preparatory or auxiliary character, carried out for the enterprise.

5. A person acting in a State on behalf of an enterprise of the other State shall be deemed to be a permanent establishment in the first-mentioned State if:

- (a) he has, and habitually exercises in that State, the authority to conclude contracts on behalf of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise;
- (b) he does not have such authority but habitually maintains in the first-mentioned State a stock of goods or merchandise from which he regularly delivers goods or merchandise for or on behalf of the enterprise; or
- (c) he habitually secures orders in the first-mentioned State exclusively or partly for the enterprise itself, or for the enterprise and other enterprises which are controlled by it or which have a controlling interest in it.

6. An insurance enterprise of a State shall be deemed to have a permanent establishment in the other State if it collects premiums in the territory of that State or insures risks situated therein through a representative who is not an agent of independent status within the meaning of paragraph 7.

7. An enterprise shall not be deemed to have a permanent establishment in a State merely because it carries on business in that State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

8. The fact that a company which is a resident of a State controls or is controlled by a company which is a resident of the other State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

## **Article 6**

### **Income from immovable property**

1. Income derived by a resident of a State from immovable property situated in the other State shall be taxable only in that other State.

2. The term "immovable property" shall have the meaning which it has under the law of the State in which the property in question is situated. The term shall in any case include property accessory to immovable property, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal

services.

## **Article 7**

### **Business profits**

1. The profits of an enterprise of a State shall be taxable only in that State unless the enterprise carries on business in the other State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Where an enterprise of a State carries on business in the other State through a permanent establishment situated therein, there shall in each State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.  
  
However, nothing in this paragraph shall affect the computation of the profits derived by a French enterprise from the production of tea or other agricultural products in Sri Lanka in accordance with the provisions of the law of Sri Lanka at the date of signature of this Convention.
3. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
4. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

## **Article 8**

### **Shipping and air transport**

1. Where an enterprise of a State earns profits from the operation of ships carried out in the other State, these profits shall be subject to tax in that other State, but the tax so levied shall be reduced by 50%.
2. Profits from the operation of aircraft in international traffic shall be taxable only in the State 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 from the participation in a pool, a joint business or an international operating agency, but only in the ratio that the profits so derived are attributable to the participant's share in the joint business.

## **Article 9**

### **Associated enterprises**

Where

- (a) an enterprise of a State participates directly or indirectly in the management, control or capital of an enterprise of the other State, or
  - (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a State and an enterprise of the other State,
- and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

## **Article 10**

### **Dividends**

1. Dividends paid by a company which is a resident of a State to a resident of the other State may be taxed in that other State.
2. However, such dividends may also be taxed in the State of which the company paying the dividends is a resident and according to the laws of that State.

3. Dividends paid by a company resident in Sri Lanka to a company resident in France shall be exempt from all Sri Lankan tax other than:
- (a) the Sri Lankan income tax levied at the source on the dividends paid by the company;
  - (b) the additional tax mentioned in Section 37 of the Inland Revenue Law applicable to companies whose shares are not movable property situated in Sri Lanka for the purposes of the law of Sri Lanka relating to Estate Duty, but the rate of this last-mentioned additional tax shall not exceed 5%.
4. Where a new contribution is made by a company resident in France to the capital of a company resident in Sri Lanka on or after the date of entry into force of this Convention, the rate of Sri Lankan income tax levied at source in respect of dividends corresponding to such contribution shall not exceed 15%.
5. The provisions of this Article shall not apply where a resident of one of the States has a permanent establishment in the other State and the dividends are attributable to that permanent establishment; in such event, the provisions of Article 7 of the Convention shall apply.

#### **Article 11**

##### **Interest**

1. Interest received by a banking institution which is a resident of one of the States shall be exempt from tax in the other State.
2. Interest received from public funds, debentures, deposits or loans may be taxed in the State in which the debtor is resident. However, where the debt to which the interest applies is contracted on or after the date of entry into force of this Convention, the tax so imposed shall not exceed 10% of the amount of interest.
3. Interest paid by a resident of a State to a resident of the other State with respect to the sale on credit of industrial, commercial or scientific equipment or to studies for, or placement or furnishing of, industrial, commercial or scientific installations, or for public works shall be exempt from tax in the State in which the payer is resident, where the sale, establishment or public work is approved by the Government of that State.
4. Interest payable to a financial institution which is a resident of France on a loan made by that institution to the Government of the Democratic Socialist Republic of Sri Lanka or to a financial institution of Sri Lanka with the approval of the Government of the Democratic Socialist Republic of Sri Lanka, whether the loan is made in money, merchandise or furnishing of services, shall be exempt from Sri Lankan tax.
5. Interest payable to the Government of a State, directly or through an institution of that Government, shall be exempt from tax in the other State.
6. The provisions of this Article shall not apply where a resident of one of the States has a permanent establishment in the other State and the elements of income which are the subject of this Article are attributable to that permanent establishment; in such event, the provisions of Article 7 of this Convention shall apply.

#### **Article 12**

##### **Royalties**

1. Royalties or any other sums which must be paid for the use of or the right to use a copyright or cinematographic films which a resident of one of the States receives from sources located in the other State shall be exempt from tax in the other State.
2. Royalties or any other sums which must be paid for the use of or the right to use a patent, design or model, plan, secret formula or process, a trademark and any other rights of a similar nature which a resident of one of the States receives from sources in the other State may be taxed in the State where he is resident.

However, such royalties may also be taxed in the other State, but the tax so levied:

- (a) shall not exceed 10% where the royalties become payable for the first time on or after the date of

- entry into force of this Convention;
- (b) shall be reduced by 50% in all other cases. Any rents or similar payments received for the use of or the right to use industrial, commercial or scientific equipment shall be treated as royalties.
3. The provisions of this Article shall not apply where a resident of a State has a permanent establishment in the other State and the elements of income which are the subject of this Article are attributable to that permanent establishment; in such event, the provisions of Article 7 of this Convention shall apply.

### **Article 13**

#### **Personal services**

1. Income derived by a resident of a State in respect of professional services or other activities of an independent character shall be taxable only in that State unless the activities are performed in the other State. If the activities are carried out there, the income received therefrom may be taxed in that other State.

The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

2. Subject to the provisions of Articles 14, 15 and 16, salaries, wages and other similar remuneration derived by a resident of a State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other State. If the employment is so exercised, such remuneration as is received therefrom may be taxed in that other State.

3. An individual who is a resident of Sri Lanka shall be exempt from French tax on the income or remuneration mentioned in paragraphs 1 and 2 which he derives from carrying out personal activities in France in the course of any tax year if:

- (a) he remains in France for a period or periods not exceeding a total of 183 days in the course of the year in question; and
- (b) the services are rendered for profit or for the account of a resident of Sri Lanka; and
- (c) the income or remuneration is subject to Sri Lankan tax.

4. An individual who is a resident of France shall be exempt from Sri Lankan tax on the income or remuneration mentioned in paragraphs 1 and 2 which he derives from carrying out personal activities in Sri Lanka in the course of any tax year if:

- (a) he remains in Sri Lanka for period or periods not exceeding a total of 183 days in the course of the year in question; and
- (b) the services are rendered for profit or for the account of a resident of France; and
- (c) the income or remuneration is subject to French tax.

5. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic may be taxed in the State in which the place of effective management of the enterprise is situated.

### **Article 14**

#### **Directors' fees**

Directors' fees and other similar payments derived by a resident of a State in his capacity as a member of the board of directors or supervisory board of a company which is a resident of the other State may be taxed in that other State.

### **Article 15**

#### **Artistes and athletes**

1. Notwithstanding the provisions of Article 13, income derived by a resident of a State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as an athlete, from his personal activities as such exercised in the other State, may be taxed in that other State.

2. Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of Articles 7 and 13, be taxed in the State in which the activities of the

entertainer or athlete are exercised.

#### **Article 16** **Pensions**

1. Subject to the provisions of paragraph 1 of Article 17, pensions, annuities and other similar remuneration paid to a resident of a State in consideration of past employment shall be taxable only in that State.
2. The term "annuities" means a fixed or stated sum payable periodically at fixed intervals during life or during a specified or ascertainable period of time under an obligation to make the payments in return for adequate and full consideration in money or money's worth.
3. Notwithstanding the provisions of paragraph 1, pensions and other sums paid by virtue of the social security law of a State shall be taxable only in that State.

#### **Article 17** **Government services**

1. (a) Remuneration, other than a pension, paid by a State or a local authority thereof to an individual in respect of services rendered to that State or authority shall be taxable only in that State.  
(b) However, such remuneration shall be taxable only in the other State if the services are rendered in that State and the individual did not become a resident of that State solely for the purpose of rendering the services.
2. Any pension paid by, or out of funds created by, a State or a local authority thereof to an individual in respect of services rendered to that State or authority shall be taxable only in that State.

However, such pension shall be taxable only in the other State if the individual is a resident of that State.

3. The provisions of Articles 13(2), 14 and 16 shall apply to remuneration and pensions in respect of services rendered in connection with a business carried on by a State or a local authority thereof.

#### **Article 18** **Students**

1. Payments which a student or business apprentice or the recipient of a prize, scholarship or allowance who is or was immediately before visiting a State a resident of the other State and who is present in the first-mentioned State solely for the purpose of his education, training, research or studies receives for the purpose of his maintenance, education, training, research or studies shall not be taxed in that State, provided that such payments arise from sources outside that State.
2. Notwithstanding the provisions of Article 13, remuneration which a student or business apprentice or the recipient of a prize, scholarship or allowance who is or was immediately before visiting a State a resident of the other State and who is present in the first-mentioned State solely for the purpose of his education, training, research or studies receives for services rendered in the first-mentioned State shall not be taxed in that State provided that these services are connected with his education, training, research or studies or that the remuneration for these services is necessary to supplement the funds available to him for his maintenance.

#### **Article 19** **Teachers and researchers**

A teacher or researcher who is or was immediately before visiting a State a resident of the other State and who is present in the first-mentioned State solely for the purpose of teaching or research shall be exempt from tax in that State for a period of two years on remuneration in respect of such activities.

#### **Article 20** **Other income**

The law in force in each State shall continue to regulate the taxation of income unless this Convention specifically provides otherwise.

**Article 21****Provisions for the elimination of double taxation**

Double taxation shall be avoided as follows:

**A. In France:**

- (a) Income other than that mentioned in sub-paragraph (b) below shall be exempt from the French taxes mentioned in paragraph 1(a) of Article 2 where this income is taxable in Sri Lanka under this Convention.
- (b) Income mentioned in Articles 8, 10, 11, 12, 14 and 15 arising in Sri Lanka and received by a resident of France is taxable in France. A tax credit is granted on the following conditions:
  - (i) in the case of dividends mentioned in paragraphs 3 and 4 of Article 10, the tax credit shall be 25% of the gross amount of the dividend;
  - (ii) in the case of interest mentioned in paragraph 2 of Article 11, the tax credit shall be 15% of the gross amount of the interest;
  - (iii) in the case of royalties mentioned in paragraph 2 of Article 12, the tax credit shall be 20% of the gross amount of royalties;
  - (iv) in the case of income mentioned in Articles 8, 14 and 15, the tax credit shall be equal to the amount of Sri Lankan tax which is effectively paid.

Such tax credit shall be allowed against the French taxes mentioned in paragraph 1(a) of Article 2, in the bases of which such income is included, but it shall not exceed the amount of French tax chargeable on such income.

- (c) Notwithstanding the provisions of sub-paragraphs (a) and (b) French tax may be computed on income taxable in France by virtue of this Convention at the rate appropriate to the total income taxable in accordance with French law.

**B. In Sri Lanka:**

- (a) Income other than that mentioned in sub-paragraph (b) below shall be exempt from the Sri Lankan taxes mentioned in paragraph 1(b) of Article 2 where this income is taxable in France under this Convention.
- (b) Income mentioned in Articles 8, 10, 11, 12, 14 and 15 arising in France and received by a resident of Sri Lanka is taxable in Sri Lanka. A credit is granted on the following conditions:
  - (i) in the case of dividends mentioned in paragraphs 3 and 4 of Article 10, the tax credit shall be 25% of the gross amount of the dividend;
  - (ii) in the case of interest mentioned in paragraph 2 of Article 11, the tax credit shall be 15% of the gross amount of the interest;
  - (iii) in the case of royalties mentioned in paragraph 2 of Article 12, the tax credit shall be 20% of the gross amount of royalties;
  - (iv) in the case of income mentioned in Articles 8, 14 and 15, the tax credit shall be the amount of French tax which is effectively paid.

Such tax credit shall be allowed against the Sri Lankan taxes mentioned in paragraph 1 (b) of Article 2, in the bases of which such income is included, but it shall not exceed the amount of Sri Lankan tax chargeable on such income.

- (c) Notwithstanding the provisions of sub-paragraphs (a) and (b) Sri Lankan tax may be computed on income taxable in Sri Lanka by virtue of this Convention at the rate appropriate to the total income taxable in accordance with Sri Lankan law.

**Article 22****Non-discrimination**

1. Nationals of a State shall not be subjected in the other State to any taxation or any requirement connected therewith, which is other, higher or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.

2. The term "nationals" means:

- (a) all individuals possessing the nationality of a State;
- (b) all legal persons, partnerships and associations deriving their status as such from the laws in force in a State.

3. Enterprises of a State shall not be subject in the other State to any taxation which is other, higher



or more burdensome with regard to profits attributable to their permanent establishment in the other State than that to which enterprises of that other State are or may be subjected with regard to identical profits.

4. Nothing in this Article shall be interpreted as:
  - (a) obliging a State to grant persons who are not residents of that State the personal allowances, reliefs and reductions which it grants by law solely to its residents;
  - (b) affecting the rate of the additional tax on income mentioned in Section 37 of the Inland Revenue Law of Sri Lanka.
5. Enterprises of a State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned State are or may be subjected.
6. The provisions of this Article shall, notwithstanding the provisions of Article 2, apply to taxes of every kind and description.

### **Article 23**

#### **Mutual agreement procedure**

1. Where a person considers that the actions of one or both of the States result or will result for him in taxation not in accordance with the provisions of this Convention, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the State 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 the Convention.
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 State, with a view to the avoidance of taxation not in accordance with the Convention. Any agreement reached shall be implemented notwithstanding any time limits in the domestic laws of the States.
3. The competent authorities of the States shall endeavour to resolve by mutual agreement any difficulties arising as to the application of the Convention.

The competent authorities may also, in particular, consult together to reach an agreement:

- (a) by which profits attributable to a permanent establishment which is situated in a State and which belongs to an enterprise of the other State shall be attributed in an identical way in both States;
- (b) by which income accruing to a resident of a Contracting State and to an associated person referred to in Article 9 which is a resident of the other State shall be allocated in an identical way.

They may also consult together for the elimination of double taxation in cases not provided for in the Convention.

4. The competent authorities of the States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a Commission consisting of representatives of the competent authorities of the States.
5. The competent authorities of the States shall determine by mutual agreement the formalities or procedures which may be required, if necessary, for applying the provisions of this Convention.

### **Article 24**

#### **Exchange of information**

1. The competent authorities of the States shall exchange such information which is available to them on the basis of their tax legislation or in the framework of their normal administrative practice insofar as it is necessary for carrying out the provisions of this Convention or of the domestic laws of the States concerning taxes covered by the Convention insofar as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Article 1. Any information received by a State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment or collection of, the enforcement or prosecution in respect of, or the

determination of appeals in relation to, the taxes covered by the Convention. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a State the obligation:
  - (a) to carry out administrative measures at variance with the laws or the administrative practice of that or of the other State;
  - (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other State;
  - (c) to supply information which would disclose any trade, business, industrial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

## **Article 25**

### **Diplomatic agents and consular officers**

1. Nothing in this Convention shall affect the fiscal privileges of members of diplomatic or consular missions as well as members of permanent delegations of international organisations under the general rules of international law or under the provisions of special agreements.
2. This Convention shall not apply to international organisations, to organs or officials thereof and to persons who are members of a diplomatic or consular mission or a permanent delegation of a third State, being present in a State and not treated in either State as residents in respect of taxes on income or on capital.

## **Article 26**

### **Territorial scope**

1. This Convention shall apply:
  - (a) in the case of Sri Lanka: to the Democratic Socialist Republic of Sri Lanka and to the areas situated beyond the territorial waters of that State over which, in conformity with international law, Sri Lanka may exercise its rights with respect to the water, seabed and subsoil as well as their natural resources;
  - (b) in the case of France: to the European and overseas departments of the French Republic and to areas situated beyond the territorial waters of those departments over which, in conformity with international law, France may exercise its rights with respect to the water, seabed and subsoil as well as their natural resources.
2. This Convention may be extended, either in its entirety or with any necessary modifications, to the overseas departments of the French Republic which impose taxes substantially similar in character to those to which the Convention applies. Any such extension shall take effect from such date and subject to such modifications and conditions, including conditions as to termination, as may be specified and agreed between the States in notes to be exchanged through diplomatic channels or in any other manner in accordance with their constitutional procedures.

## **Article 27**

### **Entry into force**

Each of the States shall notify the other when the procedures required by its laws for entry into force of this Convention have been completed. It shall enter into force on the date of the later of these notifications and shall apply to the tax year which begins in the course of the calendar year of its entry into force and to subsequent tax years.

## **Article 28**

### **Termination**

1. This Convention shall remain in force for an unlimited period of time. However, each of the States may, no later than 30 June of any year after the year 1984, denounce the Convention by giving at least 6 months' notice before the end of a calendar year.
2. In such event, its provisions shall apply for the last time to the tax year which begins in the

course of the calendar year immediately following that in which notice of termination has been given.

In witness whereof the undersigned, duly authorized thereto, have signed this Convention.

Done at Colombo, 17 September 1981, in duplicate in the French and Sinhalese languages, both texts being equally authentic.

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