

Joint Declaration
by
Ireland
and
the Federal Republic of Germany
on the occasion of the signing on 30 March 2011 in Dublin
of the Agreement
between Ireland and
the Federal Republic of Germany
for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion
with respect to Taxes on Income and on Capital

Ireland and the Federal Republic of Germany, on the occasion of the signing on 30 March 2011 in Dublin of the new Agreement between Ireland and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital and with regard to the improper use of that Agreement,

Have reached the following understanding:

Improper use of the Agreement

Having regard to paragraphs 7 to 12 of the July 2008 version of the Commentary to Article 1 of the OECD model tax convention, it is understood that this Agreement shall not be interpreted to mean that a Contracting State is prevented from applying its domestic legal provisions on the prevention of tax evasion or tax avoidance where those provisions are used to challenge arrangements which constitute an abuse of the Agreement.

It is further understood that an abuse of the Agreement takes place where a main purpose for entering into certain transactions or arrangements is to secure a more favourable tax position and obtaining that more favourable treatment in these circumstances would be contrary to the object and purpose of the relevant provisions of the Agreement.

This Joint Declaration is signed in duplicate at Dublin, in the English and German languages, this 30 day of March, 2011.

For Ireland
Michael Noonan

For the Federal Republic of Germany
Busso von Alvensleben