

PROTOCOL

to amend the Agreement between the Government of the Russian Federation and the Government of the Republic of Finland for the avoidance of double taxation with respect to taxes on income

The Government of the Russian Federation and the Government of the Republic of Finland,

Desiring to conclude a Protocol to amend the Agreement between the Government of the Russian Federation and the Government of the Republic of Finland for the avoidance of double taxation with respect to taxes on income, signed at Helsinki on 4 May 1996 (hereinafter referred to as "the Agreement"),

Have agreed as follows:

## ARTICLE I

Paragraph 3 of Article 5 of the Agreement shall be deleted and replaced by the following:

“3. A building site or construction, assembly or installation project or supervisory activities in connection therewith constitute a permanent establishment only if such site, project or activities last, in the case of a site or project involving mainly the erection of factories, workshops, power stations, or any other industrial buildings or structures, for a period of more than eighteen months, and in all other cases, for a period of more than twelve months. The use of an installation or drilling rig or ship to explore for or exploit natural resources constitutes a permanent establishment only if such use is for a period of more than twelve months.”

## ARTICLE II

The Protocol to the Agreement shall be deleted and replaced by the following:

### “PROTOCOL

The following provisions shall form an integral part of the Agreement between the Government of the Russian Federation and the Government of the Republic of Finland for the avoidance of double taxation with respect to taxes on income, signed at Helsinki on 4 May 1996 (hereinafter referred to as “the Agreement”):

With reference to Article 5, paragraph 3. and Article 11, paragraph 2

In the case, where a building site or construction, assembly or installation project in which a resident of a Contracting State is engaged in the other Contracting State begins before 1 January 2003, paragraph 2 of Article 4 and sub-paragraph a) of paragraph 2 of Article 11 of the Agreement between the Government of the Soviet Socialist Republics and the Government of the Republic of Finland for the avoidance of double taxation with respect to taxes on income, signed at Moscow on 6 October 1987, and of paragraph 1 of the Protocol attached thereto, shall continue to apply.”

## ARTICLE III

1. The Governments of the Contracting States shall notify each other that the constitutional requirements for the entry into force of this Protocol have been complied with.

2. This Protocol shall enter into force thirty days after the date of the later of the notifications referred to in paragraph 1 and its provisions shall have effect:

- a) in respect of taxes withheld at source, on income derived on or after 1 January in the calendar year next following the year in which the Protocol enters into force;
- b) in respect of other taxes on income, for taxes chargeable for any tax year beginning on or after 1 January in the calendar year next following the year in which the Protocol enters into force.

Done at Helsinki this 14 day of April 2000, in duplicate in the Russian, Finnish and English languages, all texts being equally authentic. In the case of divergence of interpretation the English text shall be used.

For the Government of  
the Russian Federation:



For the Government of  
the Republic of Finland:

