

## **PROTOCOL**

### **AMENDING THE CONVENTION BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE GOVERNMENT OF MALTA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME OF 24 APRIL 2013**

The Government of the Russian Federation and the Government of Malta,

desiring to conclude a Protocol to amend the Convention between the Government of the Russian Federation and the Government of Malta for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Moscow on 24 April 2013 (hereinafter referred to as «the Convention»),

have agreed as follows:

#### **ARTICLE I**

1. Paragraphs 2 and 3 of Article 10 «Dividends» of the Convention shall be modified as follows:

«2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that Contracting State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed 15 per cent of the gross amount of the dividends.

3. Notwithstanding the provisions of paragraphs 1 and 2, dividends paid by a company which is a resident of a Contracting State may also be taxed in that Contracting State according to the laws of that Contracting State, but:

- i. if the beneficial owner of the dividends is a resident of the other Contracting State and the beneficial owner is an insurance undertaking or a pension fund; or
- ii. if the beneficial owner of the dividends is a resident of the other Contracting State and the beneficial owner is a company whose shares are listed on a registered stock exchange provided that no less than 15 per cent of the voting shares of that company are in free float and which holds directly at least 15 per cent of the capital of the company paying the dividends throughout a 365 day period that includes the day of payment of the dividends; or
- iii. if the beneficial owner of the dividends is a resident of the other Contracting State and the beneficial owner is the Government of that Contracting State or a political subdivision or a local authority thereof; or
- iv. if the beneficial owner of the dividends is a resident of the other Contracting State and the beneficial owner is the Central Bank of that Contracting State,

the tax so charged shall not exceed 5 per cent.».

2. The reference in paragraph 5 of Article 10 «Dividends» of the Convention to «paragraphs 1 and 2» shall be deleted and replaced by a reference to «paragraphs 1, 2 and 3».

## ARTICLE II

1. Paragraph 2 of Article 11 «Interest» of the Convention shall be deleted and replaced by the following paragraph that shall read as follows:

«2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that Contracting State, but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 15 per cent of the gross amount of the interest.».

2. New paragraph 3 shall be added to Article 11 «Interest» of the Convention which shall read as follows:

«3. Notwithstanding the provisions of paragraphs 1 and 2, interest arising in a Contracting State and paid to a resident of the other Contracting State, who is the beneficial owner of the interest, may also be taxed in the Contracting State in which it arises and according to the laws of that Contracting State, but if:

A) the beneficial owner is:

i. an insurance undertaking or a pension fund; or

ii. the Government of that Contracting State or a political subdivision or a local authority thereof; or

iii. the Central Bank of that Contracting State; or

iv. a bank; or

v. a company whose shares are listed on a registered stock exchange provided that no less than 15 per cent of the voting shares of that company are in free float and which holds directly at least 15 per cent of the capital of the company paying the interest throughout a 365 day period that includes the day of payment of the interest;

or

B) the interest is paid in respect of the following securities listed on a registered stock exchange:

- i. government bonds;
- ii. corporate bonds;
- iii. Eurobonds,

the tax so charged shall not exceed 5 per cent.».

3. The existing paragraphs 3, 4, 5, 6, 7 and 8 of Article 11 «Interest» of the Convention shall be renumbered as paragraphs 4, 5, 6, 7, 8 and 9.

4. The reference in paragraph 8, as renumbered, of Article 11 «Interest» of the Convention to «paragraph 2» shall be deleted and replaced by a reference to «paragraphs 2 and 3».

### **ARTICLE III**

In paragraph 3 of Article 23 «Non-discrimination» of the Convention the words «paragraph 4 of Article 11» shall be deleted and replaced by the words «paragraph 5 of Article 11».

### **ARTICLE IV**

Paragraph 2 of Article 25 «Exchange of information» of the Convention shall be modified as follows:

«2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that Contracting State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. 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. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes when such information may be used for such other purposes under the laws of both Contracting States and the competent authority of the supplying Contracting State authorises such use.».

## ARTICLE V

Amendments to the Convention provided for in this Protocol shall form an integral part of the Convention. This Protocol shall apply provisionally from 1st of January 2021 and shall enter into force on the date of the latter of the notifications of the Contracting States in writing, through diplomatic channels, of the completion of the procedures required by the domestic law for the entry into force of this Protocol.

Done at Moscow on 1st of October 2020 in duplicate, in the Russian and English languages, both texts being equally authentic.

**For the Government  
of the Russian Federation**



**For the Government  
of Malta**

