

**Economic and Social Council**  
**Committee of Experts on International Cooperation**  
**in Tax Matters**  
Fourth session

**Note by the Coordinator of the Subcommittee on Improper  
Use of treaties: Proposed amendments**

**Progress Report of Subcommittee on Improper Use of Tax Treaties:  
Beneficial Ownership\***

*Summary*



*can*

*cannot*

ANNEX

**THE UNITED NATIONS MODEL DOUBLE TAXATION CONVENTION  
BETWEEN DEVELOPED AND DEVELOPING COUNTRIES:  
POSSIBLE EXTENSION OF THE BENEFICIAL OWNERSHIP CONCEPT**

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*Secretariat Note.*







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<sup>6</sup> The Commentary to Article 12 of the UN Model Convention does not contain any equivalent explanation of the beneficial ownership concept: it is assumed that there is no significance to this and that the equivalent explanations in the Commentaries to Articles 10 and 11 would be equally applicable.



*le bénéficiaire effectif*





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<sup>12</sup> Para. 43.



*Interpretation Act*

*Income Tax Conventions*









*Article 21: Other income*



*Example 1*

*Example 2*

*Example 3*













*Shipping, inland waterways transport and air transport income: Article 8*

*Business profits: Article 7*



*Other Articles*

*A summary on possible articles to which the beneficial ownership concept might extend*

*Including the beneficial ownership concept in some Articles and not in others*









5. *A free-standing beneficial ownership limitation provision*

6. *A free-standing beneficial ownership provision included only in the  
Commentary*



