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**Committee of Experts on International Cooperation
in Tax Matters**

Fifth Session

Geneva, 19-23 October 2009

Item 6 (b) of the provisional agenda

**Taxation of services, including royalties and technical
fees: policy and technical issues**

**Note Provided by the Coordinator of the Subcommittee on Article 14
and the Tax Treatment of Services**

Summary

At the 2008 Annual Session, the Committee of Experts on International Cooperation in Tax Matters set up a new subcommittee which was mandated to work on proposals for updating and improving Article 14 of the UN Model and the tax treatment of services. The group was formed by Ms. Habiba Louati, Ms. Anita Kapur and Ms. Liselott Kana (Coordinator). This initial note is provided by the Coordinator based on discussions within the subcommittee.

* This report should not be taken as necessarily representing the views of the United Nations.

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**ANNEX: Questionnaire for UN Tax Committee Annual Session participants
(Committee Members and Country Observers).**

Subcommittee on Article 14 and the Tax Treatment of Services

Name and country (optional):

No.	Questions	Yes	No	N/A
1.	Would you prefer to eliminate Article 14 in the UN Model?			
2.	Do you consider that deletion of Article 14 would reduce source country taxing rights?			
3.	Would you prefer to have Article 14 applying for services rendered by both individuals and companies?			
4.	Do you consider that taxation of service income under Article 14 should be calculated on a gross basis?			
5.	Do you consider that the term fixed base used in Article 14 is broader than permanent establishment?			
6.	The overlap between Article 14 and Article 5 par. 3 (b) may have caused problems and one way to deal with this could be to deal with services (other than employment) in one Article. Should we focus our work on Article 14 to achieve that?			
7.	Would you support the idea to include in the UN Model an alternative provision which gives taxing rights to the source country on fees for technical services?			
8.	In case your country includes “technical services” in your treaties, do you have a definition (in the treaty or in domestic law) of what is intended to be covered by such services?			
9.	Would you support the idea to include in the UN Model an alternative provision which gives taxing rights to the source country for services in general (without reference to technical services), ?			

Comments:

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Note: The above questionnaire is exclusively intended for