

Accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises "Arbitration Convention" and amendment to the Annex I to the Act of Accession

2007/0283(CNS) - 23/06/2008 - Final act

PURPOSE: to enable the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

LEGISLATIVE ACT: Council Decision 2008/492/EC concerning the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

CONTENT: the 2005 Act of accession of Bulgaria and Romania introduced a simplified system for the accession of Bulgaria and Romania to the conventions and protocols concluded by the Member States on the basis of Article 34 of the Treaty on European Union (previously Article K.3 of the Treaty on EU) or of Article 293 of the Treaty on EU.

Article 3(3) and 3(4) of the Act of Accession provide that, to that effect, the Council shall adopt a decision in order to determine the date on which these conventions shall enter into force for Bulgaria and Romania and to make all the necessary adjustments to these conventions required due to the accession of the two new Member States (which would include, in any event, the adoption of the conventions in the Bulgarian and Romanian languages, so that these versions can be "equally authentic").

Consequently, the Council adopted a Decision in order to adjust the Convention on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (the "Arbitration Convention") by reason of accession of Bulgaria and Romania. The Arbitration Convention will enter into force in relation to Bulgaria and Romania on 1 July 2008.

To that effect, the Council also adopted a Decision in order to include the Arbitration Convention in the 2005 Act of Accession of Bulgaria and Romania to the EU.

ENTRY INTO FORCE: the Decision shall take effect on 01/07/2008.