

PROTOCOL

At the signing of the Agreement between the Government of the People's Republic of China and the Government of the Sultanate of Oman for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (hereinafter referred to as "the Agreement"), both the Contracting States have agreed upon the following provisions which shall form an integral part of the Agreement:

1. The term "head office" mentioned in paragraph 1 of Article 4 of the Agreement shall mean the central organization established in a Contracting State under the laws of that State, which is responsible for the management, operations and control over an enterprise of that State.
2. With respect to paragraph 1 of Article 4 of the Agreement, the State General Reserve Fund of the Sultanate of Oman, which is beneficially owned and controlled by the Sultanate of Oman, shall also be considered resident of the Sultanate of Oman for the purposes of this Agreement.
3. With respect to profits derived by Gulf Air Company, the provisions of paragraph 1 of Article 8 of the Agreement shall be applied, but only to such part of the profits as corresponds to the share of the Government of the Sultanate of Oman under the Constitutive Contract of the Gulf Air Company.
4. With respect to Article 15 of the Agreement, the employees who are nationals of a Contracting State and sent by the air transport or shipping enterprises of that State to the other Contracting State shall be taxed on their remuneration only in the first-mentioned Contracting State.
5. With respect to Article 24 of the Agreement, the provisions of this Article shall not be fully implemented by the Sultanate of Oman until the Sultanate of Oman harmonizes the tax rates applicable to enterprises which are carrying on activities in the Sultanate of Oman.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Protocol.

Done at Muscat on the 25th day of March 2002, corresponding to 11/1/1423 AH, in two identical originals, each in the Chinese, Arabic and English languages, all texts being equally authentic. In case of divergency in interpretation of the texts, the English text shall prevail.

**For the Government of
The People's Republic of China**
Cheng Faguang
Deputy Commissioner of
the State Administration of Taxation and
Deputy Chairman for Financial Affairs Council
and Energy Resources

**For the Government of
the Sultanate of Oman**
Ahmed bin Abdulnabi Maki
Minister of National Economy