

## **PROTOCOL**

At the moment of signing the Agreement between the Government of the People's Republic of China and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the undersigned have agreed that the following provisions shall form an integral part of the Agreement.

1. This Agreement shall not affect the application of Article 8 of the Agreement on Maritime Transport signed between the Government of the People's Republic of China and the Government of the Kingdom of Denmark on October 21, 1974.
2. Notwithstanding the provisions of Article 8 of this Agreement, transport revenue derived from international traffic by air transport enterprises which have their place of effective management in a Contracting State shall be exempt from other taxes in the other Contracting State.
3. When applying the Agreement with respect to the air transport consortium, Scandinavian Airlines System (SAS), the provisions of paragraph 1 of Article 8 and paragraph 3 of Article 13 shall apply only to such part of its profits as corresponds to the participation held in that consortium by Det Danske Luftfartsselskab (DDL), the Danish partner of Scandinavian Airlines System (SAS) .
4. For the purposes of the application of paragraph 2 of Article 12 of this Agreement royalties derived from rental of industrial, commercial or scientific equipment shall be taxed on 70 per cent of the gross amount of such royalties.
5. For purposes of Article 15 it is understood that where a resident of Denmark derives remuneration in respect of an employment exercised aboard an aircraft operated in international traffic by the air transport consortium Scandinavian Airlines System (SAS) such remuneration shall be taxable only in Denmark.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Protocol.

DONE in duplicate at Beijing on this 26th day of March, one thousand nine hundred and eighty-six Year of the Christian Era, each in Chinese, Danish and

English languages, all texts being equally authoritative, except in the case of doubt when the English text shall prevail.

**For the Government  
of the People's Republic of China**

**For the Government  
of the Kingdom of Denmark**