




AGREEMENT BETWEEN
THE GOVERNMENT OF THE SULTANATE
OF OMAN
AND
THE GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH
FOR THE AVOIDANCE OF DOUBLE
TAXATION ON INCOME DERIVED
FROM INTERNATIONAL AIR TRANSPORT

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AGREEMENT BETWEEN THE GOVERNMENT OF THE SULTANATE OF OMAN AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH FOR THE AVOIDANCE OF DOUBLE TAXATION ON INCOME DERIVED FROM INTERNATIONAL AIR TRANSPORT.

The Government of the Sultanate of Oman and the Government of the People's Republic of Bangladesh, desiring to conclude an Agreement for the avoidance of double taxation on income derived from international air transport, have agreed as follows:


Article-1

TAXES COVERED

1. The taxes which are the subject of this Agreement are:
 - a) In the case of the Sultanate of Oman:
 - i) the Company Income Tax;
 - ii) the Profit Tax on Commercial and Industrial Establishments;
(hereinafter referred to as "Omani tax")
 - b) In the case of the People's Republic of Bangladesh:
the income tax;
(hereinafter referred to as "Bangladesh tax")

2. This Agreement shall also apply to any identical or substantially similar taxes which are imposed by either Contracting State after the date of signature of this Agreement in addition to, or in place of, the taxes referred to in paragraph 1 of this Article.

Each Contracting State shall immediately inform the other Contracting State of any substantial changes which have been made in its respective taxation laws which affect this Agreement.



Article-2

DEFINITIONS

1. In this Agreement, unless the context otherwise requires:
- a) the terms "a Contracting State" and "the other Contracting State" mean the Sultanate of Oman or the People's Republic of Bangladesh as the context requires;
 - b) the term "tax" means Bangladesh tax or Omani tax as the context requires;
 - c) the term "enterprise of a Contracting State" means:
 - i) in the case of the Sultanate of Oman, Gulf Air, Oman Aviation Services Company (S.A.O.G) or any other air transport enterprise managed and controlled in the Sultanate of Oman and carried on either by an individual resident in the Sultanate of Oman and not resident in the People's Republic of Bangladesh, or by a partnership or corporation created or organized under the laws of the Sultanate of Oman.
 - ii) in the case of the People's Republic of Bangladesh, Bangladesh Biman Corporation or any other air transport enterprise managed and controlled in the People's Republic of Bangladesh and carried on either by an individual resident in the People's Republic of Bangladesh and not resident in the Sultanate of Oman, or by a partnership or corporation created or organized under the laws of the People's Republic of Bangladesh.
 - d) the term "international traffic" means any transport by an aircraft operated by an enterprise of a Contracting State except when the aircraft is operated solely between places in the other Contracting State.
 - e) the term "competent authority" means:
 - i) in the case of the People's Republic of Bangladesh, the National Board of Revenue or its authorised representative,

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[Signature]



- ii) in the case of the Sultanate of Oman, the Minister of National Economy and Supervisor of Ministry of Finance or his authorised representative.
2. As regards the application of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

Article-3

AVOIDANCE OF DOUBLE TAXATION

1. Income and profits derived from the operation of aircraft in international traffic by an enterprise of a Contracting State shall be exempted from tax in the other Contracting State.
2. The provisions of paragraph 1 of this Article shall also apply to the share of income and profits from the operation of aircraft in international traffic derived by an enterprise of a Contracting State through participation in a pool, a joint business or an international operating agency.
3. For the purposes of this Article:
 - a) the term "operation of aircraft" means transportation by air of passengers, baggage, livestock, goods and mail, carried on by an enterprise of a Contracting State, and includes the sale of tickets or similar documents for such transportation,
 - b) interest on funds directly connected with the operation of aircraft in international traffic shall be regarded as income and profits from the operation of such aircraft.
4. Gains derived by an enterprise of a Contracting State from the alienation of aircraft owned and operated by the enterprise in international traffic, the income from which is taxable only in that Contracting State, and gains from the alienation of spares and equipment used by the enterprise in the operation of such aircraft shall be exempted from tax in the other Contracting State. For the purpose of this paragraph "aircraft owned" shall include an aircraft under finance lease.

5. A Contracting State shall exempt any employee of an air transport enterprise of the other Contracting State from tax on salaries, wages, allowances, expenses and services wherever received by him, provided that he is not a national of the Contracting State applying the exemption.

Article-4

REFUND

Where any tax has been collected by a Contracting State before the date of the entry into force of this Agreement, the tax so collected shall be refunded upon application made by the competent authority of the other Contracting State to the competent authority of the Contracting State on behalf of its enterprise. Such refund shall be made within six months from the date of the application. The application shall be made within two years from the date of the entry into force of this Agreement.

Article-5

RENEGOTIATION

If an enterprise of the People's Republic of Bangladesh is charged to tax of the kind referred to in Article 1 of this Agreement, with respect to income and profits referred to in Article 3 of this Agreement, in any other shareholding state of Gulf Air, the Contracting States shall open negotiations without delay with a view to adjusting accordingly the exemptions afforded by Article 3 of this Agreement.

Article-6

MUTUAL AGREEMENT PROCEDURE

The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement.



Article-7

ENTRY INTO FORCE

Each Contracting State shall notify the other through diplomatic channels of the completion of the relevant procedures required by its law to bring this Agreement into force. This Agreement shall enter into force on the date of the later of these notifications. The provisions of this Agreement shall be effective from the first day of January 1979.

Article-8


TERMINATION

This Agreement shall remain in force indefinitely, but either Contracting State may terminate it by giving notice of termination through diplomatic channels, at least six months before the end of any calendar year after the fifth year following that of the entry into force. In such event this Agreement shall cease to be effective for any year of assessment commencing on or after the first day of January in the calendar year next following that in which such notice is given.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Agreement.

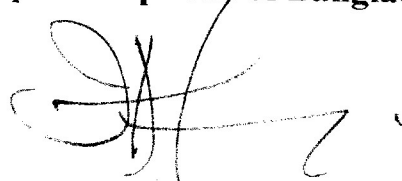
Done in duplicate at Muscat this 4th day of Jumada I, 1429 AH, corresponding to 10th May 2008 AD, in Arabic, Bangla and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

**For the Government of the
Sultanate of Oman**



**Dr. Juma Bin Ali Bin Juma
Minister of Manpower**

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



**Dr. Iftekhar Ahmed Chowdhury
Advisor for Ministry of Foreign Affairs
and Expatriates' Welfare &
Overseas Employment**

PROTOCOL

At the signing of the Agreement between the Government of the Sultanate of Oman and the Government of the People's Republic of Bangladesh for the Avoidance Of Double Taxation of Income derived from International Air Transport, both sides have agreed upon the following provision, which shall be an integral part of the Agreement.

"Items namely, crockeries, stationery, diaries, calendars, giveaways, tour brochures and catering (excluding liquor and tobacco), uniforms, computers, x-ray machines, explosive detectors, office equipment viz Typewriter, duplicating machine, imported and used for operational or promotional purposes and vehicles imported on returnable basis and for use within airport limits by an air transport enterprise of a Contracting State carrying on business in the other Contracting State shall be exempted from impositions of customs duty or other similar taxes in the other Contracting State".

In witness whereof the undersigned, duly authorized thereto by their respective Governments, have signed this Protocol.

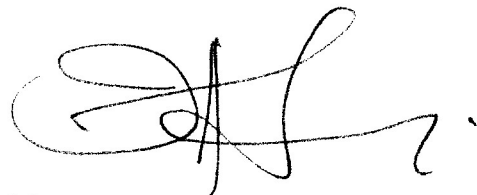
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**For the Government of the
Sultanate of Oman**



**Dr. Juma Bin Ali Bin Juma
Minister of Manpower**

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