

AGREEMENT

between
the
Argentine Republic
and
the Republic of Azerbaijan
on the exchange of tax information

The Argentine Republic and the Republic of Azerbaijan, hereinafter referred to as Parties

referring to their national legislation and international liabilities,
having regard to the mutual interest in effective solution of the tasks related to prevention, exposure and suppression of the tax legislation violation,

emphasizing usage of all legal in pursuing these aims

have agreed as follows:

Article 1

Object and scope of application of the Agreement

1. Object

The Parties shall assist each other:

1. To facilitate the exchange of information in all forms, including general information on lines of economic activity, simultaneous examinations and the holding of examinations abroad, for assuring the accurate determination, assessment and collection of taxes covered by this Agreement, with a view to prevent and combat tax fraud, evasion and avoidance or any other type of tax crime within their respective jurisdictions and develop improved information sources for tax matters.

2. To cooperate in the identification of good administrative tributary practices, in the organization and execution of training schemes and in the development of other activities pertaining to tax administration that are of common interest.

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2. Scope of application

Information shall be exchanged to fulfill the purpose of this Agreement without regard to whether the person to whom the information relates is, or whether the information is held by a resident or national of the Parties.

Article 2

Tax covered by the agreement

1. Tax covered

This Agreement shall apply to the following taxes:

a) In the case of the Argentine Republic:

- Income Tax
- Value Added Tax
- Personal Assets Tax
- Tax on Presumptive Minimum Income
- Excise Duties
- Simplified Tax System for Small Taxpayers

b) In the case of the Republic of Azerbaijan:

- Income Tax of physical persons
- Profit Tax on legal persons
- Simplified Tax
- Value Added Tax
- Excises
- Property Tax
- Land Tax
- Mining Tax
- Road Tax.

2. Identical, similar, substitutive or additional taxes

This Agreement shall also apply to any identical or similar tax imposed after the date of signature of the Agreement or taxes in addition to, or in place of, the existing taxes. The competent authorities of the Parties

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shall notify each other of any change in their legislation regarding to tax issues.

Article 3

Definitions

1. Definitions

For purposes of this Agreement:

a) The term competent authority means:

I. In the case of the Argentine Republic: The Federal Administration of Public Revenues.

II. In the case of the Republic of Azerbaijan: the Ministry of Taxes of the Republic of Azerbaijan.

b) The term national means any citizen and any legal entity deriving its status from the national legislation in each of the Parties.

c) The term person means any individual, legal entity, or any other entity, body of persons or estate which is subject to taxation according to the laws of the Parties.

d) The term tax means any tax to which the Agreement applies.

e) The term information means any fact or statement, in any form whatever that may be relevant or material to the administration and enforcement of taxes covered by this Agreement.

f) The term Applicant Party means the Party applying for or receiving information; and the term Requested Party means the Party providing or requested to provide information.

g) The term tax crime means any actions, already done or attempted, that violate laws related to taxes covered by this Agreement.

2. Undefined terms

Any term not defined in this Agreement shall have the meaning which it has under the laws of the Parties concerning taxes or procedures

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covered by this Agreement according to the legislation in force at the moment in which the specific issue to define is created, unless the context otherwise requires another interpretation or the competent authorities agree to a common meaning pursuant to the provisions of Article 7.1.

Article 4

Exchange of information

1. Object of the exchange

The competent authorities of the Parties shall exchange information to administer and enforce their domestic laws concerning taxes covered by this Agreement, including information to effect:

- a) the determination, assessment, and collection of such taxes,
- b) the recovery and enforcement of tax claims,
- c) the investigation or prosecution of alleged tax crimes.

2. Regulation pertaining to exchange of information

In order to obtain or provide information, the Applicant Party shall be subject to the laws or practices of the Requested Party pertaining to securing and disclosing the types of information referred to in this Agreement.

The Applicant Tax Administration must supply details on the use of the information and the results achieved, if requested.

3. Regular or automatic information

The competent authorities of the Parties shall regularly or automatically transmit information to each other on any subject and in the regularity they may expressly agree.

The competent authorities shall determine the form, language, and procedures to be used to exchange such information.

4. Spontaneous information

The competent authorities of the Parties shall spontaneously transmit information to each other, when during the course of their own activities,

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information which may be relevant to, and bear significance on the accomplishment of the purposes referred to in paragraph 1 of this Article, may have come to the attention of one of the Parties. The competent authorities shall determine the information to be exchanged, establishing the form and language in which it will be transmitted.

5. Specific information

1. The competent authority of the Requested Party shall provide information upon specific request by the competent authority of the Applicant Party for the purposes referred to in paragraph 1 of this Article. If the information available in the tax files of the Requested Party is not sufficient to enable compliance with the request, that Party shall take measures, allowed within the framework of its national legislation, including compulsory measures, to provide the Applicant Party with the information requested, such as:

a) examine any books, papers, records, or other choses in possession which may be relevant or material to such inquiry;

b) question any person having knowledge or in possession, custody or control of information which may be relevant or material to such inquiry;

c) compel, pursuant to its own legislation, any person having knowledge or in possession, custody or control of information which may be relevant or material to such inquiry, to appear at a stated time and place and testify under oath and produce books, papers, records, or other choses in possession.

2. The request of information shall prove that:

a) there is a current investigation or examination in connection with the object of the request;

b) the information requested is essential;

c) the Applicant Party has used all available resources.

If such resources were not satisfied, the Requested Party may, in its discretion, accept the information but without obligation.

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Within the term of 10 (ten) days, the Requested Party shall notify the reception of the request of information.

6. Actions of the Requested Party for responding to a specific request

If information is Requested by a Party pursuant to the foregoing paragraph, the Requested Party shall obtain and provide the information in the same form, as if the tax of the Applicant Party were the tax of the Requested Party and were being imposed by the latter.

However, if specifically requested by the competent authority of the Applicant Party, the Requested Party shall follow the following procedures and forms within the national legislation to provide the requested information:

- a) specify the time and place for the taking of testimony or the production of books, papers, records, and other choses in possession;
- b) secure for their examination, without editing them, the original books, papers, records, and other choses in possession;
- c) secure or produce true copies of originals (including books, papers, testimony and records);
- d) determine the authenticity of books, papers, records, and other personal choses in possession produced;
- e) perform any other act not in violation of the laws, or at variance with, the administrative practices of the Requested Party; and
- f) certify either that procedures requested by the competent authority of the Applicant Party were followed or that the procedures requested could not be followed, with an explanation of the reasons therefore.

The competent authorities shall determine the language to be used in the correspondence utilized to exchange the information. If need be to translate books and papers, the Applicant Party shall take the necessary measures and bear the corresponding costs.

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7. Limitation to the transmission of information

The exchange of information referred to in this Agreement does not compel the Parties:

a) to supply information, the disclosure of which would be contrary to public policy;

b) to carry out administrative measures at variance with their respective laws or regulations;

c) to supply particular items of information which are not obtainable under their legislation;

d) to supply information requested by the Applicant Party to administer or enforce a provision of the tax law of the Applicant Party, or any requirement connected therewith, which discriminates against a national of the Requested Party. A provision of tax law, or connected requirement, will be considered to be discriminatory against a national of the Requested Party if it is more burdensome with respect to a national of the Requested Party than with respect to a national of the Applicant Party in the same circumstances;

e) to supply particular items of information which would not be obtained under its respective laws or within the scope of its usual administrative practice or those of the other Party.

8. Regulations for executing the request

Except as provided in paragraph 7 of this Article, provisions of the preceding paragraphs shall be construed so as to impose on a Party the obligation to use all legal means and its best efforts to execute a request. The Requested Party shall act with due diligence, not exceeding the term of:

- 3 months as of the date of receipt of the request for its answer when the information is internally available within the field of the tax administration

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- 6 months as of the date of receipt of the request for its answer when there is need to proceedings in order to obtain the requested information.

In case of inability to comply with the term of responding, or difficulty for obtaining the information or objecting to provide it, the competent authority of the Requested Party must inform the competent authority of the Applicant Party, within 3 months of the date of receipt of the request, indicating the probable date on which the answer could be sent, the nature of the obstacles or mentioning the reasons for objecting to provide the information requested, as appropriate.

9. Use of the information received

Any information received by a Party shall be treated as secret in the same manner as information obtained under the national laws of that Party, or according to the conditions of confidentiality applicable in the jurisdiction of the Party providing it, if such conditions are more restrictive and shall be disclosed only to persons or authorities of the Applicant Party, including judicial and administrative bodies involved in:

- 1) the determination, assessment, collection, and administration of taxes under this Agreement,
- 2) the recovery of fiscal claims derived from such taxes,
- 3) the enforcement of the tax laws,
- 4) the prosecution of fiscal violations,
- 5) the determination of administrative appeals in relation to such taxes,
- 6) the oversight of the above.

Such persons or authorities may use the information only for tax purposes and may disclose it in public court proceedings or in judicial decisions of the Applicant Party, in relation to such matters.

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10. Legal validity of the information received

The information obtained through this Agreement constitutes legal evidence, simply by the fact of being supplied by the competent authority of the Requested Party, except for proof to the contrary.

Article 5 Simultaneous examination

1. Object of the simultaneous examination

For purposes of this Agreement, a simultaneous examination of taxes means an arrangement between the Parties to examine simultaneously, each in its territory, the tax situation of a person or persons in which they have a common or related interest, with a view to exchanging any relevant information which they obtain in that way.

2. Selection of cases and examinations procedures

The competent authority of a Party may consult the other Party in order to determine the cases and procedures for simultaneous tax examinations. The consulted Party shall decide whether or not it wishes to participate in a specific simultaneous examination. Nevertheless, none of the Parties is obliged to cooperate with all the simultaneous examinations proposed by the other Party.

3. Selection of the sector and period to be examined

The representatives appointed by the Parties in compliance with the provisions of paragraph 4 of this Article, by common agreement, shall determine the sector and period to be examined for the specific case selected.

4. Acceptance of examination

Once the competent authority of a Party receives from the other Party a proposal for undertaking a simultaneous examination and decides to accept it, it shall provide its acceptance in writing, appointing a representative from his country for conducting the examination. After receiving the acceptance from the accepting competent authorities, the

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proposing competent authority shall also designate a representative, in writing.

5. Interruption of a simultaneous examination

If one of the Parties concludes that a simultaneous examination cannot be carried out, it may withdraw from the examination by notifying its withdrawal to the other Party.

Article 6 Examinations abroad

1. At the request of the competent authority of the Applicant Party, the competent authority of the Requested Party may allow representatives of the competent authority of the Applicant Party, to be present in the pertinent part of a tax examination in the Requested Party with a view to obtain any type of useful information for the application of the taxes covered by this Agreement. If the request is accepted, the competent authority of the Requested Party shall notify, by mutual agreement, and observing the general principle of reciprocity, the conditions and procedures to be followed as to the presence of such officials.

2. The representatives of the applicant authority, when being present in an examination, shall be in condition to supply evidence of their capacity as officials and to enjoy of the same defense granted to the officials of the Requested Party, as provided in the laws in force therein, being liable for any infringement they could commit.

Article 7 Mutual agreement procedure

1. Interpretation and application of the agreement

The competent authorities of the Parties shall endeavor to resolve by mutual agreement any divergences arising as to the interpretation or application of this Agreement. In particular, the competent authorities may agree to a common meaning of a term.

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2. Direct communication of the competent authorities

The competent authorities of the Parties may communicate with each other directly in order to carry out the provisions of this Agreement.

For that purpose, the competent authorities may appoint an official, service or any agency from their respective jurisdictions, as person or entity in charge of beginning the communications which are considered necessary to achieve the object of this Agreement.

Article 8

Costs

1. Ordinary and extraordinary costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred for the execution of this Agreement shall be borne by the Requested Party and extraordinary costs shall be borne by the Applicant Party.

2. Determination of extraordinary costs

The competent authorities of the Parties shall determine by mutual agreement when a cost is extraordinary.

Article 9

Compatibility with other treaties

The provisions of this Agreement shall not affect the rights and obligations of the Parties arising from other international agreements to which they are Parties.

Article 10

Amendments to the Agreement

This Agreement may be amended by mutual consent of the Parties by separate Protocols that shall become an integral part of this Agreement and shall enter into force in accordance with the procedures stipulated in Article 11 of this Agreement.

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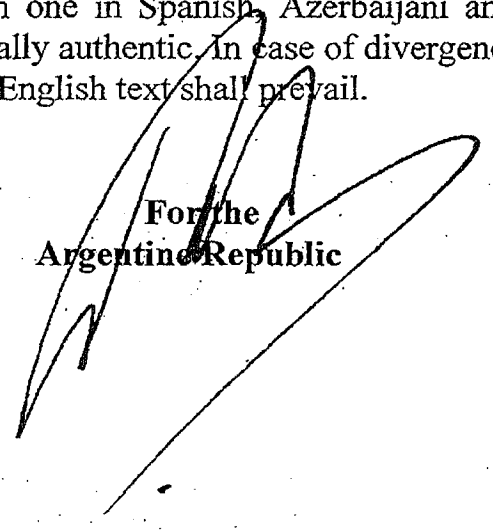
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Article 11
Entry into force and termination

This Agreement enters into force on the date of receipt through diplomatic channels of the last written notification of the Parties on the completion of internal state procedures necessary for the entry into force of this Agreement.


This Agreement is concluded for an indefinite period. Any Party may terminate this Agreement by giving to the other Party through diplomatic channels a written notification on termination. This Agreement ceases to have effect 90 (ninety) days after the date of receipt of such notification.


Done at Bakú on "17" December 2012 in two original copies each one in Spanish, Azerbaijani and English languages, all texts being equally authentic. In case of divergence in interpretation of this Agreement, the English text shall prevail.


For the
Argentine Republic


For the
Republic of Azerbaijan

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