
PAKISTAN, BULGARIA SIGN DOUBLE TAXATION TREATY

22.05.2019

The News International (22 May 2019)

Pakistan and Bulgaria on Tuesday signed an agreement to get rid of double taxation and cooperate in preventing tax evasion as a state delegation from the European Union member country concluded its two days visit.

The Federal Board of Revenue (FBR) Director General and Deputy Minister of Economy Bulgaria signed the agreement on avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income after the

conclusion of the second session of Pakistan-Bulgaria inter-governmental commission on May 21.

Secretary Economic Affairs Division Noor Ahmed and Deputy Minister of Economy of Bulgaria Liliya Ivanova led their respective delegations.

Representatives of various ministries/organisations, including commerce, information technology, railways, maritime affairs and national foods security participated in the session.

Both the countries will continue to strengthen economic and trade relations in future for mutual benefit of two countries, Ahmed was quoted as saying in a statement.

Pakistan has also signed agreements to avoid double taxation with various other countries, including Hong Kong and Switzerland.

Under an agreement, any tax paid by Hong Kong companies in Pakistan would be allowed as a credit against the tax payable in Hong Kong on the same profits, subject to the provisions of the tax laws of Hong Kong.

Likewise, for Pakistani companies, the tax they paid in Hong Kong would be allowed as a deduction from the tax payable on the same income in Pakistan.

The agreement would also provide adequate certainty in respect of taxation rules applicable to cross-border business transactions, dividends, interest and royalties.

In September 2016, Pakistan also signed the convention on mutual administrative assistance in tax matters of the Organisation of Economic Cooperation and Development, which paved the way for the automatic exchange of information related to offshore accounts and immovable properties.

The inter-governmental commission focused discussions on enhancing trade, economic cooperation in information and communication technology, agriculture, livestock, tourism, culture,

maritime and railways sectors.

Both sides agreed to work together for promotion of bilateral trade and investment.

Bulgarian side agreed to facilitate the export of Pakistani citrus fruit, mango, rice, raw cotton, dates, fruits and marble to Bulgaria and other countries from east Europe, while Pakistan would facilitate export of Bulgarian products in Pakistan and third countries.

Both sides also agreed to encourage their businessmen for participation in trade fairs and exhibition and to endeavour for establishment of joint ventures in automotive, engineering and food processing.

Ivanova also called on the Minister of National Food Security and Research and Adviser to the Prime Minister on Commerce and Textile and Investment.

The Bulgarian Deputy Minister of Economy said Bulgaria would enhance cooperation with Pakistan in the identified areas.

<https://www.thenews.com.pk/print/474551-pakistan-bulgaria-sign-double-taxation-treaty>

Kaynak/Source: