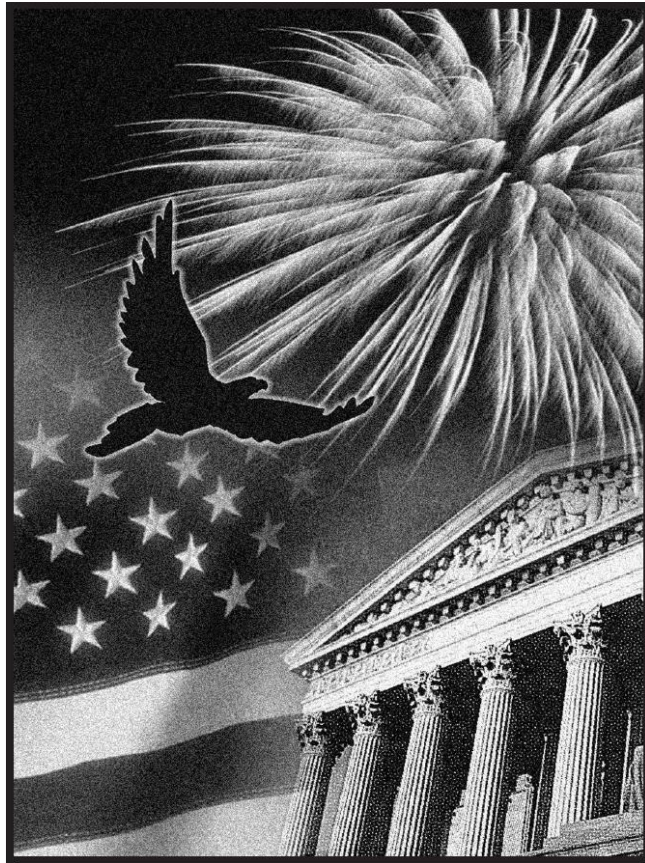


Publication 901

U.S. Tax Treaties

Volume 1 of 4



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Department of the Treasury
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Future Developments

For the latest information about developments related to Publication 901, such as treaties effective after it was published, go to www.irs.gov/pub901.

What's New

Tax treaty tables. The treaty tables previously contained in this publication have been updated and moved to IRS.gov. You can locate the tables on IRS.gov by entering "Tax Treaty Table" in the search box. Click on "Tax Treaty Tables." You can also access the tables by going to

www.irs.gov/Individuals/International-Taxpayers/Tax-Treaty-Tables.

Reminders

Disclosure of a treaty-based position that reduces your tax. If you take the position that any U.S. tax is overruled or otherwise

reduced by a U.S. treaty (a treaty-based position), you generally must disclose that position on your affected return. See *Application of Treaties*, later.

U.S.–U.S.S.R. income tax treaty. The U.S.–U.S.S.R. income tax treaty remains in effect for the following members of the Commonwealth of Independent States: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan. That treaty will remain in effect until new treaties with these individual countries are negotiated and ratified. Provisions of the U.S.–U.S.S.R. income tax treaty are discussed in this publication under *Commonwealth of Independent States*.

U.S.–China income tax treaty. The U.S.–China income tax treaty does not apply to Hong Kong.

Introduction

This publication will tell you whether a tax treaty between the United States and a particular country offers a reduced rate of, or possibly a

complete exemption from, U.S. income tax for residents of that particular country.



You should use this publication only for quick reference. It is not a complete guide to all provisions of every income tax treaty.

For more detailed information on treaty benefits, you should consult the text of the applicable treaty. The treaties are available at www.irs.gov/Individuals/International-Taxpayers/Tax-Treaty-Tables.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions.

You can send us comments from [www/irs.gov/formspubs](http://www.irs.gov/formspubs). Click on “More information” and then on “Give us feedback”. Or, you can write to:

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We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

Although we cannot respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax products.

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www.irs.gov/orderforms to order current and prior year forms and instructions. Your order should arrive within 10 business days.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613

Tax questions. If you have a tax question not answered by this publication, check IRS.gov and *How To Get Tax Help* at the end of this publication.

Obtaining copies of treaties. You can get complete information about treaty provisions from the taxing authority in the country from which you receive income or from the treaty itself.

You can obtain the text of most of the treaties at www.irs.gov/businesses/international. You can also obtain the text of most of the treaties at the following address:

Department of the Treasury
Office of Public Correspondence
1500 Pennsylvania Ave. NW — Rm. 3419
Washington, D.C. 20220

Useful Items

You may want to see:

Publication

- ☐ **519** U.S. Tax Guide for Aliens
- ☐ **597** Information on the United States–
Canada Income Tax Treaty

Form (and Instructions)

- ☐ **8833** Treaty-Based Return Position
Disclosure Under Section 6114 or
7701(b)

See *How To Get Tax Help* near the end of this publication for information about getting these publications and forms.

Application of Treaties

The United States has income tax treaties with a number of foreign countries. Under these treaties, residents (not necessarily citizens) of foreign countries are taxed at a reduced rate, or are exempt from U.S. income taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and specific items of income.

If there is no treaty between your country and the United States, you must pay tax on the income in the same way and at the same rates shown in the instructions for Form 1040NR. Also see Publication 519.

Many of the individual states of the United States tax the income of their residents. Therefore, you should consult the tax authorities of the state in which you live to find out if that state taxes the income of

individuals and, if so, whether the tax applies to any of your income.

Tax treaties reduce the U.S. taxes of residents of foreign countries. With certain exceptions, they do not reduce the U.S. taxes of U.S. citizens or residents. U.S. citizens and residents are subject to U.S. income tax on their worldwide income.

Treaty provisions generally are reciprocal (apply to both treaty countries); therefore, a U.S. citizen or resident who receives income from a treaty country may refer to the tables in this publication to see if a tax treaty might affect the tax to be paid to that foreign country. Foreign taxing authorities sometimes require certification from the U.S.

Government that an applicant filed an income tax return as a U.S. citizen or resident, as part of the proof of entitlement to the treaty benefits. See Form 8802, Application for United States Residency Certification, to request a certification.

Disclosure of a treaty-based position that reduces your tax. If you take the position that any U.S. tax is overruled or otherwise reduced by a U.S. treaty (a treaty-based position), you generally must disclose that position on Form 8833 and attach it to your return. If you are not required to file a return because of your treaty-based position, you must file a return anyway to report your position. The filing of Form 8833 does not apply to a reduced rate of withholding tax on noneffectively connected income, such as dividends, interest, rents or royalties, or to a reduced rate of tax on pay received for services performed as an employee, including pensions, annuities, and social security. For more information, see Publication 519 and the Form 8833 instructions.

If you fail to file Form 8833, you may have to pay a \$1,000 penalty. Corporations are subject to a \$10,000 penalty for each failure.

Tax Exemptions Provided by Treaties

This publication contains discussions of the exemptions from tax and certain other effects of the tax treaties on the following types of income.

- Pay for certain personal services performed in the United States.
- Pay of a professor, teacher, or researcher who teaches or performs research in the United States for a limited time.
- Amounts received for maintenance and studies by a foreign student or apprentice who is here for study or experience.
- Wages, salaries, and pensions paid by a foreign government.

Personal Services Income

Pay for certain personal services performed in the United States is exempt from U.S. income tax if you are a resident of one of the countries discussed below, if you are in the United States for a limited number of days, and if you meet certain other conditions. For this purpose, the word “day” means a day during any part of which you are physically present in the United States.

Terms defined. Several terms appear in many of the discussions that follow. The exact meanings of the terms are determined by the particular tax treaty under discussion; thus, the meanings vary among treaties. The definitions that follow are, therefore, general definitions that may not give the exact meaning intended by a particular treaty.

The terms fixed base and permanent establishment generally mean a fixed place of business, such as a place of management, a

branch, an office, a factory, a warehouse, or a mining site, through which an enterprise carries on its business.

The term borne by generally means having ultimate financial accounting responsibility for, or providing the monetary resources for, an expenditure or payment, even if another entity in another location actually made the expenditure or payment.

Australia

Income that residents of Australia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 183 days during the tax year, and

- Do not have a fixed base regularly available to them in the United States for the purpose of performing the services.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Pay that residents of Australia receive for labor or personal services performed in the United States as employees (dependent personal services), including services as a director of a company, is exempt from U.S. income tax if:

- The residents are in the United States for no more than 183 days during the tax year,
- The pay is paid by, or on behalf of, an employer or company that is not a resident of the United States, and
- The pay is not deductible in determining the taxable income of the

trade or business of the employer (or company) in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians, and athletes) from Australia who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

Austria

Income that residents of Austria receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Austria receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians, and athletes) from Austria who earn more than \$20,000 in gross receipts, including

reimbursed expenses, from their entertainment activities in the United States during the tax year.

Income received by a resident of Austria for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

Bangladesh

Income that residents of Bangladesh receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, or
- Do not have a fixed base regularly available to them in the United States

for the purpose of performing the services.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Bangladesh receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians, and athletes) from Bangladesh who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year. Regardless of these limits, income of Bangladesh entertainers is exempt from U.S. income tax if their visit to the United States is wholly or mainly supported by public funds of Bangladesh, its political subdivisions, or local authorities.

Income received from employment as a member of the regular complement of a ship or an aircraft operated by a Bangladesh enterprise in international traffic is exempt from U.S. tax. If the ship or aircraft is operated by a U.S. enterprise, the income is subject to U.S. tax.

If the resident of Bangladesh is a shareholder in a U.S. corporation, these exemptions do

not apply to directors' fees received as a member of the board of directors of the U.S. corporation. The amount received by the shareholder that is more than the amount paid to a director that is not a shareholder is subject to U.S. tax at the rate of 15%.

Barbados

Income that residents of Barbados receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 89 days during the tax year,
- Earn net income for independent services provided to U.S. residents that is not more than \$5,000 (there is no dollar limit if the contractors are not U.S. residents), and .

- Do not have a regular base available in the United States for performing the services.

If they have a regular base available in the United States but otherwise meet the conditions for exemption, they are taxed only on the income attributable to the regular base.

Income that residents of Barbados receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. tax if the residents meet four requirements.

- They are in the United States for no more than 183 days during the calendar year.
- The income earned in the calendar year in the United States is not more than \$5,000.
- Their income is paid by or for an employer who is not a U.S. resident.

- The income is not borne by a permanent establishment or regular base of the employer in the United States.

Income of a Barbadian resident from employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to Barbadian resident public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) who receive gross receipts of more than \$250 per day or \$4,000 in the tax year, not including reimbursed expenses, from their entertainment activities in the United States. However, the exemptions do apply regardless of these limits on gross receipts if the entertainer's visit to the United States is substantially supported by Barbadian public funds or if the entertainer's services are provided to a nonprofit organization.

Belgium

Income that residents of Belgium receive for personal services as independent contractors or self-employed individuals are subject to the provisions of Article 7 (Business Profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in the United States. If they have a permanent establishment in the United States, they are taxed on the profit attributable to the permanent establishment.

Income that residents of Belgium receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.

- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment that the employer has in the United States.

The exemption does not apply to directors' fees and similar payments received by a resident of Belgium for services performed in the United States as a member of the board of directors of a company that is a resident of the United States.

Public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) from Belgium who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year are subject to U.S. tax.

Income received by a resident of Belgium for services performed as an employee and

member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

Bulgaria

Income that residents of Bulgaria receive for personal services as independent contractors or self-employed individuals is subject to the provisions of Article 7 (Business Profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in the United States. If they have a permanent establishment in the United States, they are taxed on the profit attributable to the permanent establishment. Under Article 5 (Permanent Establishment), you may be considered to provide services through a permanent establishment in the United States even if you do not have a fixed place of business.

Income that residents of Bulgaria receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment that the employer has in the United States.

The exemption does not apply to directors' fees and similar payments received by a resident of Bulgaria as a member of the board of directors of a U.S. company.

Public entertainers (such as theater, motion picture, radio, or television artists, musicians,

or athletes) from Bulgaria who earn more than \$15,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year are subject to U.S. tax.

Income received by a resident of Bulgaria for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

Canada

Income that residents of Canada receive for personal services as independent contractors or self-employed individuals is subject to the provisions of Article VII (Business Profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in the United States. If they have a permanent establishment in the United States, they are taxed on the profit

attributable to the permanent establishment. Under Article V (Permanent Establishment), you may be considered to provide services through a permanent establishment in the United States even if you do not have a fixed place of business.

Income that residents of Canada receive for personal services performed as employees (dependent personal services) in the United States is exempt from U.S. tax if it is not more than \$10,000 for the year. If the income is more than \$10,000 for the year, it is exempt only if:

- The residents are present in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, and
- The income is not paid by, or on behalf of, a U.S. resident, and is not borne by a permanent establishment in the United States.

Public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) from Canada who derive more than \$15,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the calendar year are subject to U.S. tax. However, this article does not apply to athletes participating in team sports in leagues with regularly scheduled games in both Canada and the United States.

Pay received by a resident of Canada for employment regularly done in more than one country on a ship, aircraft, motor vehicle, or train operated by a Canadian resident is exempt from U.S. tax.

China, People's Republic of

Income that residents of the People's Republic of China receive for personal services as independent contractors or self-employed individuals (independent personal services)

that they perform during the tax year in the United States is exempt from U.S. income tax if the residents:

- Are present in the United States for no more than 183 days in the calendar year, and
- Do not have a fixed base regularly available in the United States for performing the services.

If they have a fixed base available in the United States, they are taxable on the income attributable to the fixed base.

Pay received by residents of the People's Republic of China for services performed as employees (dependent personal services) in the United States is exempt from U.S. tax if:

- The residents are present in the United States for no more than 183 days in the calendar year,

- The pay is paid by or for an employer who is not a U.S. resident, and
- The pay is not borne by a permanent establishment or fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees for service on the board of directors of a U.S. corporation.

These exemptions generally do not apply to income received as a public entertainer (such as a theater, motion picture, radio, or television artist, musician, or athlete).

However, income of athletes or public entertainers from China participating in a cultural exchange program agreed upon by the U.S. and Chinese governments is exempt from U.S. tax.

Commonwealth of Independent States

Income that residents of a C.I.S. member receive for performing personal services in the United States is exempt from U.S. income tax if those residents are in the United States for no more than 183 days during the tax year.

Pay received by an employee who is a member of the regular complement of a ship or aircraft operated in international traffic by a C.I.S. member or a resident of a C.I.S. member is exempt from U.S. tax.

Cyprus

Income that residents of Cyprus receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are present in the United States for less than 183 days in the tax year, and
- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available in the United States, they are taxable on the income attributable to the fixed base.

Pay received by residents of Cyprus from services performed as employees (dependent personal services), including services as an officer of a corporation, is exempt from U.S. income tax if:

- The residents are in the United States for less than 183 days during the tax year,
- The pay is paid by or for an employer who is not a U.S. resident, and
- The pay is not borne by a permanent establishment, fixed base, or trade or

business that the employer has in the United States.

Pay received by a Cyprus resident for performing personal services as an employee and member of the regular complement of a ship or aircraft operated in international traffic by a resident of Cyprus is exempt from U.S. tax.

These exemptions do not apply to Cyprus resident public entertainers (theater, motion picture, radio, or television artists, musicians, or athletes) who receive gross receipts of more than \$500 per day or \$5,000 for the tax year, not including reimbursed expenses, from their entertainment activities in the United States.

Directors' fees received by residents of Cyprus for service on the board of directors of a U.S. corporation are exempt from U.S. income tax to the extent of a reasonable fixed amount payable to all directors for each day

of attendance at directors' meetings held in the United States.

Czech Republic

Income that residents of the Czech Republic receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- Are present in the United States for no more than 183 days in any 12-month period, and
- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of the Czech Republic receive for employment in the United States

(dependent personal services) is exempt from U.S. income tax if the following three requirements are met.

- The resident is present in the United States for no more than 183 days in any 12-month period.
- The income is paid by, or on behalf of, an employer who is not a U.S. resident.
- The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to income residents of the Czech Republic receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts, including reimbursed expenses, are more than \$20,000 during the tax year. Regardless of these limits, income of Czech

entertainers and sportsmen is exempt from U.S. income tax if their visit to the United States is substantially supported by public funds of the Czech Republic, its political subdivisions, or local authorities, or the visit is made pursuant to a specific arrangement between the United States and the Czech Republic.

These exemptions do not apply to directors' fees and similar payments received by a resident of the Czech Republic as a member of the board of directors of a company that is a resident of the United States.

Income from employment as a member of the regular complement of a ship or aircraft operated by a Czech enterprise in international traffic is exempt from U.S. income tax. If the ship or aircraft is operated by a U.S. enterprise, the income is subject to U.S. tax.

Denmark

Income that residents of Denmark receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Denmark receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.

- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Denmark as a member of the board of directors of a company that is a resident of the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television artists, musicians, and athletes) from Denmark who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year.

Income received by a resident of Denmark for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

Egypt

Income that residents of Egypt receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if they are in the United States for no more than 89 days during the tax year.

Income that residents of Egypt receive for labor or personal services performed in the United States as employees (dependent personal services), including income for services performed by an officer of a corporation or company, is exempt from U.S.

income tax if the residents meet four requirements.

- They are in the United States for no more than 89 days during the tax year.
- They are employees of a resident of, or a permanent establishment in, Egypt.
- Their income is not borne by a permanent establishment that the employer has in the United States.
- Their income is subject to Egyptian tax.

This exemption does not apply to pay received by a resident of Egypt who is an employee and member of the regular complement of a ship or an aircraft operated in international traffic by a resident of the United States.

These exemptions do not apply to Egyptian resident public entertainers (theater, motion picture, radio, or television artists, musicians, or athletes), who earn income for services as public entertainers if the gross amount of the income is more than \$400 for each day they are in the United States performing the services.

Estonia

Income that residents of Estonia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, and

- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed on the income attributable to the fixed base.

Income that residents of Estonia receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met.

- The resident is in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- The income is paid by, or on behalf of, an employer who is not a U.S. resident.
- The income is not borne by a permanent establishment or a fixed

base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Estonia as a member of the board of directors or similar body of a company that is a U.S. resident.

Pay received for employment as a member of the regular complement of a ship or an aircraft operated in international traffic by a United States enterprise is subject to U.S. tax.

These exemptions do not apply to income residents of Estonia receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts, including reimbursed expenses, are more than \$20,000 for their personal activities in the United States during the tax year. Regardless of these limits, income of Estonian entertainers

or athletes is exempt from U.S. income tax if their visit to the United States is wholly or mainly supported by public funds of Estonia, its political subdivisions, or local authorities.

Finland

Income that residents of Finland receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Finland receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements.

- They are in the United States for no more than 183 days during any 12-month period.
- Their income is paid by, or on behalf of, an employer who is not a resident of the United States.
- Their income is not borne by a permanent establishment, fixed base, or trade or business that the employer has in the United States.

The exemption does not apply to pay received by a resident of Finland who is an employee and member of the regular complement of a ship or aircraft operated in international traffic by a resident of the United States.

These exemptions do not apply to income residents of Finland receive as public entertainers or sportsmen if the gross income, including reimbursed expenses, is more than \$20,000 for their personal

activities in the United States during the calendar year.

France

Income that residents of France receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of France receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements.

- They are in the United States for no more than 183 days in any 12-month period.
- Their income is paid by, or on behalf of, an employer who is not a resident of the United States.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income for services performed by a resident of France as an employee and member of the regular complement of a ship or an aircraft operated in international traffic is exempt from tax in the United States.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television artists, or musicians), or sportsmen from France who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their

entertainment activities in the United States during the tax year. Regardless of these limits, income of French entertainers or sportsmen is exempt from U.S. tax if their visit is principally supported by public funds of France.

These exemptions do not apply to directors' fees and similar payments received by a resident of France as a member of the board of directors of a company that is a resident of the United States.

Germany

Income that residents of Germany receive for personal services as independent contractors or self-employed individuals are subject to the provisions of Article 7 (Business Profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in the United States. If they have a permanent establishment in the

United States, they are taxed on the profit attributable to the permanent establishment.

Income that residents of Germany receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. tax if the residents meet three requirements.

- They are in the United States for no more than 183 days during the calendar year.
- The income is paid by, or on behalf of, an employer who is not a resident of the United States.
- The income is not borne by a permanent establishment that the employer has in the United States.

Pay received by a resident of Germany for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

The exemption does not apply to directors' fees and other similar payments received by a resident of Germany for services performed in the United States as a member of the board of directors of a company resident in the United States.

Income residents of Germany receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes is subject to U.S. tax if their gross receipts, including reimbursed expenses, from their entertainment activities in the United States are more than \$20,000 during the calendar year. Income of German entertainers or athletes is exempt from U.S. tax if their visit to the United States is substantially supported by public funds of Germany, its political subdivisions, or local authorities.

Greece

Income that residents of Greece receive for labor or personal services (including practicing liberal and artistic professions) is exempt from U.S. income tax if they are in the United States for no more than 183 days during the tax year and the pay is not more than \$10,000. The pay, regardless of amount, is exempt from U.S. income tax if it is for labor or personal services performed as employees of, or under contract with, a resident of Greece or a Greek corporation or other entity of Greece, and if the residents are in the United States for no more than 183 days during the tax year.

Hungary

Income that residents of Hungary receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United

States during the tax year is exempt from U.S. tax if the residents:

- Are in the United States for no more than 183 days during the tax year, and
- Do not have a fixed base regularly available in the United States.

If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Hungary receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements.

- They are in the United States for no more than 183 days during the tax year.

- Their income is paid by or on behalf of an employer who is not a resident of the United States.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Pay received by an employee who is a member of the regular complement of a ship or aircraft operated by a Hungarian enterprise in international traffic is exempt from U.S. tax. If the ship or aircraft is operated by a U.S. enterprise, the pay is subject to U.S. tax.

Iceland

Income that residents of Iceland receive for personal services as independent contractors or self-employed individuals is subject to the provisions of Article 7 (Business Profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in

the United States. If they have a permanent establishment in the United States, they are taxed on the profit attributable to the permanent establishment.

Income that residents of Iceland receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment that the employer has in the United States.

The exemption does not apply to directors' fees and similar payments received by a

resident of Iceland as a member of the board of directors of a U.S. company.

Public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) from Iceland who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year are subject to U.S. tax.

Income received by a resident of Iceland for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

India

Income that residents of India receive for performing personal services in the United States during the tax year as independent contractors or self-employed individuals (independent personal services) is exempt from U.S. income tax if the residents:

- Are present in the United States for no more than 89 days during the tax year, and
- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on income attributable to the fixed base.

Income that residents of India receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements.

- They are present in the United States for no more than 183 days during the tax year.
- The income is paid by, or on behalf of, an employer who is not a resident of the United States.

- The income is not borne by a permanent establishment, fixed base, or trade or business the employer has in the United States.

The exemption does not apply to pay received by a resident of India for services performed as an employee aboard a ship or aircraft operated in international traffic by a U.S. enterprise.

These exemptions do not apply to directors' fees and similar payments received by an Indian resident as a member of the board of directors of a company that is a U.S. resident.

These exemptions do not apply to income residents of India receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or athletes if their net income is more than \$1,500 during the tax year for their entertainment activities in the United States. Regardless of this limit, the income of

Indian entertainers and athletes is exempt from U.S. tax if their visit to the United States is wholly or substantially supported from the public funds of the Indian Government, its political subdivisions, or local authorities.

Indonesia

Income that residents of Indonesia receive for performing personal services as individual contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are present in the United States for no more than 119 days during any consecutive 12-month period, and
- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Indonesia receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet three requirements.

- They are present in the United States no more than 119 days during any consecutive 12-month period.
- The income is paid by, or on behalf of, an employer who is not a resident of the United States.
- The income is not borne or reimbursed by a permanent establishment the employer has in the United States.

Pay received by an individual for services performed as an employee aboard a ship or aircraft operated by an Indonesian resident in international traffic is exempt from U.S. tax if

the individual is a member of the regular complement of the ship or aircraft.

These exemptions do not apply to income residents of Indonesia receive as public radio, or television artists, or musicians) or athletes if their gross receipts, including reimbursed expenses, are more than \$2,000 during any consecutive 12-month period.

Regardless of these limits, income of Indonesian entertainers and athletes is exempt from U.S. tax if their visit to the United States is substantially supported or sponsored by the Indonesian Government and the Indonesian competent authority certifies that the entertainers or athletes qualify for this exemption.

Ireland

Income that residents of Ireland receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is

exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Ireland receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment or a fixed

base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Ireland as a member of the board of directors of a company that is a resident of the United States. However, amounts received for attending meetings in Ireland are not subject to U.S. income tax.

Income received by a resident of Ireland for services performed as an employee and member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. income tax.

These exemptions do not apply to public entertainers (such as theater, motion picture, radio, or television entertainers, musicians, and athletes) from Ireland who earn more than \$20,000 in gross receipts, including reimbursed expenses, from their

entertainment activities in the United States during the tax year.

Israel

Income that residents of Israel receive for performing personal services as independent contractors or as self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if they are in the United States for no more than 182 days during the tax year.

Income that residents of Israel receive for labor or personal services performed in the United States as employees (dependent personal services), including income for services performed by an officer of a corporation or company, is exempt from U.S. income tax if the residents meet four requirements.

- They are in the United States for no more than 182 days during the tax year.
- They are employees of a resident of, or a permanent establishment in, Israel.
- Their income is not borne by a permanent establishment that the employer has in the United States.
- Their income is subject to Israeli tax.

The exemption does not apply to pay received by an employee for labor or personal services performed as a member of the regular complement of a ship or an aircraft operated in international traffic by a U.S. resident.

These exemptions do not apply to income that residents of Israel receive as public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes), if the gross amount of the income

is more than \$400 for each day they are in the United States performing the services.

Italy

Income that residents of Italy receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Italy receive for labor or personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met.

- The residents are in the United States for no more than 183 days during the tax year.
- The income is paid by, or on behalf of, an employer who is not a resident of the United States.
- The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

These exemptions do not apply to directors' fees and similar payments received by a resident of Italy for services performed in the United States as a member of the board of directors of a company that is a U.S. resident.

Pay received for employment regularly exercised aboard a ship or aircraft operated by a U.S. enterprise is subject to U.S. tax.

These exemptions do not apply to income residents of Italy receive as public entertainers (such as theater, motion picture,

radio, or television artists, musicians, or athletes) if they are present in the United States for more than 90 days during the tax year or their gross receipts, including reimbursed expenses, are more than \$20,000 during the tax year for their entertainment activities in the United States.

Jamaica

Income that residents of Jamaica receive for the performance of personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 89 days during the tax year,
- Do not have a fixed base regularly available to them in the United States for performing their services, and

- Earn net income for those services that is not more than \$5,000 during the tax year if the income is from a U.S. contractor.

If they have a fixed base available in the United States, they are taxed only on the income that is attributable to the fixed base. There is no dollar limit for condition (3) if the contractor is from a country other than the United States.

Income that residents of Jamaica receive for personal services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet four requirements.

- They are in the United States for no more than 183 days during the tax year.
- Their income is paid by or for an employer who is not a resident of the United States.

- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.
- Their net income received for the services is not more than \$5,000 during the tax year.

Pay received from employment as a member of the regular complement of a ship or an aircraft operated in international traffic by a Jamaican enterprise is exempt from U.S. tax. If the ship or aircraft is operated by a U.S. enterprise, the pay is subject to U.S. tax.

These exemptions do not apply to income that residents of Jamaica receive for performing services in the United States as entertainers, such as theater, motion picture, radio, or television artists, musicians, or athletes, if the gross receipts (excluding reimbursements for expenses) from the

services are more than \$400 a day or \$5,000 for the tax year.

Directors' fees received by residents of Jamaica for services performed in the United States as members of boards of directors of U.S. corporations are exempt from U.S. tax if the fees (excluding reimbursed expenses) are not more than \$400 per day for each day the directors are present in the United States to perform the services.

Japan

Income that residents of Japan receive for personal services as independent contractors or self-employed individuals is subject to the provisions of Article 7 (business profits) of the treaty. Under that provision, business profits are exempt from U.S. income tax unless the individual has a permanent establishment in the United States. If they have a permanent establishment in the United States, they are

taxed on the profits attributable to the permanent establishment.

Income that residents of Japan receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment that the employer has in the United States.

The exemption does not apply to directors' fees and similar payments received by a resident of Japan for services performed as a member of the board of directors of a

company that is a resident of the United States.

The exemption does not apply to a resident of Japan who performs services as an employee aboard a ship or an aircraft operated in international traffic by a U.S. resident.

Public entertainers (such as theater, motion picture, radio, or television artists, musicians, or athletes) from Japan who earn more than \$10,000 in gross receipts, including reimbursed expenses, from their entertainment activities in the United States during the tax year are subject to U.S. tax.

Kazakhstan

Income that residents of Kazakhstan receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if:

- The residents are in the United States for no more than 183 days in any consecutive 12-month period, and
- The income is not attributable to a fixed base in the United States which is regularly available to the residents.

If the residents have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Kazakhstan receive for employment in the United States (dependent personal services) is exempt from U.S. income tax if the following three requirements are met.

- The resident is in the United States for no more than 183 days in any 12-month period.
- The income is paid by, or on behalf of, an employer who is not a resident of the United States.

- The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

Income derived by a resident of Kazakhstan from employment as a member of the regular complement of a ship or aircraft operated in international traffic is exempt from U.S. tax.

These exemptions do not apply to directors' fees and similar payments received by a resident of Kazakhstan as a member of the board of directors or similar body of a company that is a U.S. resident.

Korea, South

Income that residents of South Korea receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States during the tax year is exempt from U.S. tax if the residents:

- Are in the United States for no more than 182 days during the tax year,
- Earn income for those services that is not more than \$3,000 during the tax year, and
- Do not maintain a fixed base in the United States for more than 182 days during the tax year.

If they maintain a fixed base in the United States for more than 182 days, they are taxed on the income attributable to the fixed base.

Income that residents of Korea receive for labor or personal services performed in the United States as employees (dependent personal services), including pay for services performed as an officer of a corporation, is exempt from U.S. tax if the residents meet four requirements.

- They are in the United States for no more than 182 days during the tax year.
- They are employees of a resident of Korea or of a permanent establishment maintained in Korea.
- Their compensation is not borne by a permanent establishment that the employer has in the United States. Their income for those services is not more than \$3,000.

Pay received by employees who are members of the regular complement of a ship or aircraft operated by a resident of Korea in international traffic is exempt.

Latvia

Income that residents of Latvia receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United

States is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, and
- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Latvia receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met.

- The resident is in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.

- The income is paid by, or on behalf of, an employer who is not a U.S. resident.
- The income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

The exemption does not apply to pay received for employment as a member of the regular complement of a ship or an aircraft operated in international traffic by a U.S. enterprise.

The exemptions do not apply to directors' fees and similar payments received by a resident of Latvia as a member of the board of directors or similar body of a company that is a U.S. resident.

The exemptions do not apply to income residents of Latvia receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts, including

reimbursed expenses, are more than \$20,000 for their personal activities in the United States during the tax year. Regardless of these limits, income of Latvian entertainers or athletes is exempt from U.S. income tax if their visit to the United States is wholly or mainly supported by public funds of Latvia, its political subdivisions, or local authorities.

Lithuania

Income that residents of Lithuania receive for performing personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if the residents:

- Are in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year, and

- Do not have a fixed base regularly available to them in the United States for performing the services.

If they have a fixed base available, they are taxed only on the income attributable to the fixed base.

Income that residents of Lithuania receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the following requirements are met.

- The resident is in the United States for no more than 183 days in any 12-month period beginning or ending in the tax year.
- The income is paid by, or on behalf of, an employer who is not a U.S. resident.
- The income is not borne by a permanent establishment or a fixed

base that the employer has in the United States.

The exemption does not apply to pay received for employment as a member of the regular complement of a ship or an aircraft operated in international traffic by a U.S. enterprise.

The exemptions do not apply to directors' fees and similar payments received by a resident of Lithuania as a member of the board of directors or similar body of a company that is a U.S. resident.

The exemptions do not apply to income residents of Lithuania receive as public entertainers (such as theater, motion picture, radio, or television artists, or musicians) or sportsmen if their gross receipts, including reimbursed expenses, are more than \$20,000 for their personal activities in the United States during the tax year. Regardless of these limits, income of Lithuanian entertainers or athletes is exempt from U.S.

income tax if their visit to the United States is wholly or mainly supported by public funds of Lithuania, its political subdivisions, or local authorities.

Luxembourg

Income that residents of Luxembourg receive for personal services as independent contractors or self-employed individuals (independent personal services) in the United States is exempt from U.S. income tax if they do not have a fixed base regularly available to them in the United States for performing the services. If they have a fixed base available in the United States, they are taxed on the income attributable to the fixed base.

Income that residents of Luxembourg receive for services performed in the United States as employees (dependent personal services) is exempt from U.S. income tax if the residents meet the following requirements.

- They are in the United States for no more than 183 days in any 12month period beginning or ending in the tax year.
- Their income is paid by, or on behalf of, an employer who is not a U.S. resident.
- Their income is not borne by a permanent establishment or a fixed base that the employer has in the United States.

The exemption does not apply to pay received for employment exercised continuously or predominantly aboard a ship or aircraft operated in international traffic by a U.S. enterprise.