

COMPETENT AUTHORITY AGREEMENT

The competent authorities of the United States and Belgium hereby enter into the following agreement (the “Agreement”) regarding the application of the Convention Between the Government of the United States of America and the Government of the Kingdom of Belgium for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and accompanying Protocol, signed at Brussels on November 27, 2006 (the “Treaty”), to fellowship payments to certain researchers. The Agreement is entered into under paragraph 3 of Article 24 (Mutual Agreement Procedure).

It is understood that a fellowship payment to an individual who is a resident of one Contracting State (i.e., the home country) for the purpose of carrying on research at an educational or research institution in the other Contracting State (i.e., the host country) (a “Fellowship Payment”) may or may not be characterized as compensation, depending on the facts and circumstances.

It is agreed that if a Fellowship Payment is properly characterized as compensation under the domestic law of the host country, the Fellowship Payment is covered by paragraph 2 of Article 19 (Students, Trainees, Teachers and Researchers) of the Treaty and may be exempt from host country income tax for a period not exceeding two years if all applicable requirements are satisfied.

It also is agreed that if a Fellowship Payment is not characterized as compensation under the domestic law of the host country, the Fellowship Payment is covered by Article 20 (Other Income) of the Treaty and may be exempt from host country income tax if all applicable requirements are satisfied.

It is further agreed that paragraph 1(a)(iii) of Article 21(Students and Trainees) of the prior U.S.-Belgium income tax treaty, signed at Brussels on July 9, 1970, as amended by a Protocol signed at Washington on December 31, 1987, applied to a Fellowship Payment without regard to whether or not the Fellowship Payment was characterized as compensation.

Michael Danilack
United States Competent Authority

Sandra Knaepen
Belgian Competent Authority

Date: _____

Date: _____