

Unitary Taxation and International Tax Rules

Reuven S. Avi-Yonah¹
Zachee Pouga Tinhaga²

Any proposal to adopt Unitary Taxation (UT) of multinationals has to contend with whether such taxation is compatible with existing international tax rules and in particular with the bilateral tax treaty network. Indeed, some researchers have argued that the separate accounting (SA) method and the arm's length standard (ALS) are so embodied in the treaties that they form part of customary international law and are binding even in the absence of a treaty. In this paper we will argue that UT can be compatible with most of the existing tax treaties, and that developing countries in particular can implement it in most cases with or without a tax treaty.

1. UT and the Existing Treaty Network.

Transfer pricing is currently governed by Article 9 of the treaties, which assumes the SA method because it addresses the commercial or financial relations between associated enterprises.³ If UT were adopted, Article 9 would become irrelevant in those situations to which UT applies (i.e., where

¹ Irwin I. Cohn Professor of Law, the University of Michigan

² LLM in International Tax, the University of Michigan (2013).

³ The quoted articles are identical in all the tax treaty models except when discussed in the text.

a unitary business is found to exist) because UT ignores the transactions between related parties, and treats them instead as part of a single enterprise.

Instead, UT would be governed by Article 7. Under Article 5(7), “[t]he fact that a company that is a resident of a Contracting State controls or is controlled by a company that is a resident of the other Contracting State ... shall not of itself constitute either company a permanent establishment of the other.” However, it is well established that a dependent agent can be a permanent establishment (see Art. 5(5)), and whether an agent is dependent is based on whether the principal exercises legal and economic control over the agent.⁴ “An agent that is subject to detailed instructions regarding the conduct of its operations or comprehensive control by the enterprise is not legally independent.”⁵

In the case of a modern, integrated MNE that operates as a unitary business, a strong argument can be made in most cases that the parent of the MNE exercises both legal and economic control over the operations of the

⁴ See, e.g., *Roche Vitamins Europe Ltd v. Administracion General del Estado*, Case No. STS/202/2012 (Spanish Supreme Court Jan. 12, 2012) (Swiss principal had PE in Spain through an affiliated Spanish company; activity of the subsidiary was directed organized and managed in a detailed manner by the principal); *Salad Dressing*, Fiscal Court Baden-Wurttemberg, 3 K 54/93, *Internationales Steuerrecht* 1997 (Swiss principal had a PE at the premises of an unrelated German contract manufacturer based on detailed instruction by principal); *Milcal Media Limited*, Court of Appeal, Stockholm, Case nos. 7453-54-02 (2005) (Cyprus principal had a PE through Swedish subsidiary because it was subject to detailed instructions and control); *eFunds Corp. v. ADIT*, Income Tax Appellate Tribunal, Delhi, 2010; *Lucent Technologies v. DCIT*, Income Tax Appellate Tribunal, 2008 (US parent company had a service PE in India); and the cases cited by LeGall, *infra*.

⁵ U.S. Treasury. Technical Explanation of United States Model Income Tax Convention. Washington: Government Printing Office, Art. 5(6) (2006).

subsidiaries, especially where the subsidiaries bear no real risk of loss and acquire goods and services exclusively or near exclusively from the parent or other related corporations. The existence of Intranets in most MNEs has resulted in most important operational decisions being centralized. In that case, the subsidiaries should be regarded as dependent agents of the parent. Such a finding is in fact made with increasing frequency in both developed and developing countries.⁶

If the subsidiary is an agent of the parent, Art. 7(2) of the treaties requires the attribution of the same profits to the subsidiary “that it might be expected to make if it were a distinct and independent enterprise engaged in the same or similar activities under the same or similar conditions.” Arguably, the application of UT satisfies this arm’s length condition because in the absence of precise comparables (which almost never exist) it is not possible to determine exactly what profits would have been attributable to the subsidiary under SA.

When the US adopted the ‘comparable profit method’ (CPM) and profit split in the 1994 transfer pricing regulations, some countries objected that it was

⁶ Le Gall JP. (2007) The David R. Tillinghast Lecture Can a Subsidiary Be a Permanent Establishment of its Foreign Parent? Commentary on Article 5, par. 7 of the OECD Model Tax Convention. *Tax Law Review* 60: 179-214.

violating the treaties because these methods did not rely on exact comparables to find the arm's length price. However, these objections eventually subsided, and the OECD endorsed similar methods in its transfer pricing guidelines and more recently granted them equivalent status to the traditional methods. The US has always maintained that both CPM and profit split satisfy the arm's length standard despite the lack of precise comparables (and in the case of profit split, using no comparables at all to allocate any residual profits). Similarly, the US has maintained that the "super-royalty rule" of IRC sec. 482 (which requires royalties to be "commensurate with the income" from an intangible, and therefore subject to periodic adjustment) is consistent with the arm's length standard, even though no comparables can be found to show that such adjustments are ever made by unrelated parties.

Before the recent changes to the OECD MC, it was therefore quite plausible to argue that UT was compatible with the treaties if the subsidiary were as a factual matter legally or economically dependent on the parent so as to constitute a PE. In addition, a country that wished to adopt UT could rely on the language of the OECD MC Art. 7(4):

"Insofar as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts,

nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be necessary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.”

Since it can be argued that in the absence of comparables the result reached under UT is equivalent to what could be reached under SA, this language seems to permit the use of UT for dependent agent PEs.

However, the OECD in 2010 adopted changes to article 7 of the MC that would make this argument more difficult to sustain. Specifically, the OECD adopted the “authorized OECD approach” to the attribution of profits to a PE that treats a PE as the equivalent to a subsidiary, and has suggested that the transfer pricing guidelines that explicitly reject UT should be applied to PEs. In addition, the OECD has followed the US lead and deleted article 7(4) from its MC. However, not all OECD countries accepted these changes, which were also rejected by developing countries, and the UN model still includes article 7(4).

In fact, the vast majority of existing actual treaties have not been revised to incorporate those changes. In particular, Appendix A shows that many developing country treaties contain article 7(4), even when the treaties are with

OECD members. The Appendix lists 174 such treaties by developing countries that contain this language, including recent treaties such as India-Lithuania (2011) India-Nepal (2011) Korea-Panama (2010) and treaties with OECD members such as India-Sweden, India-UK, Mexico-UK, and Sri Lanka-US. In all of those cases, or in the absence of a treaty, countries should be free to implement UT in accordance with the analysis set out above.

2. Customary International Law

Nor does the argument from customary international law impede the application of a UT approach. The argument is based on the contention that because SA and the ALS are embodied in all of the treaties they should be considered binding.

But embodiment in the treaties is not enough to create a customary international law ban on UT, since article 7(4) is embodied as well. The key issue is the actual practice of states, i.e. what countries actually do, and many of them follow UT approaches in practice. In addition, countries should be free to follow the UN Model which does not adopt the changes made by the OECD, and which is also widely followed.

Finally, it can be argued that even the OECD may be revising its approach. The authorized OECD approach may have marked the high point of OECD commitment to SA. With the beginning of the BEPS project, which is influenced by large developing countries like China and India, it is likely that the OECD may be stepping back from its total commitment to SA. Specifically,

the potential adoption under BEPS of country by country reporting (which is already required for extractive industries in the US) can be the basis for implementation of UT.

3. Does Article 7 Preclude Application of UT to Entire MNEs?

One important question raised by Durst in his contribution to this research programme is whether the requirement that profits be “attributable” to a PE under Article 7 of the model treaties means that if UT is applied, it must be done on an activity by activity basis. Otherwise, profits would be “attributed” to the PE that have nothing to do with it, because the PE is not engaged in the activity that generates these profits. However, one would rather not make this assumption, because allowing a MNE to split its activities among different subsidiaries is notoriously hard to combat, and facilitates precisely the kind of profit shifting that developing countries in particular have a hard time policing.

In our opinion, the phrase “attributable to a permanent establishment” does not preclude attribution of global profits of a MNE to a PE under whatever formula is adopted for UT purposes. The reason is that once a functional analysis is performed and whatever can be attributed to the various functions by using either comparables or a proxy (such as a fixed

percentage of costs as suggested by Durst in our previous work)⁷, the remaining residual can be allocated in any way we wish, since it is attributable to the entire MNE.

Profit splits frequently result in a residual that cannot be allocated under the traditional functional analysis because it results from cost savings that inhere in the relationship of the group members to each other. The classic example is the US case involving Bausch and Lomb (B and L). B and L developed an unpatented technology that enabled it to manufacture contact lenses at a cost of \$2.50 per lens, when its competitors had costs of \$7.50 per lens. B and L contributed the knowhow to its Irish subsidiary. The question facing the US court was whether to accept B and L's view that the Comparable Uncontrolled Price method should apply to determine the price charged by the Irish subsidiary to its parent based on a comparison with prices charged by independent lens manufacturers despite the difference in production costs. The IRS argued that the residual profit from the know-how belonged to the US parent that developed it, but the court rejected that view because the residual profit inhered in the relationship between the parties. Had B and L Ireland been unrelated to its parent, the know-how would have been disclosed, the competitors would have used it, and the residual profit would have disappeared.

⁷ Reuven Avi-Yonah, Kim Clausing and Michael Durst, Allocating Business Profits for Tax Purposes: A Proposal to Adopt a Formulary Profit Split, 9 Fla. Tax Rev. 497 (2009)

The OECD Transfer Pricing Guidelines do not say what should be done with residuals under the profit split method. The US regulations follow the White Paper⁸ in assuming that any residual results from intangibles and allocating the residual to where the intangibles were developed. This is a view that favors US revenue interests because more intangibles are developed in the US than elsewhere, but not surprisingly it has not been accepted by other OECD members. Nor is it congruent with the facts, since residuals can result from other reasons such as cost savings from synergies or advantages of scale, and they usually inhere in the relationship among the group members and cannot be allocated to any one of them.

The OECD's preferred method of applying the profit split method is to analyze the functions, assets and risk of each member of the affiliated group. However, in the context of residuals this method also proves to be illusory. A functional analysis can only be applied to those functions that can be assigned to the group members, such as production or distribution, but it does not help with residuals that result from the relationship among

⁸ *I.R.S. Notice 88-123, 1988-2 C.B. 458 (a US Treasury study of transfer pricing methodology that resulted in the development of the Comparable Profits Method and Profit Split).*

the group members. Assets can include intangibles, which are usually the most valuable assets of a modern MNE, but intangibles also get their value from the relationship among the group members, as illustrated by the B and L case. This makes it very difficult for them to be allocated to either where they were developed or where they are exploited. The Glaxo case⁹ in which the IRS and HMRC disagreed about whether the profit from selling Zantac, a drug developed in the UK, into the US market resulted from the intangibles embodied in the drug itself or those used in Glaxo's marketing resulted in massive double taxation.

Risk is the most tricky concept of all. Recent case studies by the US Joint Committee on Taxation¹⁰ reveal a model in which the entrepreneurial risk for a product is assigned to an affiliate in a low tax jurisdiction and the manufacturing and distribution of the product in high tax jurisdictions are done on a contract manufacturing and commissionaire basis. But it is not clear what the allocation of entrepreneurial risk means among related parties. If a product fails because of technological change or defects in manufacturing or environmental hazards, the risk is effectively borne by

⁹ GlaxoSmithKlineHoldings (Americas) Inc. and Subsidiaries v. Commissioner, No. 5750-04 (T.C. Apr. 2, 2004).

¹⁰ Joint Committee on Taxation, Present Law and Background Related to Possible Income Shifting and Transfer Pricing, July 22, 2010 (JCX 37-10).

the entire MNE, or more accurately by its management who risk being fired and by its shareholders who see the stock price plummet.

Under UT, these issues can be solved by using the formula to allocate the residual by the profit split method. The specific formula used can be negotiated, and is the topic of Durst's contribution to this programme.

But in our opinion it is clear that whatever formula is decided upon should be applied under UT to the entire profit of the integrated MNE, and not divided into separate activities, and that this would be perfectly congruent with Article 7.

4. UT and Developing Countries

What can a developing country do to implement UT? If there is no treaty, or if the treaty contains language based on Art. 7(4), the biggest obstacle to implementation may be obtaining the information needed to apply UT.

The recent redraft of the UN Transfer Pricing Manual recommends that among the documentation which a tax administration should request for a Transfer Pricing audit should be the "Group global consolidated basis profit and loss statement and ratio of taxpayer's sales towards group global sales for five

years” (para. 8.6.9.12). This provides a good basis for application of UT. The development of a global template for Country-by-Country reports by MNEs, mandated by the G20 and being developed as part of the OECD’s BEPS project, would also facilitate such an approach. The rejection of UT in the OECD Transfer Pricing Guidelines is based on its definition of FA as ‘applying a formula fixed in advance’. This leaves considerable scope for adoption of UT approaches with ad hoc formulas, which are not based on a fixed formula.

Specifically, as discussed in Michael Durst’s work, allocation according to operating expenses would be clearer and easier to administer, and most importantly would fit within the current rules of international tax. We have argued that in the context of the profit split method, the residual profit cannot be allocated on the basis of comparables and therefore can be allocated based on operating expenses without deviating from the ALS. This would entail first assigning to each country an estimated market return on the tax deductible expenses incurred by the multinational group in that country.

Developing countries should therefore be encouraged to draft their transfer pricing laws to include powers to adjust the accounts of any foreign-owned local company or branch, if the Revenue Authority considers that its accounts do not fairly reflect the profits earned locally, to bring the taxable profits into line with those which such a business would be expected to earn, having regard to (a) similar businesses either in that country or elsewhere, and/or (b) the relationship of the local business to the worldwide activities of

the corporate group of which it is a part. This would involve analysis and comparison of provisions in the tax laws of appropriate countries. A good model would be section 482 of the US Internal Revenue Code, which predates the ALS and is very open ended.¹¹

4. Conclusion.

The transition from SA to UT is likely to be a long process, and it may require ultimately renegotiating the treaties or even drafting a multilateral treaty like the EU's CCCTB. However, a good beginning can be made now by exploring how developing countries can adopt UT principles within the context of the existing treaty network. This paper has tried to show that such approaches are quite feasible because most developing countries are not bound by the authorized OECD approach to article 7, and because even the OECD may be reconsidering its approach in the context of the BEPS project.

¹¹ "In any case of two or more organizations, trades, or businesses (whether or not incorporated, whether or not organized in the United States, and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Secretary may distribute, apportion, or allocate gross income, deductions, credits, or allowances between or among such organizations, trades, or businesses, if he determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such organizations, trades, or businesses." IRC 482.

Appendix A

CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
India & Japan	March 7, 1989	<p style="text-align: center;">Art. 28</p> <p>“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
New Zealand	Oct. 17, 1986	<p style="text-align: center;">Art. 28</p> <p>“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Singapore	Jan. 24, 1994	<p style="text-align: center;">Art. 30</p> <p>“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Israel	Jan. 26, 1996	<p style="text-align: center;">Art. 29</p> <p>“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Kuwait	June 15, 2006	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Lithuania	July 26, 2011	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Luxemburg	June 2, 2008	<p style="text-align: center;">Art. 32</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mexico	Sept. 10, 2007	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mozambique	Sept. 30, 2010	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Myanmar	April 2, 2008	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Namibia	Feb. 15, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Nepal	Nov. 27, 2011	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Norway	Dec. 31, 1986	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Oman	April 2, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Philippines	Feb. 12, 1990	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Taiwan	July 12, 2011	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Serbia & Montenegro	Feb. 8, 2006	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sri Lanka	Jan. 27, 1982	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sweden	June 7, 1988	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Syria	June 18, 2008	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Tajikistan	Nov. 20, 2008	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Tanzania	May 27, 2011	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Mar. 22, 1985	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Kingdom	Jan. 25, 1993	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“...nothing in paragraphs (1) and (2) of this Article shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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		necessary ...”	
Ukraine	April 7, 1999	Art. 30 “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	Sept. 7, 1994	Art. 29 “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Indonesia & Netherlands	Mar. 5, 1973	Art. 29 “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Switzerland	Aug. 29, 1988	<p style="text-align: center;">Art. 25</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Iran	April 30, 2004	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Japan	Mar. 3, 1982	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Kuwait	April 23, 1997	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mauritius	Dec. 10, 1996	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Mexico	Sept. 6, 2002	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Korea	July 11, 2002	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
New Zealand	Mar. 25, 1987	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Philippines	June 18, 1981	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Poland	Oct. 6, 1992	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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Portugal	July 9, 2003	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Slovakia	Oct. 12, 2000	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Syria	June 7, 1997	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Mar. 25, 1981	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Tunisia	May 13, 1992	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
United Arab Emirates	Nov. 30, 1995	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Kingdom	April 5, 1993	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	April 11, 1996	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	Feb. 27, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	Dec. 22, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Zimbabwe	May 30, 2001	“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Korea & Syria	Feb. 21, 2000	<p style="text-align: center;">Art. 29</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mexico	Oct. 16, 1994	<p style="text-align: center;">Art. 28</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Malta	Mar. 25, 1997	<p style="text-align: center;">Art. 28</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Romania	Oct. 11, 1993	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sri Lanka	May 28, 1984	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Switzerland	Feb. 12, 1980	<p style="text-align: center;">Art. 26</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Tunisia	Sept. 27, 1988	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	Sept. 29, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Russia	Sept. 26, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Myanmar	Feb. 22, 2002	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Oman	Sept. 23, 2005	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Panama	Oct. 20, 2010	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Slovakia	Aug. 27, 2001	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Slovenia	April 25, 2005	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Nov. 16, 2006	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Arab Emirates	Sept. 23, 2003	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	June 26, 2006	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Mexico & Netherlands	Sept. 27, 1993	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Singapore	Nov. 9, 1994	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Switzerland	Aug. 3, 1993	<p style="text-align: center;">Art. 26</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Kingdom	June 2, 1994	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Norway	Mar. 23, 1995	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Poland	Nov. 30, 1998	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Portugal	Nov. 11, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Romania	July 20, 2000	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Russia	June 7, 2004	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Slovakia	May 13, 2006	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Spain	July 24, 1992	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sweden	Sept. 21, 1992	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	Jan. 23, 2012	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	Feb. 6, 1997	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Morocco & Pakistan	May 18, 2006	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Poland	Oct. 24, 1994	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Portugal	Sept. 29, 1997	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Romania	Sept. 11, 1981	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Singapore	Jan. 9, 2007	“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Switzerland	Mar. 31, 1993	<p style="text-align: center;">Art. 27</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	July 13, 2007	<p style="text-align: center;">Art. 29</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Netherlands & Norway	Nov. 13, 1989	<p style="text-align: center;">Art. 30</p> “... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
New Zealand	Oct. 15, 1980	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
South Africa	Mar. 15, 1971	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Slovakia	Mar. 4, 1974	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	May 29, 1991	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Oman	Oct. 5, 2009	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Pakistan	Mar. 24, 1982	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Panama	Oct. 6, 2010	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Poland	Sept. 20, 1979	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Portugal	Sept. 20, 1999	<p style="text-align: center;">Art. 32</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Qatar	April 24, 2008	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Taiwan	Feb. 27, 2001	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Romania	Mar.5, 1998	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Saudi Arabia	Oct. 13, 2008	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Slovenia	June 30, 2004	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sri Lanka	Nov. 17, 1982	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
United Arab Emirates	May 8, 2007	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Uganda	Aug. 31, 2004	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	May 29, 1991	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	Jan. 24, 1995	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Zambia	Dec. 19, 1977	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Zimbabwe	May 18, 1989	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Philippines & Poland	Sept. 9, 1992	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Qatar	Dec. 14, 2008	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Romania	May 18, 1994	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Russia	April 26, 1995	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Singapore	Aug.1, 1997	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Romania & San Marino	May 23, 2007	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Switzerland	Oct. 25, 1993	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Qatar	Oct. 24, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Yugoslavia	May 16, 1996	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Russia	Sept. 27, 1993	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Russia & Switzerland	Nov. 15, 1995	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Yugoslavia	Oct. 12, 1995	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Slovenia	Nov. 29, 1995	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sri Lanka	Mar. 2, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Syria	Sept. 17, 2000	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Sept. 23, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Venezuela	Sept. 22, 2003	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	May 27, 1993	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Saudi Arabia & Ukraine	Sept. 2, 2011	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	April 10, 2010	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Serbia & Slovenia	June 11, 2003	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Spain	Mar. 9, 2009	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Turkey	Oct. 12, 2005	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Arab Emirates	Jan 13, 2013	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
South Africa & Switzerland	July 3, 1967	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	Aug. 28, 2003	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sri Lanka & United Kingdom	June 21, 1979	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United States	<p style="color: red;">Mar. 14, 1985 As amended by 2002 protocol</p>	<p style="color: red;">Although this paragraph is not included in the U.S. Model, this is not a substantive difference because the result provided by paragraph 4 is consistent with the rest of Article 7. The U.S. view is that paragraphs 2 and 3 of</p>	<p style="color: red;">Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.</p>

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
		<p style="color: red;">Article 7 authorize the use of total profits methods independently of paragraph 4 of Article 7 of the OECD Model because total profits methods are acceptable methods for determining the arm’s length profits of affiliated enterprises under Article 9. Accordingly, it is understood that, under paragraph 2 of the Convention, it is permissible to use methods other than separate accounting to estimate the arm’s length profits of a permanent establishment where it is necessary to do so for practical reasons, such as when the affairs of the permanent establishment are so closely bound up with those of the head office that it would be impossible to disentangle them on any strict basis of accounts.</p>	
Sweden	Feb. 23, 1983	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Switzerland	Jan. 11, 1983	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Dec. 14, 1988	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Arab Emirates	Sept. 24, 2003	<p style="text-align: center;">Art. 31</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Kingdom	June 21, 1979	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	Oct. 26, 2005	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Sudan & United Arab Emirates	Mar. 18, 2001	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Sweden & Tanzania	May 2, 1976	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Oct. 19, 1988	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Trinidad and Tobago	Feb. 1984	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Tunisia	May 7, 1981	<p style="text-align: center;">Art. 26</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Ukraine	Aug. 14, 1995	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Venezuela	Sept. 8, 1993	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	Mar. 24, 1994	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Zambia	Mar. 18, 1974	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Zimbabwe	Mar. 10, 1989	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Taiwan & Thailand	July 9, 1999	<p style="text-align: center;">Art. 26</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	April 13, 1998	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mongolia & Poland	April 18, 1997	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Singapore	Oct. 10, 2002	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Switzerland	Sept. 20, 1999	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Thailand	Aug. 17, 2006	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Arab Emirates	Feb. 21, 2001	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Kingdom	April 23, 1996	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Ukraine	July 1, 2002	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Vietnam	May 9, 1996	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mauritius & Oman	Mar. 30, 1998	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Singapore	Aug. 19, 1995	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Sweden	April 23, 1992	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Zimbabwe	Mar. 6, 1992	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Malaysia & United Kingdom	Dec. 10, 1996	<p style="text-align: center;">Art. 30</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Mauritius	Aug. 23, 1992	<p style="text-align: center;">Art. 26</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

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CONTRACTING STATES	DATE	VERSION OF ARTICLE 7:7-4 LANGUAGE	TENTATIVE CONCLUSION
Syria	Feb. 26, 2007	<p style="text-align: center;">Art. 29</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Turkmenistan	Nov. 19, 2008	<p style="text-align: center;">Art. 27</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
United Arab Emirates	Nov. 28, 1995	<p style="text-align: center;">Art. 28</p> <p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Yugoslavia	April 24, 1990	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.
Kenya & Thailand	Dec. 26, 2006	<p style="text-align: center;">“... nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary...”</p>	Implementation of a formulary apportionment method would be valid under the treaty thus not requiring treaty renegotiation.

