



# Subcommittee on the Relationship of Tax, Trade and Investment Agreements – *Final Report*

---

Paper [CRP.2](#)  
30<sup>th</sup> Session  
UN Tax Committee  
24-27 March 2025

# WORKPLAN

## Workstream B -

Relationship of Tax  
Treaties and WTO

General Agreement on  
Trade in Services (GATS)

## GATS provision in tax treaties

- Relevant to developing and developed countries.
- The Committee **agreed at the 27<sup>th</sup> Session** that the GATS provision currently found in the UN Model Tax Convention Commentary on Article 25 (at para 53) should be given **greater visibility by including it directly into the text of the Model Article.**
- **Text of the provision was approved at 29<sup>th</sup> Session.**

# WORKPLAN

## Workstream B -

Relationship of Tax

Treaties and WTO

General Agreement on

Trade in Services (GATS)

## An extended provision

- The Subcommittee has been exploring the possibility of a so-called “extended provision” in the Model that addresses the relationship with other agreements such as Free Trade Agreements.
- At the 28<sup>th</sup> session it was agreed to include such a provision in the Model, **but the decision as to whether the extended paragraph would be included as a new provision in Article 25 of the Model Convention or, instead, would only be an option provided for in the Commentary, was taken at the 29<sup>th</sup> Session, *in favour of a provision in Article 25 itself.***

# WORKPLAN

## Workstream B -

Relationship of Tax

Treaties and WTO

General Agreement on

Trade in Services (GATS)

- The Annex to the report represents the result of work since the 29<sup>th</sup> Session.
- In particular, the draft Commentary now includes *minority positions* and the option of the extended provision applying to “*any other treaty of which the Contracting States are, or become, parties*” is retained, but as an option in the Commentary, rather than being provided for specifically in the text of the Article.

# WORKPLAN

## Workstream B -

Relationship of Tax

Treaties and WTO

General Agreement on

Trade in Services (GATS)

- **The text of the article applies to those International Investment Agreements (IIAs) identified in bilateral negotiations.**
- The Subcommittee has liaised with the Subcommittee on the Update of the UN Model Tax Convention as the work has progressed.

# WORKPLAN

## Workstream B -

Relationship of Tax

Treaties and WTO

General Agreement on

Trade in Services (GATS)

## Summary of what is sought

- The Subcommittee submits draft text to the Thirtieth Session for:
  - *(i) finalization of the commentary for the GATS clause (the text of the provision itself was already approved at the last session) ; and*
  - *(ii) finalization of the “extended provision” in Article 25 and the associated commentary.*



# WORKPLAN

## Workstream A – Tax and Investment Agreements (IIAs)

### Guidance on tax and investment agreements

- Draft guidance on tax (policy and administrative measures) and its relationship with International Investment Agreements (IIAs) for tax officials:
  - Guidance for *negotiations* of IIAs;
  - *Domestic law interactions with IIAs*; and
  - Guidance for *dispute prevention and guidance in the event of a dispute occurring*.
- *Approved at the 29<sup>th</sup> Session – currently being edited.*
- *Special thanks to Subcommittee Members and the consultant (Alain Castonguay) for the successful outcomes.*

QUESTIONS AND COMMENTS?