



TAX TREATY SUMMARIES FOR CLIPCENTRIC CONTRIBUTORS

This document summarizes information relevant to tax withholdings on royalty payments from Clipcentric, Inc. to non-U.S. Resident contributors. This information is intended as a guide, and contributors should refer to the complete tax treaties (available at <http://www.irs.gov/Businesses/International-Businesses/United-States-Income-Tax-Treaties--A-to-Z>) for complete information. This guide is not intended to replace the advice of a qualified tax professional.

Below are summary withholdings, with reference to the relevant section in the tax treaty between the United States and the listed country. On the following pages are actual excerpts from each so-referenced tax treaty, with the most relevant sections highlighted in yellow.

WITHHOLDING SUMMARY, BY COUNTRY

COUNTRY	WITHHOLDING									
	VIDEO	REF	PHOTOS	REF	GRAPHICS	REF	MUSIC	REF	SOUND	REF
AUSTRALIA	10%	12(2), 12(4a)	10%	12(2), 12(4a)	10%	12(2), 12(4a)	10%	12(2), 12(4a)	10%	12(2), 12(4a)
AUSTRIA	10%	12(2-3)	10%	12(2-3)	10%	12(2-3)	10%	12(2-3)	10%	12(2-3)
BELARUS	0%	3(1a)	0%	3(1a)	0%	3(1a)	0%	3(1a)	0%	3(1a)
BELGIUM	0%	12(2)	0%	12(2)	0%	12(2)	0%	12(2)	0%	12(2)
BULGARIA	5%	12(2), 12(3a)	5%	12(2), 12(3a)	5%	12(2), 12(3a)	5%	12(2), 12(3a)	5%	12(2), 12(3a)
CANADA	10%	12(2-3)	0% ⁽¹⁾	12(2-3)	0%	12(2-3)	0%	12(2-3)	0%	12(2-3)
CHINA	10%	11(2-3)	10%	11(2-3)	10%	11(2-3)	10%	11(2-3)	10%	11(2-3)
CZECH REPUBLIC	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)
DENMARK	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
FINLAND	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)	0%	12(2), 12(3a)
FRANCE	0%	12(3-4)	0%	12(3-4)	0%	12(3-4)	0%	12(3-4)	0%	12(3-4)
GEORGIA	0%	3(1a)	0%	3(1a)	0%	3(1a)	0%	3(1a)	0%	3(1a)
GERMANY	0%	12(1-2), 7(7)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
GREECE	30%	Not Covered	0%	7	0%	7	0%	7	0%	7
HUNGARY	0%	11(1-2)	0%	11(1-2)	0%	11(1-2)	0%	11(1-2)	0%	11(1-2)
ICELAND	0% ⁽¹⁾	12(1-3)	0% ⁽¹⁾	12(1-3)	0%	12(1-3)	0%	12(1-3)	0%	12(1-3)
INDIA	15%	12(2a.ii)	15%	12(2a.ii)	15%	12(2a.ii)	15%	12(2a.ii)	15%	12(2a.ii)
IRELAND	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
ISRAEL	10%	14(1b)	10%	14(1b)	10%	14(1b)	10%	14(1b)	10%	14(1b)
ITALY	8%	12(2b), 12(4)	8%	12(2b), 12(4)	8%	12(2b), 12(4)	8%	12(2b), 12(4)	8%	12(2b), 12(4)
JAPAN	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
KOREA	10%	14(2)	10%	14(2)	10%	14(2)	10%	14(2)	10%	14(2)
MEXICO	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)
NETHERLANDS	0%	13(1-2), 7	0%	13(1-2), 7	0%	13(1-2)	0%	13(1-2)	0%	13(1-2)
NEW ZEALAND	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)
NORWAY	0%	10(1-2), 5(1)	0%	10(1-2), 5(1)	0%	10(1-2)	0%	10(1-2)	0%	10(1-2)
POLAND	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)
PORTUGAL	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)
ROMANIA	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)
RUSSIA	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
SOUTH AFRICA	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
SPAIN	8%	12(1-2)	8%	12(1-2)	5%	12(1-2)	5%	12(1-2)	5%	12(1-2)
SWEDEN	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
SWITZERLAND	0%	12(1-2), 7	0%	12(1-2), 7	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)
TURKEY	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)	10%	12(1-3)
UKRAINE	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)	10%	13(1-3)
UNITED KINGDOM	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)	0%	12(1-2)

AUSTRALIA

IRS CODE: AS

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(2), 12(4a)
Photographs	10%	12(2), 12(4a)
Graphics	10%	12(2), 12(4a)
Music	10%	12(2), 12(4a)
Sound	10%	12(2), 12(4a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1982:

ARTICLE 12 ROYALTIES

(1) Royalties from sources in one of the Contracting States, being royalties to which a resident of the other Contracting State is beneficially entitled, may be taxed in that other State.

(2) Such royalties may be taxed in the Contracting State in which they have their source, and according to the law of that State, but the tax so charged shall not exceed 10 percent of the gross amount of the royalties.

(3) Paragraph (2) shall not apply if the person beneficially entitled to the royalties, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State or performs independent personal services in that other State from a fixed base situated therein, and the property or rights giving rise to the royalties are effectively connected with such permanent establishment or fixed base. In such a case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

(4) The term "royalties" in this Article means:

(a) payments or credits of any kind to the extent to which they are consideration for the use of or the right to use any:

(i) copyright, patent, design or model, plan, secret formula or process, trademark or other like property or right;

(ii) industrial, commercial or scientific equipment, other than equipment let under a hire purchase agreement;

(iii) motion picture films; or

(iv) films or video tapes for the use in connection with television or tapes for use in connection with radio broadcasting;

(b) payments or credits of any kind to the extent to which they are considered for:

(i) the supply of scientific, technical, industrial or commercial knowledge or information owned by any person;

(ii) the supply of any assistance of an ancillary and subsidiary nature furnished as a means of enabling the application or enjoyment of knowledge or information referred to in sub-paragraph (b) (i) or of any other property or rights to which this Article applies; or

(iii) a total or partial forbearance in respect of the use or supply of any property or right described in this paragraph; or

(c) income derived from the sale, exchange or other disposition of any property or right described in this paragraph to the extent to which the amount realized on such sale, exchange or other disposition are contingent on the productivity, use or further disposition of such property or right.

(5) Where, owing to a special relationship between the payer and the person beneficially entitled to the royalties or between both of them and some other person, the amount of the royalties paid or credited, having regard to what they are paid or credited for, exceeds the amount which might have been expected to have been agreed upon by the payer and the person so entitled in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the amount of the royalties paid or credited shall remain taxable according to the law of each Contracting State, but subject to the other provisions of this Convention.

(6) (a) Royalties shall be treated as income from sources in a Contracting State when the payer in that State itself or a political subdivision or local authority of that State or a person who is a resident of that State for the purposes of its tax. Where, however, the person paying the royalties, whether he is a resident of one of the Contracting States or not, has in one of the Contracting States or outside both Contracting States a permanent establishment or fixed base in connection with which the liability to pay the royalties was incurred, and the royalties are borne by the permanent establishment or fixed base, then the royalties shall be deemed to have their source in the State in which the permanent establishment or fixed base is situated.

(b) Where sub-paragraph (a) does not operate to treat royalties as being from sources in one of the Contracting States, and the royalties relate to use or the right to use in one of the Contracting States of any property or right described in paragraph (4), the royalties shall be treated as income from sources in that State.

AUSTRIA

IRS CODE: AU

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(2), 12(3)
Photographs	10%	12(2), 12(3)
Graphics	10%	12(2), 12(3)
Music	10%	12(2), 12(3)
Sound	10%	12(2), 12(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1996:

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.
2. However, such royalties may also be taxed in the Contracting State in which they arise, if they constitute consideration for the use of, or right to use, cinematograph films, or films, tapes or other means of reproduction used for radio or television broadcasting; but the tax so charged may, not exceed 10 percent of the gross amount of the royalties.
3. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work (including cinematograph films or films or tapes used for radio or television broadcasting), any patent, trade mark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial or scientific experience. The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
5. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the person deriving the royalties in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.
6. Royalties shall be deemed to arise in a Contracting State to the extent that such royalties are paid with respect to the use of, or the right to use, rights or property within that State.

Clipcentric Comment:

The right to use any contributed content for television broadcasting exists as part of our application, therefore royalties shall be taxed at 10% per section 12(2).

BELARUS

IRS CODE: BO

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	3(1a)
Photographs	0%	3(1a)
Graphics	0%	3(1a)
Music	0%	3(1a)
Sound	0%	3(1a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1973:

ARTICLE III INCOME SUBJECT TO TAX

1. The following categories of income derived from sources within one Contracting State by a resident of the other Contracting State shall be subject to tax only in that other Contracting State:

(a) rentals, royalties, or other amounts paid as consideration for the use of or right to use literary, artistic, and scientific works, or for the use of copyrights of such works, as well as the rights to inventions (patents, author's certificates), industrial designs, processes or formulae, computer programs, trademarks, service marks, and other similar property or rights, or for industrial, commercial, or scientific equipment, or for knowledge, experience, or skill (knowhow);

(b) gains derived from the sale or exchange of any such rights or property, whether or not the amounts realized on sale or exchange are contingent in whole or in part, on the extent and nature of use or disposition of such rights or property;

(c) gains from the sale or other disposition of property received as a result of inheritance or gift;

(d) income from the furnishing of engineering, architectural, designing, and other technical services in connection with an installation contract with a resident of the first Contracting State which are carried out in a period not exceeding 36 months at one location;

(e) income from the sale of goods or the supplying of services through a broker, general commission agent or other agent of independent status, where such broker, general commission agent or other agent is acting in the ordinary course of his business;

(f) reinsurance premiums; and

(g) interest on credits, loans and other forms of indebtedness connected with the financing of trade between the USA and the USSR except where received by a resident of the other Contracting State from the conduct of a general banking business in the first Contracting State.

2. A Contracting State shall not attribute taxable income to the following activities conducted within that Contracting State by a resident of the other Contracting State:

(a) the purchase of goods or merchandise;

(b) the use of facilities for the purpose of storage or delivery of goods or merchandise belonging to the resident of the other Contracting State;

(c) the display of goods or merchandise belonging to the resident of the other Contracting State, and also the sale of such items on termination of their display;

(d) advertising by a resident of the other Contracting State, the collection or dissemination of information, or the conducting of scientific research, or similar activities; which have a preparatory or auxiliary character for the resident.

BELGIUM

IRS CODE: BE

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(2)
Photographs	0%	12(2)
Graphics	0%	12(2)
Music	0%	12(2)
Sound	0%	12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2006:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.

2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work (including cinematographic films and software), any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 (Business Profits) shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

BULGARIA

IRS CODE: BU

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	5%	12(2), 12(3a)
Photographs	5%	12(2), 12(3a)
Graphics	5%	12(2), 12(3a)
Music	5%	12(2), 12(3a)
Sound	5%	12(2), 12(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2007:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties.

3. The term "royalties" as used in this Article means:

a) payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, scientific or other work (including cinematographic films and films, tapes or other means of image or sound reproduction for radio or television broadcasting), any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience; and

b) gain derived from the alienation of any property described in subparagraph a), to the extent that such gain is contingent on the productivity, use, or disposition of the property.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 (Business Profits) shall apply.

5. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment with which the right or property in respect of which the royalties are paid is effectively connected, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the State in which the permanent establishment is situated. Where the person paying the royalties is not a resident of either Contracting State, and the royalties are not borne by a permanent establishment in either Contracting State, but the royalties relate to the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, the royalties shall be deemed to arise in that State.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

CANADA

IRS CODE: CA

Withholding Summary		
Media Type	Withholding (Non-TV/TV)	Tax Treaty Reference
Video	10%	12(2),12(3)
Photographs	0%/10%	12(2),12(3)
Graphics	0%	12(2),12(3)
Music	0%	12(2),12(3)
Sound	0%	12(2),12(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2007:

ARTICLE XII ROYALTIES

- Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
- However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State; but if a resident of the other Contracting State is the beneficial owner of such royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
- Notwithstanding the provisions of paragraph 2, copyright royalties and other like payments in respect of the production or reproduction of any literary, dramatic, musical or artistic work (but, not including royalties in respect of motion picture films and works on film or videotape for use in connection with television) arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.
- The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work (including motion picture films and works on film or videotape for use in connection with television), any patent, trademark, design or model, plan, secret formula or process, or for the use of, or the right to use, tangible personal property or for information concerning industrial, commercial or scientific experience, and, notwithstanding the provisions of Article XIII (Gains), includes gains from the alienation of any intangible property or rights described in this paragraph to the extent that such gains are contingent on the productivity, use or subsequent disposition of such property or rights.
- The provisions of paragraphs 2 and 3 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article VII (Business Profits) or Article XIV. (Independent Personal Services), as the case may be, shall apply.
- For the purposes of this Article, royalties shall be deemed to arise in a Contracting State when the payer is that State itself, or a political subdivision, local authority or resident of that State. However:
 - Except as provided in subparagraph (b), where the person paying the royalties, whether he is a resident of a Contracting State or not, has in a State other than that of which he is a resident a permanent establishment or a fixed base in connection with which the obligation to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated and not in the State of which the payer is a resident; and
 - Where the royalties are for the use of intangible property or tangible personal property in a Contracting State, then such royalties shall be deemed to arise in that State and not in the State of which the payer is a resident.
- Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.
- Where a resident of a Contracting State pays royalties to a person other than a resident of the other Contracting State, that other State may not impose any tax on such royalties except insofar as they arise in that other State or insofar as the right or property in respect of which the royalties are paid is effectively connected with a permanent establishment or a fixed base situated in that other State.

Clipcentric Comment

Motion picture films shall be taxed at 10% per sections 12(2) and 12(3). Photographs used for TV, also taxed at 10% per sections 12(2) and 12(3).

CHINA, PEOPLES REPUBLIC OF

IRS CODE: CH

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	11(2), 11(3)
Photographs	10%	11(2), 11(3)
Graphics	10%	11(2), 11(3)
Music	10%	11(2), 11(3)
Sound	10%	11(2), 11(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1984:

ARTICLE 11 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State.

2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that Contracting State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 10 percent of the gross amount of the royalties.

3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work, including cinematographic films or films or tapes used for radio or television broadcasting, any patent, technical know-how, trademark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein; or performs in that other Contracting State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or 13, as the case may be, shall apply.

5. (a) Royalties will be deemed to arise in a Contracting State when the payer is the government of that Contracting State itself, a political subdivision, a local authority or a resident of that Contracting State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.

(b) Where under subparagraph (a) royalties do not arise in one of the Contracting States, and the royalties related to the use of, or the right to use, the right or property in one of the Contracting States, the royalties shall be deemed to arise in that Contracting State.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

CZECH REPUBLIC

IRS CODE: EZ

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(2), 12(3a)
Photographs	0%	12(2), 12(3a)
Graphics	0%	12(2), 12(3a)
Music	0%	12(2), 12(3a)
Sound	0%	12(2), 12(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1993:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State may be taxed in that other State.
2. Royalties described in subparagraph a) of paragraph 3 and beneficially owned by a resident of a Contracting State may be taxed only in that State. Royalties described in subparagraph b) of paragraph 3 may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the tax so charged shall not exceed 10 percent of the gross amount of the royalties.
3. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use:
 - a) any copyright of literary, artistic or scientific work, including cinematographic films or films or tapes and other means of image or sound reproduction;
 - b) any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for industrial, commercial, or scientific equipment, or for information concerning industrial, commercial, or scientific experience. The term "royalties" also includes payments derived from the disposition of any such right or property which are contingent on the productivity, use or further disposition thereof.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on or has carried on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
5. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.
6. For purposes of this Article:
 - a) Royalties shall be treated as arising in a Contracting State when the payer is that State itself or a political subdivision or local authority of that State or a person who is a resident of that State for purposes of its tax. Where, however, the person paying the royalties, whether he is a resident of one of the Contracting States or not, has in a Contracting State permanent establishment or fixed base in connection with which the liability to pay the royalties was incurred, and the royalties are borne by the permanent establishment or fixed base, then the royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.
 - b) Where subparagraph a) does not operate to treat royalties as arising in a Contracting State, royalties paid for the use of, or the right to use, in a Contracting State any property or right described in paragraph 3 shall be treated as arising in that State.

DENMARK

IRS CODE: DA

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1), 12(2)
Photographs	0%	12(1), 12(2)
Graphics	0%	12(1), 12(2)
Music	0%	12(1), 12(2)
Sound	0%	12(1), 12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2000:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.

2. The term "royalties" as used in this Article means:

a) any consideration for the use of, or the right to use, any copyright of literary, artistic, scientific or other work (including computer software, cinematographic films, audio or video tapes or disks, and other means of image or sound reproduction), any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial or scientific experience; and

b) gain derived from the alienation of any property described in subparagraph a), provided that such gain is contingent on the productivity, use or disposition of the property.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payor and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payor and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

FINLAND

IRS CODE: FI

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(2),12(3a)
Photographs	0%	12(2),12(3a)
Graphics	0%	12(2),12(3a)
Music	0%	12(2),12(3a)
Sound	0%	12(2),12(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1989:

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

2. However, notwithstanding the provisions of paragraph 1, royalties of the kind referred to in subparagraphs (b) and (c) of paragraph 3 may be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other State the tax so charged shall not exceed 5 percent of the gross amount of the royalties.

3. The term "royalties" as used in this Convention means payments of any kind received as a consideration

a) for the use of, or the right to use, any copyright of literary, artistic, or scientific work including cinematographic films and films or tapes for radio or television broadcasting;

b) for the use of, or the right to use, any patent, trademark, design or model, plan, secret formula or process, or other like right or property;

c) for information concerning industrial, commercial, or scientific experience.

The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries or carried on business in the other Contracting State through a permanent establishment situated therein, or performs or performed in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

5. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself or a political subdivision, statutory body, local authority, or resident of that State. Where, however, the right or property for which the royalties are paid is used within a Contracting State, then such royalties shall be deemed to arise in the State in which the right or property is used.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

FRANCE

IRS CODE: FR

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(3),12(4)
Photographs	0%	12(3),12(4)
Graphics	0%	12(3),12(4)
Music	0%	12(3),12(4)
Sound	0%	12(3),12(4)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1994:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other contracting State may be taxed in that other State.
2. Such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the tax so charged shall not exceed 5 percent of the gross amount of the royalties.
3. Notwithstanding the provisions of paragraph 2, royalties described in subparagraph (a) of paragraph 4 that arise in a Contracting State and are beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.
4. The term "royalties" means:
 - (a) payments of any kind received as a consideration for the use of; or the right to use, any copyright of literary, artistic, or scientific work or any neighboring right (including reproduction rights and performing rights), any cinematographic film, any sound or picture recording, or any software;
 - (b) payments of any kind received as a consideration for the use of; or the right to use, any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial, or scientific experience; and
 - (c) gains derived from the alienation of any such right or property described in this paragraph that are contingent on the productivity, use, or further alienation thereof.
5. The provisions of paragraphs 1, 2, and 3 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
6. (a) Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State.
 - (b) Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in Connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.
 - (c) Notwithstanding subparagraphs (a) and (b), royalties paid for the use of; or the right to use, property in a Contracting State shall be deemed to arise therein.
 - (d) Royalties shall be deemed to be paid to the beneficial owner at the latest when they are taken into account as expenses for tax purposes in the Contracting State in which they arise.
7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

GEORGIA

IRS CODE: GG

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	3(1a)
Photographs	0%	3(1a)
Graphics	0%	3(1a)
Music	0%	3(1a)
Sound	0%	3(1a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1973:

ARTICLE III INCOME SUBJECT TO TAX

1. The following categories of income derived from sources within one Contracting State by a resident of the other Contracting State shall be subject to tax only in that other Contracting State:

(a) rentals, royalties, or other amounts paid as consideration for the use of or right to use literary, artistic, and scientific works, or for the use of copyrights of such works, as well as the rights to inventions (patents, author's certificates), industrial designs, processes or formulae, computer programs, trademarks, service marks, and other similar property or rights, or for industrial, commercial, or scientific equipment, or for knowledge, experience, or skill (knowhow);

(b) gains derived from the sale or exchange of any such rights or property, whether or not the amounts realized on sale or exchange are contingent in whole or in part, on the extent and nature of use or disposition of such rights or property;

(c) gains from the sale or other disposition of property received as a result of inheritance or gift;

(d) income from the furnishing of engineering, architectural, designing, and other technical services in connection with an installation contract with a resident of the first Contracting State which are carried out in a period not exceeding 36 months at one location;

(e) income from the sale of goods or the supplying of services through a broker, general commission agent or other agent of independent status, where such broker, general commission agent or other agent is acting in the ordinary course of his business;

(f) reinsurance premiums; and

(g) interest on credits, loans and other forms of indebtedness connected with the financing of trade between the USA and the USSR except where received by a resident of the other Contracting State from the conduct of a general banking business in the first Contracting State.

2. A Contracting State shall not attribute taxable income to the following activities conducted within that Contracting State by a resident of the other Contracting State:

(a) the purchase of goods or merchandise;

(b) the use of facilities for the purpose of storage or delivery of goods or merchandise belonging to the resident of the other Contracting State;

(c) the display of goods or merchandise belonging to the resident of the other Contracting State, and also the sale of such items on termination of their display;

(d) advertising by a resident of the other Contracting State, the collection or dissemination of information, or the conducting of scientific research, or similar activities; which have a preparatory or auxiliary character for the resident.

GERMANY

IRS CODE: GM

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1), 12(2), 7(7)
Photographs	0%	12(1), 12(2)
Graphics	0%	12(1), 12(2)
Music	0%	12(1), 12(2)
Sound	0%	12(1), 12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1989:

ARTICLE 7 BUSINESS PROPERTY

1. The business profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the business profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.
2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the business profits 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.
3. In determining the business profits of a permanent establishment, there shall be allowed as deductions expenses that are incurred for the purposes of the permanent establishment, including research and development expenses, interest, and other similar expenses and a reasonable amount of executive and general administrative expenses, whether incurred in the State in which the permanent establishment is situated or elsewhere.
4. No business profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise. 5. For the purposes of this Convention, the business profits to be attributed to the permanent establishment shall include only the profits derived from the assets or activities of the permanent establishment.
6. Where business profits include items of income that are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.
7. For the purposes of this Convention the term "business profits" includes income derived from the rental of tangible personal property and the rental or licensing of cinematographic films or works on film, tape, or other means of reproduction for use in radio or television broadcasting.

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.
2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of a literary, artistic, or scientific work (but not including cinematographic films, or works on film, tape, or other means of reproduction for use in radio or television broadcasting); for the use of, or the right to use, any patent, trademark, design or model, plan, secret formula or process, or other like right or property; or for information concerning industrial, commercial, or scientific experience. The term "royalties" also includes gains derived from the alienation of any such right or property that are contingent on the productivity, use, or further alienation thereof.
3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid forms part of the business property of such permanent establishment or fixed base. In such a case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount that would have been agreed upon by the payor and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such a case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

GREECE

IRS CODE: GR

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	30%	Not Covered
Photographs	0%	7
Graphics	0%	7
Music	0%	7
Sound	0%	7

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1950:

ARTICLE VII ROYALTIES

Royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade marks and other analogous property, and royalties (including rentals), (other than those in respect of motion picture films) for the use of industrial, commercial or scientific equipment, derived from sources within one of the Contracting States by a resident or corporation of the other Contracting State not engaged in trade or business in the former State through a permanent establishment therein, shall be exempt from tax by the former State.

HUNGARY

IRS CODE: HU

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	11(1), 11(2)
Photographs	0%	11(1), 11(2)
Graphics	0%	11(1), 11(2)
Music	0%	11(1), 11(2)
Sound	0%	11(1), 11(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1979:

ARTICLE 11 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State.

2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work, including cinematographic films or films or tapes used for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 shall not apply if the person deriving the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such a case the provisions of Article 7 (Business Profits) or Article 13 (Independent Personal Services), as the case may be, shall apply.

ICELAND

IRS CODE: IC

Withholding Summary		
Media Type	Withholding (NON-TV/TV)	Tax Treaty Reference
Video	0%/5%	12(1),12(3)/12(2b),12(3)
Photographs	0%/5%	12(1),12(3)/12(2b),12(3)
Graphics	0%	12(1),12(3)
Music	0%	12(1),12(3)
Sound	0%	12(1),12(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2007:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State may be taxed only in that other State.
2. Notwithstanding the provisions of paragraph 1, such royalties may also be taxed in the Contracting State in which they arise if they constitute consideration for the use of, or the right to use
 - a) a trademark and any information concerning industrial, commercial or scientific experience provided in connection with a rental or franchise agreement that includes rights to use a trademark, or
 - b) a motion picture film or work on film or videotape or other means of reproduction for use in connection with television,however the tax so charged shall not exceed 5 percent of the gross amount of the royalties.
3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, scientific or other work (including computer software, and cinematographic films), any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.
4. The provisions of paragraphs 1, 2 and 3 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 (Business Profits) shall apply.
5. For the purposes of this Article,
 - a) Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a State a permanent establishment in connection with which the obligation to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the State in which the permanent establishment is situated and not in any other State of which the payer is a resident;
 - b) Where subparagraph a) does not operate to treat royalties as arising in either Contracting State, and the royalties are for the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, the royalties shall be deemed to arise in that State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer, and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

Clipcentric Comment

Royalties are not subject to withholding unless they are videos or photographs used in television broadcasting, in which case they are subject to 5% withholding, per section 12(4b)

INDIA

IRS CODE: IN

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	15%	12(2a.ii)
Photographs	15%	12(2a.ii)
Graphics	15%	12(2a.ii)
Music	15%	12(2a.ii)
Sound	15%	12(2a.ii)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1989:

ARTICLE 12 ROYALTIES AND FEES FOR INCLUDED SERVICES

1. Royalties and fees for included services arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such royalties and fees for included services may also be taxed in the Contracting State in which they arise and according to the laws of that State; but if the beneficial owner of the royalties or fees for included services is a resident of the other Contracting State, the tax so charged shall not exceed:
 - (a) in the case of royalties referred to in subparagraph (a) of paragraph 3 and fees for included services as defined in this Article (other than services described in subparagraph (b) of this paragraph):
 - (i) during the first five taxable years for which this Convention has effect, (A) 15 percent of the gross amount of the royalties or fees for included services as defined in this Article, where the payer of the royalties or fees is the Government of that Contracting State, a political subdivision or a public sector company; and (B) 20 percent of the gross amount of the royalties or fees for included services in all other cases; and
 - (ii) during the subsequent years, 15 percent of the gross amount of royalties or fees for included services; and
 - (b) in the case of royalties referred to in subparagraph (b) of paragraph 3 and fees for included services as defined in this Article that are ancillary and subsidiary to the enjoyment of the property for which payment is received under paragraph 3(b) of this Article, 10 percent of the gross amount of the royalties or fees for included services.
3. The term "royalties" as used in this Article means:
 - (a) payments of any kind received as a consideration for the use of, or the right to use, any copyright of a literary, artistic, or scientific work, including cinematograph films or work on film, tape or other means of reproduction for use in connection with radio or television broadcasting, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience, including gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof; and
 - (b) payments of any kind received as consideration for the use of, or the right to use, any industrial, commercial, or scientific equipment, other than payments derived by an enterprise described in paragraph 1 of Article 8 (Shipping and Air Transport) from activities described in paragraph 2(c) or 3 of Article 8.
4. For purposes of this Article, "fees for included services" means payments of any kind to any person in consideration for the rendering of any technical or consultancy services (including through the provision of services of technical or other personnel) if such services:
 - (a) are ancillary and subsidiary to the application or enjoyment of the right, property or information for which a payment described in paragraph 3 is received; or
 - (b) make available technical knowledge, experience, skill, know-how, or processes, or consist of the development and transfer of a technical plan or technical design.
5. Notwithstanding paragraph 4, "fees for included services" does not include amounts paid:
 - (a) for services that are ancillary and subsidiary, as well as inextricably and essentially linked, to the sale of property other than a sale described in paragraph 3(a);
 - (b) for services that are ancillary and subsidiary to the rental of ships, aircraft, containers or other equipment used in connection with the operation of ships or aircraft in international traffic;
 - (c) for teaching in or by educational institutions;
 - (d) for services for the personal use of the individual or individuals making the payment; or
 - (e) to an employee of the person making the payments or to any individual or firm of individuals (other than a company) for professional services as defined in Article 15 (Independent Personal Services).
6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties or fees for included services, being a resident of a Contracting State, carries on business in the other Contracting States, in which the royalties or fees for included services arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties or fees for included services are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 15 (Independent Personal Services), as the case may be, shall apply.
7. (a) Royalties and fees for included services shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority, or a resident of that State. Where, however, the person paying the royalties or fees for included services, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties or fees for included services was incurred, and such royalties or fees for included services are borne by such permanent establishment or fixed base, then such royalties or fees or included services shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.
 - (b) Where under subparagraph (a) royalties or fees for included services do not arise in one of the Contracting States, and the royalties relate to the use of, or the right to use, the right or property, or the fees for included services relate to services performed, in one of the Contracting States, the royalties or fees for included services shall be deemed to arise in that Contracting State.
8. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties or fees for included services paid exceeds the amount which would have been paid in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

IRELAND

IRS CODE: EI

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1), 12(2)
Photographs	0%	12(1), 12(2)
Graphics	0%	12(1), 12(2)
Music	0%	12(1), 12(2)
Sound	0%	12(1), 12(2)

RELEVANT EXCERPT FROM INCOME TAX TREATY 1997:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State may be taxed only in that other State.

2. The term "royalties" as used in this Convention means:

a) payments of any kind received as consideration to the use of, or the right to use, any copyright of literature, artistic, or scientific work (including cinematographic films, and audio and video tapes and disks), any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial, or scientific experience; and

b) gains derived from the alienation of any property described in subparagraph a), provided that such gains are contingent on the productivity, use, or disposition of the property.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

5. A State may not impose any tax on royalties paid by a resident of the other State, except insofar as

a) the royalties are paid to a resident of the first-mentioned State;

b) the royalties are attributable to a permanent establishment or a fixed base situated in the first-mentioned State;

c) the contract under which the royalties are paid was concluded in connection with a permanent establishment or a fixed base which the payer has in the first-mentioned State, and such royalties are borne by such permanent establishment or fixed base and are not paid to a resident of the other State; or

d) royalties are paid in respect of intangible property used in the first-mentioned State and not paid to a resident of the other State, but only where the payer has also received a royalty paid by a resident of the first-mentioned State, or borne by a permanent establishment or fixed base situated in that State, in respect of the use of that property in the first-mentioned State and provided that the use of the intangible property in question is not a component part of, nor directly related to, the active conduct of a trade or business in which the payer is engaged as meant in paragraph 3 of Article 23 (Limitation on Benefits).

ISRAEL

IRS CODE: IS

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	14(1b)
Photographs	10%	14(1b)
Graphics	10%	14(1b)
Music	10%	14(1b)
Sound	10%	14(1b)

RELEVANT EXCERPT FROM INCOME TAX TREATY 1975:

ARTICLE 14 ROYALTIES

1. Royalties derived by a resident of one of the Contracting States from sources within the other Contracting State-

(a) May be taxed by both Contracting States, but

(b) Shall not be taxed by the other Contracting State at a rate in excess of 10 percent of the gross amount of a copyright or film royalty or at a rate in excess of 15 percent of the gross amount of an industrial royalty.

2. For purposes of this Article-

(a) Copyright or film royalties are payments of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works, including copyrights of motion picture films or films or tapes used for radio or television broadcasting;

(b) Industrial royalties are payments of any kind made as consideration for the use of, or the right to use, patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights and

(c) Copyright or film royalties and industrial royalties include gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

3. Paragraph (1) (b) shall not apply if the royalty is treated, under paragraph (6) of Article 8 (Business Profits), as industrial or commercial profits attributable to a permanent establishment which the recipient has in the other Contracting State. In such a case, the provisions of Article 8 (Business Profits) shall apply.

4. Where an amount is paid to a related person and would be treated as a royalty but for the fact that it exceeds an amount which would have been paid to an unrelated person, the provisions of this Article shall apply only to so much of the amount as would have been paid to an unrelated person. In such a case, the excess amount may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

ITALY

IRS CODE: IT

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	8%	12(2b). 4
Photographs	8%	12(2b). 4
Graphics	8%	12(2b). 4
Music	8%	12(2b). 4
Sound	8%	12(2b). 4

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1999:

ARTICLE 14 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient of the royalties is the beneficial owner thereof, the tax so charged shall not exceed:

(a) 5 percent of the gross amount in the case of royalties for the use of, or the right to use, computer software or industrial, commercial, or scientific equipment; and

(b) 8 percent of the gross amount in all other cases.

3. Notwithstanding the provisions of paragraph 2, royalties arising in a State and paid to a resident of the other State for the use of, or right to use, a copyright of literary, artistic or scientific work (excluding royalties for computer software, motion pictures, films, tapes or other means of reproduction used for radio or television broadcasting) shall be taxable only in that other State if such resident is the beneficial owner thereof.

4. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work including computer software, motion pictures, films, tapes or other means of reproduction used for radio or television broadcasting, any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for the use of, or right to use, industrial, commercial, or scientific equipment, or for information concerning industrial, commercial, or scientific experience.

5. The provisions of paragraphs 1, 2, and 3 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case, the royalties are taxable in that other Contracting State according to its own laws.

6. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political or administrative subdivision, a local authority, or a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the obligation to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated. Notwithstanding the preceding provisions of this paragraph, royalties with respect to the use of, or the right to use, rights or property within a Contracting State may be deemed to arise within that State.

7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments is taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

8. The provisions of this Article shall not apply if it was the main purpose or one of the main purposes of any person concerned with the creation or assignment of the rights in respect of which the royalties are paid to take advantage of this Article by means of that creation or assignment.

JAPAN

IRS CODE: JA

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1),12(2)
Photographs	0%	12(1),12(2)
Graphics	0%	12(1),12(2)
Music	0%	12(1),12(2)
Sound	0%	12(1),12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2003:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State may be taxed only in that other Contracting State.

2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, or secret formula or process, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

4. Where, by reason of a special relationship between the payor and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payor and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payment may be taxed in the Contracting State in which it arises at a rate not to exceed 5 percent of the gross amount of the excess.

5. A resident of a Contracting State shall not be considered the beneficial owner of royalties in respect of the use of intangible property if such royalties would not have been paid to the resident unless the resident pays royalties in respect of the same intangible property to a person:

(a) that is not entitled to benefits with respect to royalties arising in the other Contracting State which are equivalent to, or more favorable than, those available under this Convention to a resident of the first-mentioned Contracting State; and

(b) that is not a resident of either Contracting State.

KOREA

IRS CODE: KS

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	14(2)
Photographs	10%	14(2)
Graphics	10%	14(2)
Music	10%	14(2)
Sound	10%	14(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1976:

ARTICLE 14 ROYALTIES

(1) The tax imposed by one of the Contracting States on royalties derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed 15 percent of the gross amount thereof, except as provided in paragraphs (2) and (3).

(2) Royalties derived from copyrights, or rights to produce or reproduce any literary, dramatic, musical, or artistic work, by a resident of one Contracting State, as well as royalties received as consideration for the use of, or the right to use, motion picture films including films and tapes used for radio or television broadcasting, may not be taxed by the other Contracting State at a rate of tax which exceeds 10 percent of the gross amount of such royalties.

(3) Paragraphs (1) and (2) shall not apply if the recipient of the royalty being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment and the right or property giving rise to the royalties is effectively connected with such permanent establishment. In such a case, paragraph (6) (a) of Article 8 (Business Profits) shall apply.

(4) The term "royalties" as used in this Article means--

(a) Payment of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works, copyrights of motion picture films or films or tapes used for radio or television broadcasting, patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights, or knowledge, experience, or skill (know-how), or ships or aircraft (but only if the lessor is a person not engaged in the operation in international traffic of ships or aircraft), and

(b) Gains derived from the sale, exchange, or other disposition of any such property or rights (other than ships or aircraft) to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights. The term does not include any royalties, rentals or other amounts paid in respect of the operation of mines, quarries, or other natural resources.

(5) Where an amount is paid to a related person which would be treated as royalty but for the fact that it exceeds an amount which would have been paid to an unrelated person, the provisions of this Article shall apply only to so much of the royalty as would have been paid to an unrelated person. In such a case, the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

MEXICO

IRS CODE: MX

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(1),12(2),12(3)
Photographs	10%	12(1),12(2),12(3)
Graphics	10%	12(1),12(2),12(3)
Music	10%	12(1),12(2),12(3)
Sound	10%	12(1),12(2),12(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1992:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the tax so charged shall not exceed 10 percent of the gross amount of the royalty.
3. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including motion picture films and works on film or tapes or other means of reproduction for use in connection with television, any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial, or scientific experience as well as for the use of or the right to use industrial, commercial, or scientific equipment not constituting immovable property referred to in Article 6. The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on or has carried on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
5. Where there is a special relationship between the payer and the beneficial owner or between both of them and some other person and the amount of the royalties, for whatever reason, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.
6. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State. However,
 - a) Where the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in that State in which the permanent establishment or fixed base is situated; or
 - b) where subparagraph (a) does not operate to deem royalties as arising in either Contracting State and the royalties relate to the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, they shall be deemed to arise in that State.

NETHERLANDS

IRS CODE: NL

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	13(1), 13(2), 7(1)
Photographs	0%	13(1), 13(2), 7(1)
Graphics	0%	13(1), 13(2)
Music	0%	13(1), 13(2)
Sound	0%	13(1), 13(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1992:

ARTICLE 7 BUSINESS PROFITS

1. The profits of an enterprise of one of the States shall be taxable only in that State unless the enterprise carries on business in the other State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.

2. Subject to the provisions of paragraph 3, where an enterprise of one of the States carries on business in the other State through a permanent establishment situated therein, there shall in each State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In determining the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, including executive and general administrative expenses, research and development expenses, interest, and other expenses incurred for the purposes of the enterprise as a whole (or the part thereof which includes the permanent establishment), whether incurred in the State in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

5. For the purposes of the preceding paragraphs the profits to be attributed to the permanent establishment shall include only the profits derived from the assets or activities of the permanent establishment and shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

6. Where profits include items of income which are dealt with separately in other Articles of the Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

7. The United States tax on insurance premiums paid to foreign insurers, to the extent that it is a covered tax under paragraph 1 (b) of Article 2 (Taxes Covered), shall not be imposed on insurance or reinsurance premiums which are the receipts of a business of insurance carried on by an enterprise of the Netherlands whether or not that business is carried on through a permanent establishment in the United States.

ARTICLE 13 ROYALTIES

1. Royalties arising in one of the States and beneficially owned by a resident of the other State shall be taxable only in that other State.

2. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work (but not including motion pictures or works on film, tape or other means of reproduction used for radio or television broadcasting), any patent, trademark, trade name, brand name, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience. The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of one of the States, carries on business in the other State, in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 15 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each State, due regard being had to the other provisions of this Convention.

5. A State may not impose any tax on royalties paid by a resident of the other State, except insofar as

a) the royalties are paid to a resident of the first-mentioned State;

b) the royalties are attributable to a permanent establishment or a fixed base situated in the first-mentioned State;

c) the contract under which the royalties are paid was concluded in connection with a permanent establishment or a fixed base which the payer has in the first-mentioned State, and such royalties are borne by such permanent establishment or fixed base and are not paid to a resident of the other State; or

d) royalties are paid in respect of intangible property used in the first-mentioned State and not paid to a resident of the other State, but only where the payer has also received a royalty paid by a resident of the first-mentioned State, or borne by a permanent establishment or fixed base situated in that State, in respect of the use of that property in the first-mentioned State and provided that the use of the intangible property in question is not a component part of nor directly related to the active conduct of a trade or business in which the payer is engaged as meant in paragraph 2 of Article 26 (Limitation on Benefits).

NEW ZEALAND

IRS CODE: NZ

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	13(1),13(2),13(3)
Photographs	10%	13(1),13(2),13(3)
Graphics	10%	13(1),13(2),13(3)
Music	10%	13(1),13(2),13(3)
Sound	10%	13(1),13(2),13(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1982:

ARTICLE 13 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State may be taxed in that State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 percent of the gross amount of the royalties. The competent authorities of the Contracting States shall endeavor to settle the mode of application of this limitation.
3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematographic films, films or video tapes for use in connection with television or tapes for use in connection with radio broadcasting, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience. The term "royalties" also includes:
 - (a) payments of any kind received as consideration for the use of, or the right to use, industrial, commercial, or scientific equipment other than payments under a hirepurchase agreement; and
 - (b) income or gains from the alienation of any property or rights described in this paragraph to the extent that such income or gains are contingent on productivity, use or disposition of such property or rights.
4. The provisions of paragraph 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
5. (a) Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State, or is a United States company which is resident in New Zealand for the purposes of New Zealand tax but is treated as a resident of neither Contracting State by reason of paragraph 4 of Article 4 (Residence). Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated;
 - (b) Where subparagraph (a) does not operate to deem royalties as arising in either Contracting State and the royalties relate to the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, the royalties shall be deemed to arise in that State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

NORWAY

IRS CODE: NO

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	10(1),10(2a),5(1)
Photographs	0%	10(1),10(2a),5(1)
Graphics	0%	10(1),10(2a)
Music	0%	10(1),10(2a)
Sound	0%	10(1),10(2a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1971:

ARTICLE 5 BUSINESS PROFITS

(1) Industrial or commercial profits of a resident of one of the Contracting States shall be exempt from tax by the other Contracting State unless such resident is engaged in industrial or commercial activity in that other Contracting State through a permanent establishment situated therein. If such resident is so engaged, tax may be imposed by that other Contracting State on the industrial or commercial profits of such resident but only on so much of such profits as are attributable to the permanent establishment.

(2) Where a resident of one of the Contracting States is engaged in industrial or commercial activity in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to the permanent establishment the industrial or commercial profits which would be attributable to such permanent establishment if such permanent establishment were an independent entity engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the resident of which it is a permanent establishment.

(3) In the determination of the industrial or commercial profits of a permanent establishment, there shall be allowed as deductions expenses which are reasonably connected with such profits, including executive and general administrative expenses, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

(4) No profits shall be attributed to a permanent establishment of a resident of one of the Contracting States in the other Contracting State merely by reason of the purchase of goods or merchandise by that permanent establishment, or by the resident of which it is a permanent establishment, for the account of that resident.

(5) The term "industrial or commercial activity" includes the conduct of manufacturing, mercantile, insurance, agricultural, fishing or mining activities, the operation of ships or aircraft, the furnishing of services, the rental of tangible personal property, and the rental or licensing of motion picture films or films or tapes used for radio or television broadcasting. Such term does not include the performance of personal services by an individual either as an employee or in an independent capacity.

(6) (a) The term "industrial or commercial profits" includes income derived from industrial or commercial activity. Such term also includes income derived from real property and natural resources and dividends, interest, royalties (as defined in paragraph (2) of Article 10 (Royalties)), and capital gains but only if the property or rights giving rise to such income, dividends, interest, royalties, or capital gains is effectively connected with a permanent establishment which the recipient, being a resident of one of the Contracting States, has in the other Contracting State, whether or not such income is derived from industrial or commercial activity.

(b) To determine whether property or rights are effectively connected with a permanent establishment, the factors taken into account shall include whether the rights or property are used in or held for use in carrying on industrial or commercial activity through such permanent establishment and whether the activities carried on through such permanent establishment were a material factor in the realization of the income derived from such property or rights. For this purpose, due regard shall be given to whether or not such property or rights or such income were accounted for through such permanent establishment.

(7) Where industrial or commercial profits include items of income which are dealt with separately in other articles of this Convention, the provisions of those articles shall, except as otherwise provided therein, supersede the provisions of this article.

ARTICLE 10 ROYALTIES

(1) Royalties derived from sources within one of the Contracting States by a resident of the other Contracting State shall be exempt from tax by the first-mentioned Contracting State.

(2) The term "royalties" as used in this article means:

(a) Payment of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works (but not including copyrights of motion picture films or films or tapes used for radio or television broadcasting), patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights, or knowledge, experience, or skill (know-how), and

(b) Gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(3) Paragraph (1) shall not apply if the recipient of the royalty, being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment and the property or rights giving rise to the royalty is effectively connected with such permanent establishment. In such a case, see paragraph (6) (a) of Article 5 (Business Profits).

(4) Where any royalty paid by a person to any related person exceeds an amount which would have been paid

POLAND

IRS CODE: PL

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	13(1),13(2),13(3a)
Photographs	10%	13(1),13(2),13(3a)
Graphics	10%	13(1),13(2),13(3a)
Music	10%	13(1),13(2),13(3a)
Sound	10%	13(1),13(2),13(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1974:

ARTICLE 13 ROYALTIES

(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable by that other Contracting State.

(2) Royalties may be taxed in the Contracting State where they arise, and according to the law of that State, but the tax so charged shall not exceed 10 percent of the gross amount of the royalty.

(3) The term "royalties" as used in this Article means-

(a) Payments of any kind received as consideration for the use of, or the right to use, any copyright of a literary, artistic or scientific work, including copyrights of motion picture films or radio or television broadcasting tapes, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial, or scientific experience or skill (know-how), and

(b) Gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(4) The provisions of paragraph (2) shall not apply if the recipient of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise, a permanent establishment with which the right or property giving rise to the royalties is effectively connected. In such a case, the provisions of Article 8 shall apply.

(5) Royalties shall be deemed to arise in a Contracting State only to the extent that such royalties are payments made as consideration for the use of, or the right to use, property or rights described in paragraph (3) within that Contracting State.

(6) Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties paid, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

PORTUGAL

IRS CODE: PO

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	13(1),13(2),13(3)
Photographs	10%	13(1),13(2),13(3)
Graphics	10%	13(1),13(2),13(3)
Music	10%	13(1),13(2),13(3)
Sound	10%	13(1),13(2),13(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1994:

ARTICLE 13 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 percent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
3. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including cinematographic films, or films, tapes, and other means of image or sound reproduction, any patent, trademark, design, or model, plan, secret formula, or process, or other like right or property, or for the use of or the right to use, industrial, commercial, or scientific equipment, or for information concerning industrial, commercial, or scientific experience. It also includes payments for technical assistance performed in a Contracting State by a resident of the other State where such assistance is related to the application of any such right or property. The term "royalties" also includes gains derived from the use of such right or property in the case of an alienation of such right or property to the extent that such gains are contingent on the productivity, use, or disposition thereof.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on or has carried on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 15 (Independent Personal Services), as the case may be, shall apply.
5. For purposes of this Article, royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political or administrative subdivision, local authority, or resident of that State. Where, however, the person paying the royalties, whether a resident of one of the Contracting States or not, has in one of the Contracting States a permanent establishment or fixed base in connection with which the liability to pay the royalties was incurred, and the royalties are borne by the permanent establishment or fixed base, then the royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated. Where the person paying the royalties is not a resident of either Contracting State, and the royalties are not borne by a permanent establishment or fixed base in either Contracting State, but the royalties relate to the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, the royalties shall be treated as arising in that State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

ROMANIA

IRS CODE: RO

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(1),12(2),12(3a)
Photographs	10%	12(1),12(2),12(3a)
Graphics	10%	12(1),12(2),12(3a)
Music	10%	12(1),12(2),12(3a)
Sound	10%	12(1),12(2),12(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1973:

ARTICLE 12 ROYALTIES

(1) Royalties derived by a resident of one of the Contracting States from sources within the other Contracting State may be taxed by both Contracting States.

(2) Royalties derived by a resident of one of the Contracting States from sources within the other Contracting State shall not be taxed by the other Contracting State at a rate in excess of 10 percent of the gross amount of cultural royalties or at a rate in excess of 15 percent of the gross amount of industrial royalties.

(3) For purposes of this article-

(a) Cultural royalties are payments of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works, including copyrights of motion picture films or films or tapes used for radio or television broadcasting;

(b) Industrial royalties are payments of any kind made as consideration for the use of, or the right to use, patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights, or for knowledge, experience, or skill (know-how);

(c) Cultural royalties and industrial royalties include gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(4) Paragraph (2) shall not apply if the recipient of the royalty, being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment and the property or rights giving rise to the royalty is effectively connected with such permanent establishment. In such a case, paragraph (6) of Article 7 (Business Profits) shall apply.

(5) Where an amount is paid to a related person which would be treated as royalty but for the fact that it exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the amount as would have been paid to an unrelated person. In such a case, the excess amount may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

(6) Royalties shall be treated as income from sources within a Contracting State only to the extent that such royalties are payments made as consideration for the use of, or the right to use, property or rights described in paragraph (3)(a) and (b) within that Contracting State or gains described in paragraph (3)(c) from the sale, exchange, or other disposition of such property or rights.

RUSSIA

IRS CODE: RS

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1),12(2)
Photographs	0%	12(1),12(2)
Graphics	0%	12(1),12(2)
Music	0%	12(1),12(2)
Sound	0%	12(1),12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1992:

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

2. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including computer programs, video cassettes, and cinematograph films and tapes for radio and television broadcasting; any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or information concerning industrial, commercial, or scientific experience ("know-how").

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on or has carried on business in the other Contracting State through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 6 (Business Profits) or Article 13 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

SOUTH AFRICA

IRS CODE: SF

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1),12(2a)
Photographs	0%	12(1),12(2a)
Graphics	0%	12(1),12(2a)
Music	0%	12(1),12(2a)
Sound	0%	12(1),12(2a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1997:

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

2. The term "royalties" as used in this Convention means:

a) any consideration for the use of, or the right to use, any copyright of literary, artistic, scientific or other work (including computer software, cinematographic films, audio or video tapes or disks, and other means of image or sound reproduction), any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial, or scientific experience; and

b) gain derived from the alienation of any property described in subparagraph (a), provided that such gain is contingent on the productivity, use, or disposition of the property.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case, the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payor and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payor and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

SPAIN

IRS CODE: SP

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	8%	12(1),12(2b)
Photographs	8%	12(1),12(2b)
Graphics	5%	12(1),12(2a)
Music	5%	12(1),12(2a)
Sound	5%	12(1),12(2a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1990:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and derived by a resident of the other Contracting State may be taxed in that other State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other Contracting State, the tax so charged shall not exceed:
 - (a) 5 percent of the gross amount of royalties for the use of, or the right to use, any copyrights of literary, dramatic, musical, or artistic work;
 - (b) 8 percent of the gross amount of royalties received in consideration for the use of, or the right to use, cinematographic films, or films, tapes, and other means of transmission or reproduction of image or sound, and of the gross amount of royalties for the use of, or the right to use, industrial, commercial, or scientific equipment, and for any copyright of scientific work; and
 - (c) 10 percent of the gross amount of all other royalties.

Notwithstanding other provisions of this paragraph, royalties received as a consideration for technical assistance shall be taxable at the rate applying to the royalties stipulated in respect of the rights or property to which the technical assistance is related. To this effect, the taxable base shall be computed net of labor and of material costs incurred in producing such royalties.

3. The term "royalties" as used in this Convention means payments of any kind received in consideration for the use of, or the right to use, any copyright of literary, dramatic, musical, artistic, or scientific work, including cinematographic films or films, tapes, and other means or image or sound reproduction, any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for the use of or the right to use industrial, commercial, or scientific equipment, or for information concerning industrial, commercial, or scientific experience. It also includes payments for technical assistance performed in a Contracting State by a resident of the other State where such assistance is related to the application of any such right or property. The term "royalties" also includes gains derived from the alienation of such right or property to the extent that such gains are contingent on the productivity, use, or disposition thereof.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on or has carried on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 15 (Independent Personal Services), as the case may be, shall apply.
5. For purposes of this Article, royalties shall be deemed to arise in a Contracting State when the payer is that State itself or a political subdivision or local authority of that State or a person who is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of one of the Contracting States or not, has in one of the Contracting States a permanent establishment or fixed base in connection with which the liability to pay the royalties was incurred, and the royalties are borne by the permanent establishment or fixed base, then the royalties shall be deemed to have their source in the State in which the permanent establishment or fixed base is situated. Where the person paying the royalties is not a resident of either Contracting State, and the royalties are not borne by a permanent establishment or fixed base in either Contracting State, but the royalties relate to the use of, or the right to use, in one of the Contracting States, any property or right described in paragraph 3, the royalties shall be treated as income from sources in that State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Convention.

SWEDEN

IRS CODE: SW

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1),12(2)
Photographs	0%	12(1),12(2)
Graphics	0%	12(1),12(2)
Music	0%	12(1),12(2)
Sound	0%	12(1),12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1994:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State which are derived and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.

2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work (including motion pictures and works on film, tape or other means of reproduction used for radio or television broadcasting), any patent, trade mark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial or scientific experience. The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a carries on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

SWITZERLAND

IRS CODE: SZ

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	7(1),7(8),12(1),12(2)
Photographs	0%	7(1),7(8),12(1),12(2)
Graphics	0%	12(1),12(2)
Music	0%	12(1),12(2)
Sound	0%	12(1),12(2)

RELEVANT EXCERPT FROM INCOME TAX TREATY 1996:

ARTICLE 7 BUSINESS PROFITS

1. The business profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.

2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the business profits which 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 and which shall include only those profits derived from the assets or activities of the permanent establishment.

3. In determining the business profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, including a reasonable allocation of executive and general administrative expenses, research and development expenses, interest, and other expenses incurred for the purposes of the enterprise as a whole (or the part thereof which includes the permanent establishment), whether incurred in the State in which the permanent establishment is situated or elsewhere.

4. Insofar as it has been customary in a Contracting State to determine the business 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 customary; the method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in the other paragraphs of this Article.

5. No business profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

6. For the purposes of the preceding paragraphs, the business profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

7. Where business profits include items of income which are dealt with separately in other Articles of the Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

8. For the purposes of this Convention, the term "business profits" includes income derived from the rental of tangible movable property and the rental or licensing of cinematographic films or works on film, tape, or other means of reproduction for use in radio or television broadcasting.

ARTICLE 12 ROYALTIES

1. Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

2. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work (but not including motion pictures, or films, tapes or other means of reproduction for use in radio or television broadcasting), any patent, trademark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial, or scientific experience. The term "royalties" also includes gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services) shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the person deriving the royalties in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

TURKEY

IRS CODE: TU

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(1),12(2),12(3a)
Photographs	10%	12(1),12(2),12(3a)
Graphics	10%	12(1),12(2),12(3a)
Music	10%	12(1),12(2),12(3a)
Sound	10%	12(1),12(2),12(3a)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1996:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed by the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 percent of the gross amount of royalties described in subparagraph a) of paragraph 3 and shall not exceed 5 percent of the gross amount of royalties described in subparagraph b) of paragraph 3.

3. The term "royalties" as used in this Article means payment of any kind received as a consideration:

a) for the use of, the right to use, or the sale (which is contingent on the productivity, use, or disposition) of any copyright of literary, artistic, or scientific work including royalties in respect of motion pictures and works on film, tape, or other means of reproduction for use in connection with radio or television broadcasting, any patent, trademark, design or model, plan, secret formula or process, or for information concerning, industrial, commercial or scientific experience;

b) for the use of, or the right to use industrial, commercial, or scientific equipment.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or, in the case of a resident of Turkey, performs in the United States independent personal services from a fixed base situated in the United States, and the royalties are attributable to such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.

5. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by the permanent establishment or fixed base, then such royalties shall be deemed to be derived from sources within the Contracting State in which the permanent establishment or fixed base is situated. Where neither of the previous two sentences operates to deem royalties as arising in one of the Contracting States, and where the royalties are paid for the use of or the right to use a right or property within a Contracting State, the royalties shall be deemed to arise in that State.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payment shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of the Agreement.

UKRAINE

IRS CODE: UP

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	10%	12(1),12(2),12(3)
Photographs	10%	12(1),12(2),12(3)
Graphics	10%	12(1),12(2),12(3)
Music	10%	12(1),12(2),12(3)
Sound	10%	12(1),12(2),12(3)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 1994:

ARTICLE 12 ROYALTIES

1. Royalties beneficially owned by a resident of a contracting State may be taxed in that State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner is a resident of the other contracting State the tax so charged shall not exceed 10 percent of the gross amount of the royalties.
3. The term "royalties" as used in this Convention means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including computer programs, videocassettes, and cinematograph films and tapes for radio and television broadcasting; any patent, trademark, design or model, plan, secret formula or process, or other like right or property; or information concerning industrial, commercial, or scientific experience.
4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a contracting State, carries on or has carried on business in the other Contracting State through a permanent establishment situated therein, or performs or has performed in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 (Business Profits) or Article 14 (Independent Personal Services), as the case may be, shall apply.
5. a) Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a political subdivision, a local authority or a resident of that State. However, where the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in that State in which the permanent establishment or fixed base is situated.
b) where subparagraph a) does not operate to deem royalties as arising in either Contracting State and the royalties relate to the use of, or the right to use, in one of the Contracting States any property or right described in paragraph 3, they shall be deemed to arise in that State.
6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case the excess part of the payments shall be taxable according to the laws of each contracting State, due regard being had to the other provisions of the Convention.

UNITED KINGDOM

IRS CODE: UK

Withholding Summary		
Media Type	Withholding	Tax Treaty Reference
Video	0%	12(1),12(2)
Photographs	0%	12(1),12(2)
Graphics	0%	12(1),12(2)
Music	0%	12(1),12(2)
Sound	0%	12(1),12(2)

RELEVANT EXCERPTS FROM INCOME TAX TREATY 2001:

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.

2. The term "royalties" as used in this Article means:

a) any consideration for the use of, or the right to use, any copyright of literary, artistic, scientific or other work (including computer software and cinematographic films) including works reproduced on audio or video tapes or disks or any other means of image or sound reproduction, any patent, trade mark, design or model, plan, secret formula or process, or other like right or property, or for information concerning industrial, commercial or scientific experience; and

b) any gain derived from the alienation of any right or property described in sub-paragraph a) of this paragraph, to the extent that the amount of such gain is contingent on the productivity, use, or disposition of the right or property.

3. The provisions of paragraph 1 of this Article shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State, in which the royalties arise, through a permanent establishment situated therein, and the royalties are attributable to such permanent establishment. In such case, the provisions of Article 7 (Business Profits) of this Convention shall apply.

4. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties paid exceeds, for whatever reason, the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

5. The provisions of this Article shall not apply in respect of any royalty paid under, or as part of, a conduit arrangement.