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Memorandum of Understanding between the European Community, the Kingdom of Belgium, the Kingdom of Denmark, the Federal Republic of Germany, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Republic of Ireland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Republic of Austria, the Portuguese Republic, the Republic of Finland, the Kingdom of Sweden, the United Kingdom of Great Britain and Northern Ireland, and the Swiss Confederation

Done at Luxembourg on 26 October 2004

Entered into force on 26 October 2004

Presented to Dáil Éireann by the Minister for Foreign Affairs

**MEMORANDUM OF UNDERSTANDING BETWEEN THE EUROPEAN
COMMUNITY, THE KINGDOM OF BELGIUM, THE CZECH REPUBLIC,
THE KINGDOM OF DENMARK, THE FEDERAL REPUBLIC OF
GERMANY, THE REPUBLIC OF ESTONIA, THE HELLENIC REPUBLIC,
THE KINGDOM OF SPAIN, THE FRENCH REPUBLIC, IRELAND, THE
ITALIAN REPUBLIC, THE REPUBLIC OF CYPRUS, THE REPUBLIC OF
LATVIA, THE REPUBLIC OF LITHUANIA, THE GRAND DUCHY OF
LUXEMBOURG, THE REPUBLIC OF HUNGARY, THE REPUBLIC OF
MALTA, THE KINGDOM OF THE NETHERLANDS, THE REPUBLIC OF
AUSTRIA, THE REPUBLIC OF POLAND, THE PORTUGUESE REPUBLIC,
THE REPUBLIC OF SLOVENIA, THE SLOVAC REPUBLIC, THE
REPUBLIC OF FINLAND, THE KINGDOM OF SWEDEN, THE UNITED
KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, AND THE
SWISS CONFEDERATION**

THE EUROPEAN COMMUNITY,
THE KINGDOM OF BELGIUM,
THE CZECH REPUBLIC,
THE KINGDOM OF DENMARK,
THE FEDERAL REPUBLIC OF GERMANY,
THE REPUBLIC OF ESTONIA,
THE HELLENIC REPUBLIC,
THE KINGDOM OF SPAIN,
THE FRENCH REPUBLIC,
IRELAND,
THE ITALIAN REPUBLIC,
THE REPUBLIC OF CYPRUS,
THE REPUBLIC OF LATVIA,
THE REPUBLIC OF LITHUANIA,
THE GRAND DUCHY OF LUXEMBOURG,
THE REPUBLIC OF HUNGARY,
THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,
THE REPUBLIC OF AUSTRIA,
THE REPUBLIC OF POLAND,
THE PORTUGUESE REPUBLIC,
THE REPUBLIC OF SLOVENIA,
THE SLOVAK REPUBLIC,
THE REPUBLIC OF FINLAND,
THE KINGDOM OF SWEDEN,
THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,
and
THE SWISS CONFEDERATION, hereinafter referred to as ‘Switzerland’,

HAVE AGREED as follows:

[1. Introduction](#)

Switzerland and the Community are entering into an Agreement providing for measures equivalent to those laid down in Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments (hereinafter referred to as the Directive). This Memorandum of Understanding complements that Agreement.

[2. Administrative Assistance in Cases of Tax Fraud or the Like](#)

As soon as the Agreement is signed, Switzerland and each Member State of the European Union will enter into bilateral negotiations with a view to:

- including in their respective double taxation conventions on income and capital provisions on administrative assistance in the form of exchange of information on request for all administrative, civil or criminal cases of tax fraud under the laws of the requested State or the like with respect to items of income not subject to the Agreement but covered by their respective conventions,
- defining individual categories of cases falling under ‘the like’ in accordance with the procedure of taxation applied by those States.

3. Negotiations for Securing Equivalent Measures with Other Third States

During the transitional period provided for in the Directive, the Community will enter into discussions with other important financial centres with a view to promoting the adoption by those jurisdictions of measures equivalent to those to be applied by the Community.

4. Declaration of Intent

The signatories of this Memorandum of Understanding declare that they consider the Agreement referred to in point 1 and this Memorandum to provide an acceptable and balanced arrangement that can be considered as safeguarding the interests of the parties. They will therefore implement the agreed measures in good faith and will not act unilaterally to undermine this arrangement without due cause.

If any significant difference between the coverage of the Directive as adopted on 3 June 2003 and that of the Agreement should be discovered, in particular with regard to Article 1(2) and Article 6 of the Agreement, the Contracting Parties will immediately enter into consultations in accordance with Article 13(1) of the Agreement with a view to ensuring that the equivalent nature of the measures provided for in the Agreement is maintained.

Signed at Luxembourg on 26 October 2004 in duplicate in the Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Polish, Portuguese, Slovak, Slovenian, Spanish and Swedish languages, each of these language versions being equally authentic. The Maltese language version shall be authenticated by the signatories on the basis of an exchange of letters. It shall also be authentic, in the same way as for the languages referred to in the previous paragraph.