

## **Switzerland and Iceland have signed a new Double Taxation Agreement**

(July 10, 2014)

On July 10, 2014 Switzerland and Iceland signed a new DTA with respect to taxes on income and on capital. The new DTA replaces the agreement of June 3, 1988. The new agreement contains a.o. a withholding tax exemption for dividend payments from significant holdings of at least 10%, as well as for dividend payments to pension funds and the national banks. Furthermore royalties will now be subject to taxation of no more than 5% in specific cases in the source state.

The new agreement still has to be approved by parliament in both countries before it can come into force.

[Click here](#) to be forwarded to the text of the new DTA, as it is published on the website of the Swiss government.

<http://www.news.admin.ch/NSBSubscriber/message/attachments/35633.pdf>