

Internal Revenue Service, Treasury

§ 502.10

(c) *Amounts withheld during 1953.* For provisions respecting the refund of excess tax withheld during the calendar year 1953, see § 502.10.

§ 502.8 Information to be furnished in ordinary course.

(a) *General.* In compliance with the provisions of Article XVIII of the convention the Commissioner of Internal Revenue will transmit to the Greek General Director of Direct Taxes, as soon as practicable after the close of the calendar year 1954 and of each subsequent calendar year during which the convention is in effect, the following information relating to such preceding calendar year:

(1) The duplicate copy of each available Form 1042 Supplement filed pursuant to paragraph (b) of this section; and

(2) The duplicate copy of each available ownership certificate, Form 1001-G, filed pursuant to § 502.3(c), and substitute Form 1001-G, filed pursuant to § 502.7 (a) and (b), in connection with coupon bond interest.

(b) *Information return.* (1) To facilitate compliance with Article XVIII of the convention, every United States withholding agent shall make and file in duplicate with the district director of internal revenue for the district in which the withholding agent is located an information return on Form 1042 Supplement, with respect to Greek addressees, which shall be filed for the calendar year 1954 and subsequent calendar years. This return shall be filed simultaneously with Form 1042.

(2) There shall be reported on such Form 1042 Supplement all items of fixed or determinable annual or periodical income (and, for 1955 and subsequent years, amounts described in section 402(a)(2), section 631 (b) and (c), and section 1235 of the Internal Revenue Code of 1954, which are considered to be gains from the sale or exchange of capital assets) derived from sources within the United States and paid to nonresident aliens (including nonresident alien individuals, fiduciaries, and partnerships) and to nonresident foreign corporations, whose addresses at the time of payment were in Greece, including such items of income upon which, in accordance with this part, no

withholding of United States tax is required; except that any of such items which constitute interest in respect of which Form 1001-G or substitute Form 1001-G has been filed in duplicate with the withholding agent are not required to be reported on such Form 1042 Supplement.

§ 502.9 Beneficiaries of a domestic estate or trust.

A nonresident alien who is a resident of Greece and who is a beneficiary of a domestic estate or trust shall be entitled to the exemption from United States tax granted by Articles VI, VII, and IX of the convention with respect to dividends, interest, and copyright royalties and the like, to the extent such item or items are included in that portion of the income of such estate or trust which is (or would, but for such exemption, be) includible in the gross income of the beneficiary, provided that he otherwise satisfies the requirements of these respective articles. In order to be entitled in such instance to the exemption from withholding of United States Tax such beneficiary must otherwise satisfy such requirements and shall, where applicable, execute and submit to the fiduciary of such estate or trust in the United States the appropriate letter of notification prescribed in §§ 502.3(c) and 502.5(b).

§ 502.10 Refund of excess tax withheld during 1953.

(a) If United States tax withheld at the source during the year 1953 from dividends, interest, copyright royalties and the like, pensions, or life annuities is in excess of the tax imposed under the internal revenue laws, as modified by the convention, a claim by the taxpayer for the refund of any overpayment resulting therefrom shall be made under subchapter B of chapter 66 of the Internal Revenue Code of 1954 by filing Form 843 together with Form 1040NB, Form 1040NB-a, Form 1040B, Form 1120, or Form 1120NB, whichever is applicable, or with an amended return.

(b) The taxpayer's total gross income from sources within the United States, including every item of capital gain subject to tax under the provisions of

section 211(a)(1)(B) or 211(c) of the Internal Revenue Code of 1939, shall be disclosed on the return. In the event that securities are held in the name of a person other than the actual or beneficial owner, the name and address of such person shall be furnished with the claim. In the case of a claim involving an overpayment of tax upon dividends or interest paid by a Greek corporation, a statement that the dividends or interest were paid by such a corporation shall be included in the claim. If the claim relates to other interest, copyright royalties and the like, pensions, or life annuities, there shall also be included in such claim:

(1) A statement that, at the time when such item or items of income were derived from which the excess tax was withheld, (i) the taxpayer was neither a citizen nor a resident of the United States but was a resident of Greece, or, in the case of a corporation, (ii) the taxpayer was a Greek corporation;

(2) A statement that the taxpayer at no time during the taxable year in which such income was derived was engaged in trade or business within the United States through a permanent establishment situated therein; and

(3) In the case of a claim involving an overpayment of tax upon interest paid by a domestic corporation to a Greek corporation, a statement that the Greek corporation, at the time when the interest was paid, did not control, directly or indirectly, more than 50 percent of the entire voting power of all classes of stock of the United States domestic corporation. If the relationship existing between the Greek corporation and the domestic corporation at the time when such interest was paid was such as to render uncertain whether the exemption granted by Article VI (1) of the convention is applicable to such interest, there shall be furnished a full statement of all the facts pertinent to a determination of the question.

(c) If, however, the taxpayer is an individual who during the taxable year derived from sources within the United States income which consists exclusively of pensions or life annuities entitled to the benefit of Article XI of the convention, the statement specified in

paragraph (b)(2) of this section shall not be required.

PART 503—GERMANY

Subpart—Withholding of Tax

Sec.

503.1 Introductory.

503.2 Dividends.

503.3 Interest.

503.4 Patent and copyright royalties and film rentals.

503.5 Private pensions and private life annuities.

503.6 Release of excess tax withheld at source.

503.7 Information to be furnished in ordinary course.

503.8 Beneficiaries of a domestic estate or trust.

503.9 Land Berlin.

AUTHORITY: Sec. 7805, 68A Stat. 917; 26 U.S.C. 7805.

SOURCE: Treasury Decision 6122, 20 FR 682, Feb. 1, 1955, as amended at 25 FR 14021, Dec. 31, 1960, unless otherwise noted.

EFFECTIVE DATE NOTE: By T.D. 8734, 62 FR 53497, Oct. 14, 1997, part 503 was removed, effective Jan. 1, 1999. By T.D. 8804, 63 FR 72183, Dec. 31, 1998, the effective date was delayed until Jan. 1, 2000. By T.D. 8856, 64 FR 73408, Dec. 30, 1999, the effective date was delayed until Jan. 1, 2001.

Subpart—Withholding of Tax

§ 503.1 Introductory.

(a) The income tax convention between the United States and the Federal Republic of Germany, signed on July 22, 1954, and proclaimed by the President of the United States on December 24, 1954, referred to in this part as the convention, provides in part as follows, effective for taxable years beginning on or after January 1, 1954:

ARTICLE I

(1) The taxes referred to in this Convention are:

(a) In the case of the United States of America: The Federal income taxes, including surtaxes and excess profits taxes;

(b) In the case of the Federal Republic: The income tax, the corporation tax and the Berlin emergency contribution (Notopfer).

(2) The present Convention shall also apply to any other income or profits tax of a substantially similar character which may be imposed by one of the contracting States