

§ 509.121

taxpayer is a corporation or other entity, to the country in which it is created or organized. The article provides that, should the taxpayer's claim be deemed worthy of consideration, the competent authority of the country to which the facts are presented shall undertake to come to an agreement with the competent authority of the other country with a view to equitable avoidance of the double taxation in question.

(b) *Manner of filing claim.* Such a claim on behalf of a United States citizen, corporation, or other entity, or on behalf of a resident of the United States who is not a Swiss citizen, shall be filed with the Commissioner. The claim shall be set up in the form of a letter addressed to "The Commissioner of Internal Revenue, Washington, D.C." and shall show fully all facts and laws on the basis of which the claimant alleges that such double taxation has resulted or will result. If the Commissioner determines that there is an appropriate basis for the claim under the convention, he shall take up the matter with the Director of the Federal Tax Administration with a view to arranging an agreement of the character contemplated by Article XVII.

§ 509.121 Beneficiaries of an estate or trust.

(a) *Qualified beneficiary.* If he otherwise satisfies the requirements of the respective articles concerned, a non-resident alien who is a resident of Switzerland and who is a beneficiary of an estate or trust shall be entitled to the exemption from, or reduction in the rate of, United States tax granted by Articles VI, VII, VIII, and XIV of the convention with respect to dividends, interest, and royalties and other like amounts, to the extent that (1) any amount paid, credited, or required to be distributed by such estate or trust to such beneficiary is deemed to consist of such items and (2) such items would, without regard to the convention, be includible in his gross income.

(b) *Amounts otherwise includible in gross income of beneficiary.* For the determination of amounts which, without regard to the convention, are includible in the gross income of the beneficiary, see subchapter J of chapter 1 of

26 CFR Ch. I (4-1-20 Edition)

the Internal Revenue Code of 1954, and the regulations thereunder.

PARTS 510-512 [RESERVED]

PART 513—Ireland

Subpart—Withholding of Tax

Sec.

513.2 Dividends.

513.3 Interest.

513.4 Patent and copyright royalties and film rentals.

513.5 Natural resource royalties and real property rentals.

513.6 Pensions and life annuities.

513.7 Release of excess tax withheld at source.

513.8 Addressee not actual owner.

513.9 Information to be furnished in ordinary course.

513.10 Beneficiaries of a domestic estate or trust.

513.11 Refund of income tax withheld during 1951.

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Subpart—Withholding of Tax

§ 513.2 Dividends.

The fact that the payee of the dividend is not required to pay Irish tax on such dividend because of the application of reliefs or exemptions under Irish revenue laws does not prevent the application of the reduction in rate of United States tax with respect to such dividend. If the dividend would have been subject to Irish tax had the payee thereof derived an income large enough to require payment of tax then liability to Irish tax exists for the purpose of the reduction in rate of United States tax. As to what constitutes a permanent establishment, see Article II(1)(i) of the convention.

[T.D. 8734, 62 FR 53497, Oct. 14, 1997; 63 FR 2723, Jan. 16, 1998]

§ 513.3 Interest.

The provisions of § 513.2 relating to the degree of liability to Irish tax in