

India, Netherlands amend DTAC to pave way for information sharing

India and the Netherlands have modified the Double Taxation Avoidance Convention to facilitate sharing of bank details and tax-related information.

"Both India and the Netherlands have concluded a Protocol to amend the Article 26 of the DTAC concerning exchange of information to bring it in line with international standards," an official statement said today.

The Protocol, which was signed on May 10, 2012, "will allow use of information for non-tax purpose if allowed under the domestic laws of both the countries, after the approval of the supplying state," the statement added.

Article 26 (Exchange of Information) of the DTAC deals with sharing of information between the signatories. The amended Article would allow exchange of banking information.

India and the Netherlands had signed DTAC for avoidance of double taxation and for the prevention of fiscal evasion with respect to taxes on income and on capital on July 30, 1988.

India has signed Double Tax Avoidance Agreements (DTAA) with 82 countries and is in the process of modifying the agreements in line with the international norms.

Among the major nations, India has already amended DTTA with Switzerland, Australia and Singapore. The talks for amending the pact are on with Mauritius.

(Economic Times)