

Austria Agreement on Deferred Payments

Announcement 2003–58

Following is a copy of the News Release issued by the Director International (U.S. Competent Authority) on August 27, 2003 (IR–2003–104).

U.S. & Austria Reach Agreement on Taxing Deferred Payments to U.S. Citizens Residing in Austria

WASHINGTON — The U.S. and Austrian Competent Authorities have entered into a competent authority agreement. This agreement provides that the U.S.-Austria Income Tax Treaty signed on October 25, 1956, does not prohibit Austria from taxing deferred payments for services earned by U.S. citizens while working and residing in the United States, when such compensation was paid after these employees became residents of Austria. The agreement also confirms, however, that Austria shall deduct from its tax the amount of U.S. taxes imposed on the deferred payments for services, as required by the treaty. The 1956 income tax treaty is applicable for assessment periods up to and including 1998.

Inquiries concerning this agreement may be directed to Mr. Lynn Bartlett of the IRS at (202) 435–5021.
