

Minister for External Relations
Ministry of External Relations
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3 January 2017

Ambassador Walter Grahammer
The Permanent Representative
Permanent Representation of Austria to the European Union
Brussels

Your Excellency

I have the honour to acknowledge receipt of your Letter 21 December 2016 which read as follows:

"With reference to the Common Reporting Standard for Automatic Exchange of Financial Account Information in Tax Matters (hereinafter referred to as CRS) approved by the OECD Council on 15 July 2014, and Council Directive (EU) 2015/2060 of 10 November 2015 repealing Directive 2003/48/EC on taxation of savings income in the form of interest payments, I have the honour to propose to agree on the following:

1. The Agreement on the Taxation of Savings Income (hereinafter referred to as the Agreement), concluded by exchange of letters of 1st June 2004 and 19th November 2004, will be terminated as of 31 December 2016.
2. Notwithstanding para. 1 above, the provisions of the Agreement shall continue to apply for the Republic of Austria after 31 December 2016 insofar as they are necessary to comply with the obligations referred to in Article 1 para. 3 subparas. a – c of Council Directive (EU) 2015/2060.
3. As Jersey has decided to exchange information under the CRS from 1 January 2016, it shall not be bound to exchange information under the Agreement from that date in relation to data for 2016, notwithstanding that exchange under the CRS between Jersey and the Republic of Austria shall apply only in relation to data for 2017 and subsequent years.

If Jersey agrees to this proposal, I have the honour to propose that this Letter and your Letter of confirmation shall constitute an Agreement between the Republic of Austria and Jersey on the Termination of the Agreement on the Taxation of Savings Income which shall enter into force on the first day of the second month following the date on which the parties have informed each other of the fulfilment of their respective national requirements."

I have the honour to confirm that The Government of Jersey is in agreement with the contents of your Letter.

Please accept, Your Excellency, the assurance of my highest consideration.

Senator Sir Philip Bailhache
Minister for External Relations

