

Austria and China (People's Rep.) Sign Protocol to Tax Treaty

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Report from IBFD Tax Treaties Unit

On 14 September 2023, Austria and China (People's Rep.) signed an amending protocol to update the [Austria - China \(People's Rep.\) Income and Capital Tax Treaty \(1991\)](#), as amended by the 2014 Memorandum of Understanding, in Vienna.

The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (MLI) applies to the tax treaty between the two states. However, the MLI does not fully cover the BEPS standard, which is also a consequence of the reservations made by the two countries, and does not contain any measures regarding the OECD standard for tax transparency and willingness to provide administrative assistance. The new protocol will implement these and, in addition to that, affects the provisions on taxation of dividends and interest and the so-called matching credit provision.

Further developments will be reported as they occur.