



# International & European business law and taxation

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## Session 2 – International Principles of Personal Taxation



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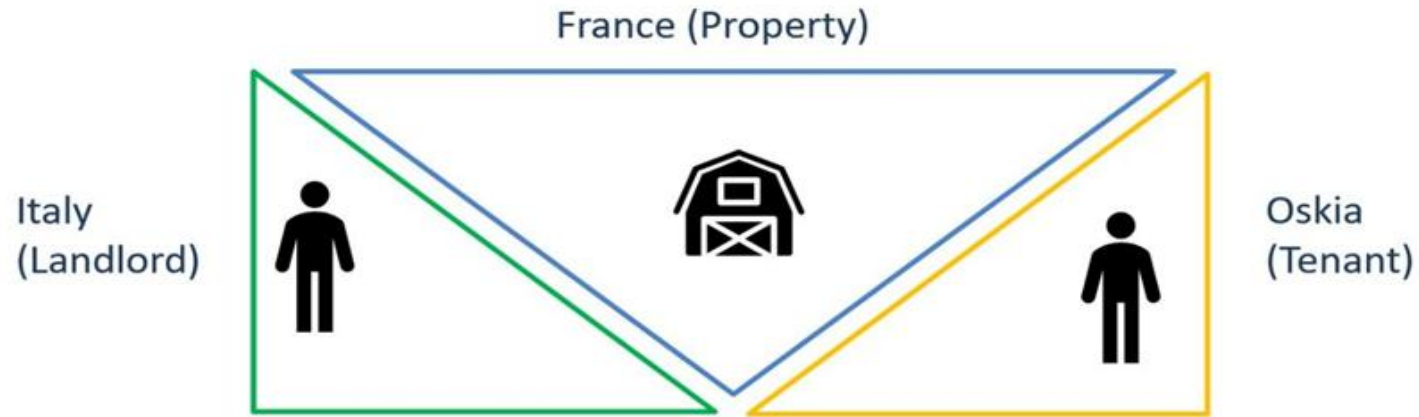
Element 3 – Individual assignment no. 1 (due date March 17, 2025 at 11.59 pm)





## RENTAL INCOME – TRIANGULAR CASE

A person who is a resident in Italy owns a property in France and rents it to a person who is a resident of a third State, named Oskia. The tenant pays the rent from an Oskian bank account to the Italian bank account of the Italian landlord.



The local applicable rules are as follows:

- Italy provides for the world-wide taxation of individuals resident in Italy;
- France provides for the taxation of rental income deriving from property located in France
- Oskia provides for the taxation of rental income when the payment is made by an Oskian resident.

**Questions** → What would be the applicable regime if the treaty between Italy and France and the treaty between Italy and Oskia were identical to the OECD Model Tax Convention? And what if there was no treaty between Italy and Oskia?

## How to solve a triangular case?

- No **primary** double taxation
- 2 **secondary** double taxations
- To be solved **separately** = the one first, the other one second
- Residual double taxation under the DTT is solved **only** by the resident state