

# DOUBLE TAXATION AND THE LEAGUE OF NATIONS

SUNITA JOGARAJAN

*University of Melbourne*



**CAMBRIDGE**  
UNIVERSITY PRESS

# CONTENTS

<i>List of Tables</i>	viii
<i>Preface</i>	ix
<i>Acknowledgements</i>	x
<i>List of Abbreviations</i>	xi
<b>1 Introduction</b>	<b>1</b>
I Introduction	1
II Structure of the Book	4
<b>2 Background</b>	<b>7</b>
I Introduction	7
II International Double Taxation	7
III The Economics and Politics of the 1920s	11
IV The League of Nations	14
<b>3 Personality, Politics, and Principles: The Drafting of the 1925 Resolutions on Double Taxation</b>	<b>22</b>
I Introduction	22
II The 1925 Experts	24
III Guiding Principles	27
IV The Chicken or the Egg: Double Taxation or Tax Evasion?	30
V Impact of the Economists' Report	31
VI Classification of Sources of Income in Relation to Schedular Taxes	34
VII General Income Tax	58
VIII Interaction of Schedular Taxes and General Income Tax	65
IX Fiscal Domicile	72
X Conclusion	81
<b>4 The ICC and the Development of the 1928 Models</b>	<b>85</b>
I Introduction	85
II The Merchants of Peace	86
III The ICC and Double Taxation	87

IV	The ICC and the League of Nations	90
V	Conclusion	95
<b>5</b>	<b>Turning Resolutions into Treaties: The Drafting of the First Model Convention on Double Taxation</b>	<b>98</b>
I	Introduction	98
II	The 1927 Experts	100
III	General Observations	104
IV	New Experts' Views	107
V	Evolution of the First Model Tax Convention	117
VI	Alternative Draft Conventions	161
VII	Conclusion	164
<b>6</b>	<b>The 'Great Powers' and the Development of the 1928 Models</b>	<b>167</b>
I	Introduction	167
II	Participation in the League	168
III	Participation on Double Taxation	170
IV	Transatlantic Bridge Rules and the Failure to Form an Anglo-American Alliance	177
V	Impact of the 1928 Models on Treaty Practice	179
VI	Conclusion	181
<b>7</b>	<b>One Beget Three: The Drafting of the 1928 Model Tax Treaties on Double Income Taxation</b>	<b>182</b>
I	Introduction	182
II	The 1928 Experts	183
III	General Views on Draft Convention I	188
IV	Detailed Consideration of Draft Convention I	192
V	Revisiting Draft Convention I	231
VI	Alternative Draft Conventions	234
VII	Conclusion	241
<b>8</b>	<b>Lessons from History: Where to from Here?</b>	<b>243</b>
I	Introduction	243
II	Impact of Model Ic on the OECD Model	243
III	Observations	249
IV	Looking Forward	253
V	Conclusion	256
	<i>Appendix 1 Timeline/Cast of Characters</i>	257
	<i>Appendix 2 1925 Report Final Resolutions</i>	270

<i>Appendix 3</i>	<i>1921 ICC Resolutions</i>	274
<i>Appendix 4</i>	<i>1922 ICC Resolutions</i>	276
<i>Appendix 5</i>	<i>1923 ICC Resolutions</i>	278
<i>Appendix 6</i>	<i>1924 ICC Resolutions</i>	280
<i>Appendix 7</i>	<i>1925 ICC Resolutions</i>	283
<i>Appendix 8</i>	<i>1927 ICC Resolutions</i>	286
<i>Appendix 9</i>	<i>1927 Draft Model Convention</i>	287
<i>Appendix 10</i>	<i>1925 UK Finance Act</i>	298
<i>Appendix 11</i>	<i>Thompson Article 10 Proposal</i>	299
<i>Appendix 12</i>	<i>USSR Article 5 Proposal</i>	300
<i>Appendix 13</i>	<i>USSR Articles 10 and 11 Proposals</i>	302
<i>Appendix 14</i>	<i>Dorn and Borduge Draft Convention</i>	303
<i>Appendix 15</i>	<i>Thompson Draft Convention</i>	306
<i>Appendix 16</i>	<i>Adams Draft Convention</i>	308
<i>Appendix 17</i>	<i>Draft Convention Ia</i>	311
<i>Appendix 18</i>	<i>Draft Convention Ib</i>	315
<i>Appendix 19</i>	<i>Draft Convention Ib Commentary</i>	318
<i>Appendix 20</i>	<i>Draft Convention Ic</i>	320
<i>Appendix 21</i>	<i>Draft Convention Ic Commentary</i>	323
<i>Bibliography</i>		325
<i>Index</i>		332