

**AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE
ORIENTAL REPUBLIC OF URUGUAY FOR THE EXCHANGE OF
INFORMATION RELATING TO TAXES**

The United States of America (the "United States") and the Oriental Republic of Uruguay ("Uruguay"), desiring to facilitate the exchange of information with respect to taxes, have agreed as follows:

ARTICLE 1

Object and Scope of this Agreement

The competent authorities of the Parties shall provide assistance to each other through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Parties concerning taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment and collection of such taxes, the recovery and enforcement of tax claims, or the investigation or prosecution of tax matters. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 10 (Confidentiality).

ARTICLE 2

Jurisdiction

A requested Party shall not be obligated to provide information that is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdiction. With respect to information held by its authorities or in the possession or control of persons who are within its territorial jurisdiction, however, the requested Party shall provide information in accordance with this Agreement regardless of whether the person to whom the information relates is, or whether the information is held by, a resident or national of a Party.

ARTICLE 3

Taxes Covered

1. This Agreement shall apply to the following taxes imposed by the Parties:
 - (a) in the case of the United States:
 - (i) federal taxes on income;
 - (ii) federal taxes related to employment and self-employment;

- (iii) federal estate and gift taxes;
 - (iv) federal excise taxes; and
 - (v) any other federal tax imposed after the date of signature of this Agreement in addition to, or in place of, the taxes listed in the prior clauses of this subparagraph; and
- (b) in the case of Uruguay;
- (i) the tax on business income;
 - (ii) the personal income tax;
 - (iii) the non-resident income tax;
 - (iv) the tax for social security assistance;
 - (v) the capital tax;
 - (vi) the value added tax – VAT;
 - (vii) the excise tax; and
 - (viii) any other national tax imposed by Uruguay after the date of signature of this Agreement in addition to, or in place of, the taxes listed in the prior clauses of this subparagraph.

2. The competent authorities of the Parties shall notify each other of any significant changes that have been made in their taxation laws or other laws that relate to the application of this Agreement.

ARTICLE 4

Definitions

1. For the purposes of this Agreement, unless otherwise defined:

(a) the term “Party” means the United States or Uruguay as the context requires;

(b) the term “competent authority” means:

(i) in the case of the United States, the Secretary of the Treasury or his delegate, and

(ii) in the case of Uruguay, the Ministry of Economy and Finance or the Ministry’s authorized representative;

(c) the term “person” includes an individual, a company and any other body of persons;

(d) the term “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;

(e) the term “national” of a Party means:

(i) in the case of the United States, any individual possessing the nationality or citizenship of the United States, and any legal person, partnership or association deriving its status as such from the laws in force in the United States; and

(ii) in the case of Uruguay, any individual possessing the nationality or citizenship of Uruguay, and any legal person, association or other entity deriving its status as such from the laws in force in Uruguay;

(f) the term “publicly traded company” means any company whose principal class of shares is listed on a recognized stock exchange if the purchase or sale of its listed shares is not implicitly or explicitly restricted to a limited group of investors;

(g) the term “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;

(h) the term “recognized stock exchange” means any stock exchange agreed upon by the competent authorities of the Parties;

(i) the term “public collective investment fund or scheme” means any pooled investment vehicle, irrespective of legal form, if the purchase, sale or redemption of the units, shares or other interests in the investment vehicle is not implicitly or explicitly restricted to a limited group of investors;

(j) the term “tax” means any tax to which this Agreement applies and does not include customs duties;

(k) the term “applicant Party” means the Party requesting information;

(l) the term “requested Party” means the Party requested to provide information;

(m) the term “information gathering measures” means laws and administrative or judicial procedures that enable a Party to obtain and provide the requested information; and

(n) the term “information” means any fact, statement or record in any form whatever;

(o) the term “criminal tax matters” means tax matters involving conduct which is liable to prosecution under the criminal laws of the applicant Party; and

(p) the term “criminal laws” means all criminal laws designated as such under domestic law irrespective of whether contained in the tax law, the criminal code or other statutes.

2. For purposes of determining the geographic area within which jurisdiction to compel production of information may be exercised:

(a) the term “United States” means the territory of the United States of America, including American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, the U.S. Virgin Islands and any other U.S. possession or territory; and

(b) the term “Uruguay” means the Oriental Republic of Uruguay, and when used in a geographical sense means the territory of Uruguay, including associated air space, as well as maritime areas over which the State exercises sovereign rights and jurisdiction in accordance with national and international law.

3. As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires or the competent authorities agree to a common meaning pursuant to the provisions of Article 12 (Mutual Agreement Procedure), have the meaning that it has at that time under the law of that Party, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

ARTICLE 5

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide information for the purposes referred to in Article 1 (Object and Scope of this Agreement) upon request by the competent authority of the applicant Party. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or whether the conduct being investigated would constitute a crime under the laws of the requested Party if such conduct occurred in the requested Party.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use all relevant information gathering measures to provide the applicant Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes. Privileges under the laws and practices of the applicant Party shall not apply in the execution of a request by the requested Party and the resolution of such matters shall be solely the responsibility of the applicant Party.

3. If specifically requested by the competent authority of the applicant Party, the competent authority of the requested Party shall, to the extent allowable under its domestic laws:

(a) specify the time and place for the taking of testimony or the production of books, papers, records and other data;

(b) place the individual giving testimony or producing books, papers, records or other data under oath;

(c) permit the presence of individuals designated by the competent authority of the applicant Party as being involved in or affected by execution of the request, including an accused, counsel for the accused, individuals charged with the administration or enforcement of the domestic laws of the applicant Party covered by this Agreement or a commissioner or magistrate for the purpose of rendering evidentiary rulings or determining issues of privilege under the laws of the applicant Party;

(d) provide individuals permitted to be present with an opportunity to question, directly or through the executing authority, the individual giving testimony or producing books, papers, records and other data;

(e) secure original and unedited books, papers, records and other data;

(f) secure or produce true and correct copies of original and unedited books, papers, records and other data;

(g) determine the authenticity of books, papers, records and other data produced, and provide authenticated copies of original books, papers, records and other data;

(h) examine the individual producing books, papers, records and other data regarding the purpose for which and the manner in which the item produced is or was maintained;

(i) permit the competent authority of the applicant Party to provide written questions to which the individual producing books, papers, records and other data is to respond regarding the items produced;

(j) perform any other act not in violation of the laws or at variance with the administrative practice of the requested Party; and

(k) certify either that procedures requested by the competent authority of the applicant Party were followed or that the procedures requested could not be followed, with an explanation of the deviation and the reason therefor.

4. Each Party shall ensure that its competent authority, for the purposes specified in Article 1 (Object and Scope of this Agreement) of this Agreement, has the authority to obtain and provide upon request:

(a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees; and

(b) information regarding the ownership of companies, partnerships, trusts, foundations, "Anstalten" and other persons, including, within the constraints of Article 2 (Jurisdiction), ownership information on all such persons in an ownership chain; in the case of trusts, information on settlors, trustees and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries.

Notwithstanding subparagraph 4(b), this Agreement does not create an obligation on the Parties to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes unless such information can be obtained without giving rise to disproportionate difficulties to the requested Party.

5. The competent authority of the applicant Party shall provide the following information to the competent authority of the requested Party when making a request for information under this Agreement, with the greatest degree of specificity possible:

(a) the identity of the person or ascertainable group or category of persons under examination or investigation;

(b) a statement of the information sought, including its nature and the form in which the applicant Party wishes to receive the information from the requested Party;

(c) the period of time with respect to which the information is requested;

(d) the matter under the applicant Party's tax law with respect to which the information is sought;

(e) grounds for believing that the information requested is foreseeably relevant to tax administration or enforcement of the applicant Party with respect to the person or group or category of persons identified in subparagraph 5(a);

(f) grounds for believing that the information requested is held in the requested Party or is in the possession or control of a person within the jurisdiction of the requested Party;

(g) to the extent known, the name and address of any person believed to be in possession or control of the requested information;

(h) a statement that the request is in conformity with the law and administrative practices of the applicant Party, that if the requested information was within the jurisdiction of the applicant Party then the competent authority of the applicant Party would be able to obtain the information under the laws of the applicant Party or in the normal course of administrative practice and that it is in conformity with this Agreement; and

(i) a statement that the applicant Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.

ARTICLE 6

Automatic Exchange of Information

The competent authorities may automatically transmit information to each other for the purposes referred to in Article 1 (Object and Scope of this Agreement). The competent authorities shall determine the items of information to be exchanged pursuant to this Article and the procedures to be used to exchange such items of information.

ARTICLE 7

Spontaneous Exchange of Information

The competent authority of a Party may spontaneously transmit to the competent authority of the other Party information that has come to the attention of the first-mentioned competent authority and that the first-mentioned competent authority supposes to be foreseeably relevant to the accomplishment of the purposes referred to in Article 1 (Object and Scope of this Agreement). The competent authorities shall determine the procedures to be used to exchange such information.

ARTICLE 8

Tax Examinations Abroad

1. A Party may allow representatives of the other Party to interview individuals and examine records in the territory of the first-mentioned Party with the written consent of the persons concerned. The competent authority of the second-mentioned Party shall notify the competent authority of the first-mentioned Party of the time and place of the meeting with the individuals concerned.
2. At the request of the competent authority of one Party, the competent authority of the other Party may allow representatives of the competent authority of the first-mentioned Party to be present at the appropriate part of a tax examination in the second-mentioned Party.
3. If the request referred to in paragraph 2 of this Article is acceded to, the competent authority of the Party conducting the examination shall, as soon as possible, notify the competent authority of the other Party about the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the first-mentioned Party for the conduct of the examination. All decisions with respect to the conduct of the tax examination shall be made by the Party conducting the examination.

ARTICLE 9

Possibility of Declining a Request

1. The requested Party shall not be required to obtain or provide information that the applicant Party would not be able to obtain under its own laws for purposes of the administration or enforcement of its own tax laws. The competent authority of the requested Party may decline to assist where the request is not made in conformity with this Agreement. The competent authority of the requested Party may decline to assist where the applicant Party has not pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.
2. The provisions of this Agreement shall not impose on a Party the obligation to obtain or provide information that would disclose any trade, business, industrial, commercial or professional secret or trade process. Notwithstanding the foregoing, information of the type referred to in Article 5 (Exchange of Information Upon Request), paragraph 4 shall not be treated as such a secret or trade process merely because it meets the criteria in that paragraph.
3. The provisions of this Agreement shall not impose on a Party the obligation to obtain or provide information that would reveal confidential communications between a client and an attorney, solicitor or other admitted legal representative where such communications are:

- (a) produced for the purposes of seeking or providing legal advice; or
- (b) produced for the purposes of use in existing or contemplated legal proceedings.

4. The requested Party may decline a request for information if the disclosure of the information would be contrary to public policy (ordre public).

5. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

6. A request for information shall not be refused on the ground that the period of limitations in the requested party has expired. Instead, the statute of limitations of the applicant Party pertaining to the taxes to which the Agreement applies shall govern a request for information.

7. The provisions of the preceding paragraphs of this Article shall not be construed so as to impose on a Party the obligation to obtain or provide information requested by the applicant Party to administer or enforce a provision of the tax law of the applicant Party, or any requirement connected therewith, which discriminates against a national of the requested Party. A provision of tax law or connected requirement shall be considered to be discriminatory against a national of the requested Party if it is more burdensome with respect to a national of the requested Party than with respect to a national of the applicant Party in the same circumstances. For purposes of the preceding sentence, a national of the applicant Party who is subject to tax on worldwide income is not in the same circumstances as a national of the requested Party who is not subject to tax on worldwide income. The provisions of this paragraph shall not be construed so as to prevent the exchange of information with respect to the taxes imposed by the Parties on branch profits, branch-level interest, or on the premium income of nonresident insurers or foreign insurance companies.

ARTICLE 10

Confidentiality

Any information received by a Party under this Agreement shall be treated as confidential and may be disclosed only to persons or authorities (including courts and administrative bodies) in the jurisdiction of the Party concerned with the assessment, collection or administration of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by this Agreement, or the oversight of such functions. Such persons or authorities shall use such information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. The information may not be disclosed to any other person, entity, authority or jurisdiction. Notwithstanding the foregoing:

(a) where the competent authority of the Party that provided the information provides prior written consent, the information may be disclosed for:

(i) counter-terrorism purposes, but only if the information may be disclosed for such purposes under the domestic laws of the Party that received the information;

(ii) for purposes permitted under the provisions of an international agreement governing legal assistance in criminal matters that is in force between the Parties that allows for the exchange of tax information; or

(iii) other purposes, but only when the information may be used for the same or similar such purposes under the domestic laws of both Parties; and

(b) the competent authority of a Party may disclose information not relating to a particular person received under this Agreement if it has determined, after consultation with the competent authority of the other Party, that such disclosure would not impair tax administration (including the administration of this Agreement).

ARTICLE 11

Costs

Unless the competent authorities of the Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party and extraordinary costs incurred in providing assistance shall be borne by the applicant Party.

ARTICLE 12

Mutual Agreement Procedure

1. Where difficulties or doubts arise between the Parties regarding the implementation or interpretation of this Agreement, the competent authorities shall endeavor to resolve the matter by mutual agreement.
2. The competent authorities may adopt and implement procedures to facilitate the implementation of this Agreement.
3. The competent authorities of the Parties may communicate with each other directly for purposes of reaching a mutual agreement under this Article.

ARTICLE 13

Mutual Assistance Procedure

The competent authorities of the Parties may agree to exchange technical know-how, develop new audit techniques, identify new areas of non-compliance and jointly study non-compliance areas.

ARTICLE 14

Entry Into Force

This Agreement shall enter into force one month from the date of receipt of Uruguay's written notification to the United States that Uruguay has completed its necessary internal procedures for entry into force of this Agreement. The provisions of this Agreement shall have effect for requests made on or after the date of entry into force:

- (a) for criminal tax matters, without regard to the taxable period to which the requests relate; and
- (b) for all other requests, with regard to taxable periods that begin on or after the date of entry into force, or where there is no taxable period, to charges to tax that arise on or after the date of entry into force.

ARTICLE 15

Termination

1. The Agreement shall remain in force until terminated by a Party.
2. Either Party may terminate the Agreement by giving notice of termination in writing to the other Party. Such termination shall become effective on the first day of the month following the expiration of a period of six months after the date of the notice of termination.
3. If the Agreement is terminated, both Parties shall remain bound by the provisions of Article 10 (Confidentiality) with respect to any information obtained under the Agreement.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Montevideo in duplicate, in the English and Spanish languages, both texts being equally authentic, this 24th day of October, 2023.

FOR THE UNITED STATES OF
AMERICA:

FOR THE ORIENTAL REPUBLIC OF
URUGUAY:



Heide B. Fulton
Ambassador



Francisco Bustillo
Foreign Minister