(b) in Peru:

with respect to taxes on income obtained and amounts paid, credited to an account, or accounted as an expense, on or after 1 January in the calendar year next following that in which the notice is given.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Convention.

DONE in duplicate at Lima this eighteenth day of November, 2019 in the Japanese, Spanish and English languages, each text being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

For Japan:

土屋定之

For the Republic of Peru:

Gustavo Meza-Cuadra

PROTOCOL

At the moment of signing the Convention between Japan and the Republic of Peru for the Elimination of Double Taxation with respect to Taxes on Income and the Prevention of Tax Evasion and Avoidance (hereinafter referred to as "the Convention"), Japan and the Republic of Peru have agreed upon the following provisions, which shall form an integral part of the Convention.

1. With reference to subparagraph (d) of paragraph 1 of Article 3 of the Convention:

It is understood that the term "person", in the case of Peru, includes estates in the course of administration (sucesiones indivisas) and matrimonial partnerships (sociedades conyugales).

2. With reference to Article 5 of the Convention:

It is understood that each of the places of business listed in paragraph 2 of that Article constitutes a permanent establishment as defined in paragraph 1 of that Article only if it meets the requirements of paragraph 1 of that Article.

3. With reference to paragraph 3 of Article 7 of the Convention:

It is understood that, when computing the taxable income of a permanent establishment for the tax purposes of the Contracting State in which the permanent establishment is situated, the conditions for the deductibility of expenses which are attributable to the permanent establishment in accordance with the provisions of that paragraph are matters to be determined by the laws of that Contracting State, subject to the provisions of Article 24 of the Convention.

4. (a) Where an enterprise of a Contracting State has a permanent establishment in the other Contracting State, the profits attributable to the permanent establishment may be subject to an additional tax in that other Contracting State according to the laws of that other Contracting State, in addition to the ordinary tax which is imposed on such profits, but the additional tax so charged shall not exceed 10 per cent of the amount of the profits as computed after the deduction of the ordinary tax is given.