(a) in the case of Japan:

(i) in the case of taxes levied on the basis of a taxable year, for taxes for any taxable years beginning on or after the first day of January in the calendar year next following that in which the notice of termination is given; and

(ii) in the case of taxes not levied on the basis of a taxable year, for taxes levied on or after the first day of January in the calendar year next following that in which the notice of termination is given; and

(b) in the case of the Federal Republic of Germany:

(i) in the case of taxes withheld at source, in respect of amounts paid on or after the first day of January in the calendar year next following that in which the notice of termination is given; and

(ii) in the case of other taxes, in respect of taxes levied for periods beginning on or after the first day of January in the calendar year next following that in which the notice of termination is given.

The notice of termination shall be regarded as having been given by a Contracting State on the date of receipt of such notice by the other Contracting State.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

DONE at Tokyo on this seventeenth day of December 2015 in two originals, each in the Japanese, German and English languages, all three texts being authentic. In the case there is any divergence of interpretation between the Japanese and the German texts, the English text shall prevail.

For Japan:

武藤容治

For the Federal Republic of Germany:

Hans Carl Freiherr von Werthern

Protocol

At the signing of the Agreement between Japan and the Federal Republic of Germany for the Elimination of Double Taxation with respect to Taxes on Income and to certain other Taxes and the Prevention of Tax Evasion and Avoidance (hereinafter referred to as "the Agreement") at Tokyo on 17 December 2015, Japan and the Federal Republic of Germany have agreed upon the following provisions, which shall form an integral part of the Agreement.

1. With reference to Article 2 of the Agreement:

The provisions of the Agreement in respect of taxation of income shall mutatis mutandis apply to the enterprise tax of Japan and the trade tax (*Gewerbesteuer*) of the Federal Republic of Germany and any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of those taxes to the extent that they are computed on a basis, or by taking into account any elements, other than income.

2. With reference to paragraph 1 of Article 4 of the Agreement:

It is understood that a person is "liable to tax" in a Contracting State even where all or part of its income is exempted from tax in that Contracting State by satisfying the requirements for exemption specified in the tax laws of that Contracting State.

3. With reference to Articles 6 to 20 of the Agreement:

Where, pursuant to any provision of the Agreement, a Contracting State reduces the rate of tax on, or exempts from tax, income of a resident of the other Contracting State and under the laws in force in that other Contracting State the resident is subjected to tax by that other Contracting State only on that part of such income which is remitted to or received in that other Contracting State, then the reduction or exemption shall apply only to so much of such income as is remitted to or received in that other Contracting State.