

PROTOCOL

At the moment of signing the Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital, this day concluded between the Government of the People's Republic of China and the Government of Georgia, the undersigned have agreed that the following provisions shall form an integral part of the Agreement.

1. With reference to paragraph 1 of Article 2:

It is understood that in the case of Georgia the term "political subdivisions" means territorial-administrative subdivisions.

2. With reference to paragraph 1 of Article 14:

It is understood that a fixed base shall be considered to have been formed once a physical person is registered for performing independent personal services.

IN WITNESS WHEREOF the undersigned, duly authorized thereto, have signed this Protocol.

Done at Beijing on the 22nd day of June, 2005, in duplicate in the Chinese, Georgian and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

**For the Government of
the People's Republic of China**

**For the Government of
Georgia**