

indirectly by one or more persons who are not residents of that State, if the amount of the tax imposed on the income of the company, trust or partnership by that State is substantially lower than the amount that would be imposed by that State if all of the shares of the capital stock of the company or all of the interests in the trust or partnership, as the case may be, were beneficially owned by one or more individuals who were residents of that State."

Article XVII

1. CHAPTER IV, and its title, of the Convention shall be deleted and CHAPTERS V to VII shall become CHAPTERS IV to VI.
2. Articles 23 to 30 of the Convention shall become Articles 22 to 29.
3. The Protocol, signed at Jakarta the 16th day of January 1979, to the Convention shall be deleted.

Article XVIII

1. This Protocol shall be ratified and the instruments of ratification shall be exchanged as soon as possible.
2. The Protocol shall enter into force upon the exchange of the instruments of ratification and its provisions shall have effect in respect of taxable periods beginning on or after the first day of January of the year next following that in which the Protocol enters into force.
3. The provisions of the Protocol to the Convention signed at Jakarta on January 16, 1979, shall cease to have effect in respect of taxable periods beginning on or after the first day of January of the year next following that in which the Protocol enters into force.