

Overview of the main differences between the UN Model and the OECD Model:

Article 3 – definitions of “enterprise” and “business” are not included in the UN Model (because it retains article 14)

Article 5 – under the UN Model:

- Six-month duration test for construction PE (12-month in OECD Model)
- Services PE provision (compare alternative provision in p. 144 Commentary of Art. 5 OECD Model)
- “Delivery” removed from paragraph 4
- Insurance PE in paragraph 6

Article 7 – UN Model expands taxation beyond profits “attributable to” the PE and includes other differences referring to calculation of the profits of PEs.

Article 8 – UN Model contains an alternative provision providing for limited source taxation of international shipping (alternative B)

Article 9 – fraud exclusion in paragraph 3 in UN Model

Article 10 – rates not specified in UN Model

Article 11 – rate not specified in UN Model

Article 12 – limited source taxation of royalties in UN Model and broader definition of royalties

Article 12A - limited source taxation of fees for technical services in UN Model

Article 12B – limited source taxation of income from automated digital services in the UN Model

Article 13 – source taxation of gains from shares (or comparable interests) if participation is over an agreed threshold, in the UN Model

Article 14 – retained in UN Model

Article 16 – extended scope: directors + top level managers in the UN Model

Article 18 – two alternative provisions in the UN Model; specific reference to social security

Article 20 – “business trainee” is not mentioned in the OECD Model

Article 21 – paragraph 3 is not found in OECD Model: source taxation of “other income” that arises in a Contracting State.

Article 25 – differences in:

- paragraph 1 (in OECD Model, MAP request can be presented to “either” Contracting State);
- paragraph 4 (in UN Model, a reference to bilaterally agreed procedures for implementation of MAP) and
- MAP arbitration provision (in UN Model only present in Alternative B of Article 25)

Article 26 – paragraph 6 in UN Model has no equivalent in OECD Model (consultation to develop “appropriate methods and techniques”)

Find a more detailed comparison article-by-article in [Section III](#) of UN Manual