

TRANSLATION

Executive Order on Foreign-Exchange Regulations

Executive Order no. 658 of 11/07/1994 (In force)

Legislation to which the Order relates

[Consolidated Act No. 279 of 11/04/1988](#)

Subsequent amendments to the Order

Full text of the Order

Executive Order on Foreign-Exchange Regulations

Pursuant to Act No. 372 of 23 December 1964 on Foreign-Exchange Regulations, etc., cf. Consolidated Act No. 279 of 11 April 1988, and Royal Ordinance No. 149 of 5 May 1967 on the entry into force in Greenland of the Act on Foreign-Exchange Regulations, etc. the following is hereby laid down:

1. A resident is a natural person or legal entity domiciled in Denmark.
- (2) A non-resident is a natural person or legal entity not domiciled in Denmark.
- (3) Natural persons and legal entities that conduct business activities shall be residents for the purpose of such activities if the business enterprise has a permanent place of operation in Denmark; and as non-residents if the business enterprise has a permanent place of operation abroad.
- (4) The embassies and other diplomatic missions of foreign states, the offices of international organisations, and international NATO military staff and related bodies in Denmark, as well as foreign nationals serving such bodies, etc. in Denmark, and the spouses and children living at home of such foreign nationals, shall be non-residents, irrespective of the provisions of subsections (1)-(3).
- (5) Foreign nationals and foreign legal entities that are located or conduct business activities in Greenland in accordance with the agreement of 27 April 1951 on the defence of Greenland, or in direct relation thereto, shall be non-residents, irrespective of the provisions of subsections (1)-(3).

(6) Danish nationals on secondment abroad for the Danish State, and the spouses and children living at home of such nationals, shall be residents provided that they are subject to full tax liability in Denmark according to Danish tax legislation.

(7) Registered partnership and permanent cohabitation shall be considered equivalent to marriage.

2. Financial institutions that commercially settle payments between residents and non-residents via accounts at or for non-resident banks are defined as foreign-exchange intermediaries. Danmarks Nationalbank may define other residents to be foreign-exchange intermediaries. Danmarks Nationalbank draws up a list of foreign-exchange intermediaries and shall in case of doubt define whether a financial institution is a foreign-exchange intermediary.

(2) Financial institutions shall be banks, stockbrokers, mortgage-credit institutes and credit institutions that have been established, or whose establishment shall be approved, by special law.

3. Danmarks Nationalbank shall after negotiation with the Ministry of Industry and Coordination lay down provisions for the activities of foreign-exchange intermediaries and more detailed rules concerning the reporting of payments between residents and non-residents, as well as the extent to which further information shall be reported as deemed necessary by Danmarks Nationalbank for the compilation of Denmark's balance of payments and external assets and liabilities.

(2) The rules, etc. laid down by Danmarks Nationalbank may be obtained from Danmarks Nationalbank and the foreign-exchange intermediaries.

4. Danmarks Nationalbank, the Ministry of Industry and Coordination and the Danish Agency for Trade and Industry (Erhvervsfremme Styrelsen) may require all relevant information deemed necessary for control of compliance with the Executive Order and the provisions laid down pursuant thereto.

(2) Information to be reported pursuant to this Executive Order, or provisions laid down in accordance with this Executive Order, may be required to be submitted on special forms.

5. A resident that fails to duly report the information required according to rules laid down pursuant to Section 3, or that deliberately or through gross negligence reports incorrect information, shall be subject to the penalty of a fine.

(2) Should the violations described in subsection (1) be committed by a public or private limited liability company, cooperative society, or similar, the company as such may be liable to a fine.

6. This Executive Order shall enter into force on 23 July 1994.

(2) At the same time Executive Order No. 522 of 31 August 1988, as amended by Executive Order No. 591 of 16 August 1990, is repealed.

Ministry of Industry and Coordination, 11 July 1994

Mimi Jakobsen

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[Official notes](#)

None