

(Translation)

## MINISTRY OF FOREIGN AFFAIRS

BUENOS AIRES, August 6, 1949.

D.E.S. No. 1746

MONSIEUR LE CHARGÉ D'AFFAIRES:

I have the honour to submit the following on behalf of the Government of Argentina which is desirous of avoiding double taxation of revenue derived from Sea and Air transportation and of promoting trade with Canada.

1. The Argentine Government, by virtue of the authority granted by Article 10 of Act 11,682, as amended in 1947, undertakes, on the conditions of reciprocity to exempt from income tax and from any other taxes on profits, the revenue derived from sea and air transportation between the Argentine Republic and any other country, obtained by companies established in Canada.

2. The term "sea and air transportation" means the business of transporting persons or things, carried on by owners or charterers of ships or aircraft.

3. "Companies established in Canada" means individual physical persons, residing in the said country without domicile in the Argentine Republic who are engaged in the business of sea and air transport, and stock companies or persons which have been formed in accordance with the laws of Canada and which have their Head-Office and central administration within its territory. Also included in that term is the operation of sea and air transport effected by the State of Canada or by companies in which the Government may have an interest.

4. The exemption provided in paragraph 1, will be effective from the 1st day of January 1946 and will continue indefinitely after that date, but may be terminated by either of the contracting States, provided that at least six months' advance notice has been given, in which event the termination will become effective on the 1st day of January following the expiration of the six months' period.

A favorable reply shall be considered as an agreement between the High Contracting Parties, etc.

JUAN A. BRAMUGLIA.