

PROTOCOL

Canada and the Republic of Zambia have agreed at the signing at *Lusaka* on the *16th* day of *February* 1983, of the Convention between the two States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income upon the following provisions which shall form an integral part of the said Convention -

With reference to Article VII, paragraph 3, it is understood that no deductions shall be allowed in respect of amounts, if any, paid (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission for specific services performed or for management, or by way of interest on moneys lent to the permanent establishment. Likewise, no account shall be taken in the determination of the profits of a permanent establishment, for amounts charged (otherwise than towards reimbursement of actual expenses), by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission for specific service performed or for management, or by way of interest on moneys lent to the head office of the enterprise or any of its other offices.