

payer and the recipient in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Agreement.

#### ARTICLE 14

##### *Capital Gains*

1. Gains from the alienation of ships or aircraft operated in international traffic by an enterprise of a Contracting State and movable property pertaining to the operations of such ships or aircraft, shall be taxable only in that State.
2. Gains from the alienation of any property other than those referred to in paragraph 1 may be taxed in both Contracting States.

#### ARTICLE 15

##### *Professional Services*

1. Income derived by a resident of a Contracting State in respect of professional services or other independent activities of a similar character shall be taxable only in that State. However, in the following circumstances such income may be taxed in the other Contracting State, that is to say:
  - (a) if he has or had a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that other Contracting State; or
  - (b) if his stay in the other Contracting State is for a period or periods amounting to or exceeding in the aggregate 183 days in the fiscal year; or
  - (c) if the remuneration for his services in the other Contracting State is either derived from residents of that Contracting State or is borne by a permanent establishment which a person not resident in that Contracting State has in that State and such remuneration exceeds two thousand five hundred Canadian dollars (\$2,500) or its equivalent in Indian currency in the fiscal year.
2. The term "professional services" includes independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

#### ARTICLE 16

##### *Dependent Personal Services*

1. Subject to the provisions of Articles 17, 19 and 20, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in