

2. Where income in respect of personal activities exercised by an entertainer or a sportsperson in that individual's capacity as such accrues not to the entertainer or sportsperson personally but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the Contracting State in which the activities of the entertainer or sportsperson are exercised.

3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities performed in a Contracting State by entertainers or sportspersons if the visit to that State is substantially supported, directly or indirectly, by public funds of the other Contracting State or a "Land" or a political subdivision or a local authority thereof. In such a case, the income shall be taxable only in the Contracting State of which the entertainer or sportsperson is a resident.

## ARTICLE 18

### Pensions, Annuities and Similar Payments

1. Periodic or non-periodic pensions and other similar allowances derived by a resident of a Contracting State shall be taxable only in that State. However, such pensions and allowances may also be taxed in the other Contracting State if:

- (a) they are derived from sources in that other Contracting State;
- (b) contributions to the pension fund or plan were deductible for the purposes of taxation in that other State or if the pension was funded by that other State, a "Land", a political subdivision, a local authority or a governmental instrumentality thereof; and
- (c) they are not paid in respect of services rendered or activities exercised outside that other State by a person when this person was not a resident of that other State.

2. Annuities derived by a resident of a Contracting State shall be taxable only in that State unless they are derived from sources within the other Contracting State. If they are so derived, such annuities may be taxed in that other State. The term "annuities" means stated sums payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth but does not include any annuity the cost of which was deductible for the purposes of taxation in the Contracting State in which it was acquired.

3. Notwithstanding any provision in this Agreement:

- (a) war pensions and allowances (including pensions and allowances paid to war veterans or paid as a consequence of damages or injuries suffered as a consequence of war) received from Canada and paid to a resident of the Federal Republic of Germany shall be taxable only in Canada;
- (b) periodic or non-periodic payments received by a resident of Canada from the Federal Republic of Germany, or a "Land" or a governmental instrumentality thereof as compensation for an injury or damage sustained as a result of hostilities or past political persecution shall be taxable only in the Federal Republic of Germany;