

CONVENTION BETWEEN THE GOVERNMENT OF CANADA AND THE  
GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA FOR  
THE AVOIDANCE OF DOUBLE TAXATION WITH RESPECT TO  
TAXES ON INCOME AND ON CAPITAL

The Government of Canada and the Government of the Socialist Republic of Romania,

Desiring to promote and strengthen the economic relations between the two countries and to conclude a Convention for the avoidance of double taxation with respect to taxes on income and on capital,

Have agreed as follows:

ARTICLE I

*Personal Scope*

This Convention shall apply to persons who are residents of one or both of the Contracting States.

ARTICLE II

*Taxes Covered*

1. This Convention shall apply to taxes on income and on capital imposed on behalf of each Contracting State, irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

3. The existing taxes to which the Convention shall apply are, in particular:

(a) in the case of Romania:

- (i) the tax on incomes derived by individuals and corporate bodies;
- (ii) the tax on the profits of joint companies constituted with the participation of some Romanian economic organizations and some foreign partners; and
- (iii) the tax on income realized from agricultural activities; (hereinafter referred to as "Romanian tax");