

CONVENTION BETWEEN CANADA AND THE UNITED STATES OF AMERICA
MODIFYING AND SUPPLEMENTING THE CONVENTION OF JUNE 8, 1944
FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF
FISCAL EVASION IN THE CASE OF ESTATE TAXES AND SUCCESSION
DUTIES

The Government of Canada and the Government of the United States of America, being desirous of modifying and supplementing in certain respects the Convention for the avoidance of double taxation and the prevention of fiscal evasion in the case of estate taxes and succession duties, signed at Ottawa on June 8, 1944, have decided to conclude a supplementary Convention for that purpose and have appointed as their respective Plenipotentiaries:

The Government of Canada:

Douglas Charles Abbott, Minister of Finance in the Government of Canada, and

The Government of the United States of America:

Julian F. Harrington, Chargé d'Affaires ad interim of the United States of America at Ottawa

who, having communicated to one another their respective full powers, found in good and due form, have agreed as follows:

ARTICLE I

The provisions of Articles II to VI, inclusive, of the Convention of June 8, 1944, between Canada and the United States of America, are hereby abrogated with respect to estates of decedents dying on or after the day of the entry into force of the present Convention, and are replaced by the provisions of Articles II to VI, inclusive, of the present Convention.

ARTICLE II

Where a person dies a citizen of the United States of America or domiciled in the United States of America or Canada, the situs of any rights or interests, legal or equitable, in or over any of the following classes of property which for the purposes of tax form or are deemed to form part of the estate of such person or pass or are deemed to pass on his death, shall, for the purpose of the imposition of tax and for the purposes of the credit to be allowed under Article V, be determined exclusively in accordance with the following rules, but in cases not within such rules the situs of such rights or interests shall be determined for these purposes in accordance with the laws in force in the other contracting State:

- (a) Immovable property (otherwise than by way of security) shall be deemed to be situated at the place where such property is located;
- (b) Tangible movable property (otherwise than by way of security and other than such property for which specific provision is hereinafter made), bank or currency notes and other forms of currency recognized as legal tender in the place of issue, shall be deemed to be situated at the place where located at the time of death, or, if in transitu, at the place of destination;