

(a) in the case of Canada:

the income taxes imposed by the Government of Canada, (hereinafter referred to as "Canadian tax");

(b) in the case of Israel:

the income tax (including capital gains tax);

the company tax;

the tax on gains from the sale of land under the Land Appreciation Tax Law; and

the tax on income levied under the Services Tax Law (Banking Institutions and Insurance Companies),

(hereinafter referred to as "Israeli tax").

4. The Convention shall apply also to any identical or substantially similar taxes on income and to taxes on capital which are imposed after the date of signature of this Convention in addition to, or in place of, the existing taxes. The Contracting States shall notify each other of changes which have been made in their respective taxation laws.

II. DEFINITIONS

ARTICLE III

General Definitions

1. In this Convention, unless the context otherwise requires:

- (a) (i) the term "Canada" used in a geographical sense means the territory of Canada, including any area beyond the territorial waters of Canada which, under the laws of Canada, is an area within which Canada may exercise rights with respect to the sea-bed and sub-soil and their natural resources;
 - (ii) the term "Israel" used in a geographical sense means the territory of the State of Israel, including any area beyond the territorial waters of Israel which, under the laws of Israel, is an area within which Israel may exercise rights with respect to the sea-bed and sub-oil and their natural resources;
- (b) The terms "a Contracting State" and "the other Contracting State" mean, as the context requires, Canada or Israel;