

CONVENTION BETWEEN THE GOVERNMENT OF CANADA AND
THE GOVERNMENT OF THE UNITED MEXICAN STATES FOR THE
AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF
FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Government of Canada and the Government of the United Mexican States, desiring to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, have agreed as follows:

I. SCOPE OF THE CONVENTION

Article 1

Personal Scope

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

Article 2

Taxes Covered

1. This Convention shall apply to taxes on income 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 all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property.
3. The existing taxes to which the Convention shall apply are, in particular:
 - a) in the case of Canada:

the taxes imposed by the Government of Canada under the Income Tax Act, (hereinafter referred to as "Canadian tax");
 - b) in the case of Mexico:

the income tax under the Income Tax Law; and
the assets tax under the Assets Tax Law;
(hereinafter referred to as "Mexican tax").
4. The Convention shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their respective taxation laws.