

I. SCOPE OF THE AGREEMENT

ARTICLE 1

Persons Covered

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

ARTICLE 2

Taxes Covered

1. This Agreement 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, as well as taxes on capital appreciation.
3. The existing taxes to which the Agreement 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 Turkey:
 - (i) the income tax (Gelir Vergisi);
 - (ii) the corporation tax (Kurumlar Vergisi); and
 - (iii) the levy imposed on the income tax and the corporation tax;
(hereinafter referred to as "Turkish tax").