

2. In the case of Mexico, double taxation shall be avoided as follows:
 - a) residents of Mexico may credit against the Mexican tax on income arising in Canada the income tax paid in Canada in any amount not exceeding the tax payable in Mexico on such income; and
 - b) subject to the existing provisions of the law of Mexico, companies which are residents of Mexico may also credit against Mexican tax on dividends paid by companies that are residents of Canada the income tax paid in Canada on the profits out of which the dividends are paid.
3. For the purposes of this Article, profits, income or gains of a resident of a Contracting State which may be taxed in the other Contracting State in accordance with this Convention shall be deemed to arise from sources in that other State.