

ARTICLE 13

Capital Gains

1. Gains derived by a resident of a Party from the alienation of immovable property referred to in Article 6 (Income from Immovable Property) and situated in the other Party may be taxed in that other Party.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Party has in the other Party, including gains from the alienation of such a permanent establishment (alone or with the whole enterprise), may be taxed in that other Party.

3. Gains derived by an enterprise of a Party from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft shall be taxable only in that Party.

4. Gains derived by a resident of a Party from the alienation of:

- (a) shares deriving more than 50 per cent of their value directly or indirectly from immovable property situated in the other Party;
or
- (b) an interest in a partnership, trust or other entity, deriving more than 50 per cent of its value directly or indirectly from immovable property situated in the other Party;

may be taxed in that other Party.

5. Gains from the alienation of any property, other than the gains referred to in paragraphs 1, 2, 3 and 4, shall be taxable only in the Party of which the alienator is a resident.