

EXCHANGE OF NOTES BETWEEN CANADA AND THE UNITED KINGDOM
EXTENDING THE CANADA-U.K. INCOME TAX AGREEMENT (1946) TO THE
FEDERATION OF RHODESIA AND NYASALAND

I

The High Commissioner for the United Kingdom to the Secretary of
State for External Affairs

1084/4

Office of the High Commissioner
for the United Kingdom,
Earnscliffe,
OTTAWA.

May 1, 1957.

Sir,

I have the honour to inform you that the Government of the United Kingdom, in accordance with Article XV of the Agreement between the Government of the United Kingdom and the Government of Canada for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, dated the 5th June, 1946,* has instructed me to give notice of its desire that the Agreement shall extend to the Government of the Federation of Rhodesia and Nyasaland. The latter Government has expressed its wish for the extension to be made.

It is proposed that this notification and the Government of Canada's written acceptance thereof shall constitute an agreement between the two Governments that the Double Taxation Agreement, as modified in paragraph 5 of this letter, shall be applicable to the Federation of Rhodesia and Nyasaland on the sixtieth day after the date hereof.

The extension, it is suggested, shall have effect in Canada as respects income taxes, including surtaxes, for the taxation year 1954, and subsequent years.

In the Federation of Rhodesia and Nyasaland the extension will have effect for the year of assessment beginning on the 1st of April, 1953, and subsequent years, and the taxes concerned will be the income tax, supertax and undistributed profits tax.

In relation to the Federation of Rhodesia and Nyasaland, the Agreement will require modification as follows:

- (a) In Article VI (3), for "shall be exempt from (United Kingdom) surtax" there shall be deemed to be substituted the words "shall be exempt from Federal supertax";
- (b) For the purposes of Article VIII, the term "Contracting Government" where it applies to the Government of the Federation of Rhodesia and Nyasaland shall include the Governments of the Territories constituting the Federation;
- (c) For the purposes of paragraph (3) of Article XIII, the taxes concerned in the Federation of Rhodesia and Nyasaland shall include the Territorial surcharge levied by the Federal Government in terms of Article 82 of the Constitution of the Federation.

*Canada Treaty Series 1946, No. 17.