

## ARTICLE XXII

*Elimination of Double Taxation*

1. In the case of Canada, double taxation shall be avoided as follows:

- (a) Subject to the existing provisions of the law of Canada regarding the deduction from tax payable in Canada of tax paid in a territory outside Canada and to any subsequent modification of those provisions — which shall not affect the general principle hereof — and unless a greater deduction or relief is provided under the laws of Canada, tax payable in the Ivory Coast on profits, income or gains arising in the Ivory Coast shall be deducted from any Canadian tax payable in respect of such profits, income or gains.
- (b) Subject to the existing provisions of the law of Canada regarding the determination of the exempt surplus of a foreign affiliate and to any subsequent modification of those provisions — which shall not affect the general principle hereof — for the purpose of computing Canadian tax, a company resident in Canada shall be allowed to deduct in computing its taxable income any dividend received by it out of the exempt surplus of a foreign affiliate resident in the Ivory Coast.

2. For the purposes of paragraph 1(a) of this Article, tax payable in the Ivory Coast by a company which is a resident of Canada

- (a) in respect of profits attributable to a trade or business carried on by it in the Ivory Coast

shall be deemed to include any amount which would have been payable as Ivory Coast tax for any year but for an exemption from, or reduction of, tax granted for that year or any part thereof under

- (b) the provisions of the Annex to Law no 59-134 of September 3, 1959, to the extent they were in force on, and have not been modified since, the date of signature of this Convention, or have been modified only in minor respects so as not to affect their general character; or
- (c) any other provision subsequently made granting an exemption or reduction of tax which is agreed by the competent authorities of the Contracting States to be of a substantially similar character, if it has not been modified thereafter or has been modified only in minor respects so as not to affect its general character.

3. In the case of the Ivory Coast, double taxation shall be avoided as follows:

The tax authorities of the Ivory Coast may not include in the tax base income which may be taxed in Canada under this Convention. However, the Ivory Coast reserves the right to take into account, in determining the rate of tax, the income so excluded.