



# PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

NO. 61

FOR IMMEDIATE RELEASE

FRIDAY, SEPTEMBER 28, 1956.

AGREEMENTS BETWEEN CANADA AND THE UNION OF SOUTH AFRICA FOR THE AVOIDANCE OF DOUBLE TAXATION IN THE FIELDS OF INCOME TAX AND SUCCESSION DUTIES WERE CONCLUDED IN OTTAWA TODAY. MR. J.S.F. BOTHA, ACTING HIGH COMMISSIONER FOR THE UNION OF SOUTH AFRICA, SIGNED FOR THE UNION OF SOUTH AFRICA AND MR. STUART GARSON, MINISTER OF JUSTICE AND ACTING MINISTER OF FINANCE, SIGNED ON BEHALF OF CANADA.

THE FIRST AGREEMENT PROVIDES GENERALLY THAT EACH COUNTRY RETAINS THE RIGHT TO TAX AT THE SOURCE INCOME LEAVING THAT COUNTRY WHILE AT THE SAME TIME UNDERTAKING TO GRANT RELIEF FROM TAXATION ON INCOME IN RESPECT OF WHICH A TAX HAS ALREADY BEEN IMPOSED AT SOURCE IN THE OTHER COUNTRY. THE SAME PRINCIPLE IS APPLICABLE FOR THE AGREEMENT ON SUCCESSION DUTIES.

THE AGREEMENTS WILL BE EFFECTIVE ON THE DATE OF EXCHANGE OF RATIFICATIONS WHICH WILL TAKE PLACE IN PRETORIA FOLLOWING THE APPROVAL OF THE GOVERNMENTS OF THE UNION OF SOUTH AFRICA AND CANADA.