

**AGREEMENT BETWEEN CANADA AND FRANCE FOR THE AVOIDANCE OF  
DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH  
RESPECT TO TAXES ON INCOME.**

The Government of Canada and the Government of the French Republic, desiring to conclude an Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income have agreed as follows:

**ARTICLE 1**

I. The taxes which are subject to this Agreement are:

a) in Canada:

Income taxes, including surtaxes, which are imposed by the Government of Canada;

b) in France:

1. The tax on the income of physical persons (proportional tax and progressive surtax);
2. The tax on companies.

II. This Agreement shall also apply to any other taxes of a substantially similar character imposed by either contracting Government, subsequent to the signing of this Agreement or in whatever territory to which the present Agreement is extended under Article 21.

**ARTICLE 2**

For the purposes of this Agreement:

I. The term "France" when it is used in the geographical sense, will mean only "Metropolitan" France excluding Algeria, the overseas departments and other territories of the French Union.

II. The expression "one of the territories" and the "other territory" means France or Canada, as the case may be.

III. The term "tax" means French taxes or Canadian taxes, as the case may be.

IV. The term "person" means:

- a) any physical person;
- b) any unincorporated body of physical persons;
- c) any body corporate.

V. The term "company" means any body having a legal personality.

VI. The expression "permanent establishment" means offices, branches, factories or other fixed places or business where an enterprise exercises the whole or part of its activity. When an enterprise of one of the contracting States does business in the other State through an agency established there, it shall not be considered that this enterprise has a permanent establishment in the latter State, unless the agent is authorized to negotiate and conclude contracts or has on hand a stock of merchandise from which he regularly fills orders which he receives.