

1982 No. 1
SCHEDULE OF THE UNITED STATES
CANADA

CONVENTION BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON THE ESTATES OF DECEASED PERSONS.

THE GOVERNMENT OF CANADA and THE GOVERNMENT OF THE UNITED STATES OF AMERICA, desiring to conclude a convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, agree as follows:

Article I

1. The taxes referred to in this Convention are:

- (a) for the United States of America: the Federal estate tax;
- (b) for Canada: the estate tax imposed by the Government of Canada.

2. The present Convention shall also apply to any other taxes of a substantially similar character imposed by either contracting State subsequent to the date of signature of the present Convention.

Article II

Where a person dies a citizen of the United States of America or domiciled in Canada or the United States of America, the situs of any rights or interests, legal or equitable, in or over any of the following classes of property, which for the purposes of tax form or are deemed to form part of the estate of such person or pass or are deemed to pass on his death, shall, for the purposes of the imposition of tax on the basis of situs of property within the taxing State and for the purposes of the credit to be allowed under Article V, be determined exclusively in accordance with the following rules, but in cases not within such rules the situs of such rights or interests shall be determined for these purposes in accordance with the laws in force in the other contracting State:

- (a) immovable property (except any right or interest therein by way of security) shall be deemed to be situated at the place where such property is located;
- (b) tangible movable property (except any right or interest therein by way of security and except any tangible movable property for which specific provision is made in any subsequent paragraph of this Article), and, in any case, bank or currency notes and other forms of currency recognized as legal tender in the place of issue, shall be deemed to be situated at the place where such property was located at the time of death, or, if in course of transit at that time, at the place of intended destination;
- (c) debts whether secured or unsecured and whether under seal or otherwise (including bills of exchange and promissory notes, whether negotiable or otherwise, but not including any form of indebtedness for which specific provision is made in any subsequent paragraph of this Article), shall be deemed to be situated at the place where the debtor was ordinarily resident at the time of death, or, where the debtor is a company, then at the place where the company is incorporated;