

## ARTICLE XX

*Students*

Payments which a student, apprentice or business trainee who is, or was immediately before visiting one of the Contracting States, a resident of the other Contracting State and who is present in the first-mentioned Contracting State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that first-mentioned State, provided that such payments are made to him from sources outside that State.

## ARTICLE XXI

*Other Income*

Items of income of a resident of a Contracting State, arising in the other Contracting State and not dealt with in the foregoing Articles of this Convention, may be taxed in that other State.

## ARTICLE XXII

*Methods for the Elimination of Double Taxation*

1. Where a resident of Brazil derives income which, in accordance with the provisions of this Convention, may be taxed in Canada, Brazil shall allow as a deduction from the tax on the income of that person, an amount equal to the income tax paid in Canada. The deduction shall not, however, exceed that part of the income tax as computed before the deduction is given, which is appropriate to the income which may be taxed in Canada.
2. Unless the provisions of paragraph 4 or 5 apply, where a resident of Canada derives income which, in accordance with the provisions of this Convention, may be taxed in Brazil, Canada shall allow as a deduction from the tax on the income of that person, an amount equal to the income tax paid in Brazil, including business-income tax and non-business-income tax. The deduction shall not, however, exceed that part of the income tax as computed before the deduction is given, which is appropriate to the income which may be taxed in Brazil.
3. For the deduction indicated in paragraph 2, Brazilian tax shall always be considered as having been paid at the rate of 25 per cent of the gross amount of the profits to which paragraph 5 (b) of Article X applies and at the rate of 20 per cent of the gross amount of the income paid in Brazil in the case of interest to which paragraph 2 of Article XI applies and royalties to which paragraph 2 (b) of Article XII applies.
4. Dividends received by a company which is a resident of Canada from a company which is a resident of Brazil shall be exempt from tax in Canada if the company receiving the dividends holds an equity percentage of at least 10 per cent in the