

**CONVENTION BETWEEN CANADA AND THE UNITED STATES OF AMERICA WITH
RESPECT TO TAXES ON INCOME AND ON CAPITAL**

Canada and 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 income and on capital,

HAVE AGREED as follows:

ARTICLE I

PERSONAL SCOPE

This Convention is generally applicable to persons who are residents of one or both of the Contracting States.

ARTICLE II

TAXES COVERED

1. This Convention shall apply to taxes on income and on capital imposed on behalf of each Contracting State, irrespective of the manner in which they are levied.

2. The existing taxes to which the Convention shall apply are:

- (a) In the case of Canada, the taxes imposed by the Government of Canada under Parts I, XIII and XIV of the Income Tax Act; and
- (b) In the case of the United States, the Federal income taxes imposed by the Internal Revenue Code.

3. The Convention shall apply also to:

- (a) Any identical or substantially similar taxes on income; and
- (b) Taxes on capital

which are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes.

4. Notwithstanding the provisions of paragraphs 2(b) and 3, the Convention shall apply to: