

PRESS RELEASE



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FOR IMMEDIATE RELEASE
WEDNESDAY, JUNE 16, 1965.

The Secretary of State for External Affairs, the Honourable Paul Martin, announced today that he had met with the chargé d'affaires a.i. of Finland, Mr. Sakari Nurmi, to exchange the instruments of ratification for the Supplementary Convention between Canada and Finland for the avoidance of double taxation and the prevention of fiscal evasion with respect to income taxes. This action has the effect of bringing the Supplementary Convention, which was signed in Helsinki on December 30, 1964, into force effective January 1, 1965.

The purpose of the Supplementary Convention is to amend the existing tax convention between Canada and Finland by deleting a provision that prevents a non-resident withholding tax of more than 5% from being levied on dividends paid by a controlled subsidiary company in one of the countries to its parent company in the other. The deletion of this provision will leave the general rule that Canada will not impose a non-resident withholding tax in excess of 15% on dividends derived from sources within Canada by residents of Finland. The same maximum rate will apply to dividends derived from sources within Finland by residents of Canada.