

CONVENTION BETWEEN CANADA AND JAPAN 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 Japan,
Desiring to conclude a convention for the avoidance of double taxation and
the prevention of fiscal evasion with respect to taxes on income,
Have agreed as follows:

ARTICLE I.

1. The taxes which are the subject of this Convention are:

(a) in Japan:

the income tax and the corporation tax (hereinafter referred to as
"Japanese tax");

(b) in Canada:

the income taxes, including the old age security tax on income, which
are imposed by the Government of Canada (hereinafter referred to as
"Canadian tax").

2. The Convention shall also apply to any other taxes of a character sub-
stantially similar to those referred to in paragraph 1 imposed by the Government
of Canada or the Government of Japan after the date of signature of this Con-
vention.

ARTICLE II.

1. In this Convention, unless the context otherwise requires:

(a) the term "Japan", when used in a geographical sense, means all the
territory in which the laws relating to Japanese tax are enforced;

(b) the terms "one of the Contracting States" and the "other Contracting
State" mean Canada or Japan, as the context requires;

(c) the term "tax" means Canadian tax or Japanese tax, as the context
requires;

(d) the term "resident of Canada" means any individual who is resident in
Canada for the purposes of Canadian tax and not resident in Japan for
the purposes of Japanese tax and any Canadian corporation; and the
term "resident of Japan" means any individual who is resident in Japan
for the purposes of Japanese tax and not resident in Canada for the
purposes of Canadian tax and any Japanese corporation;

(e) the terms "resident of one of the Contracting States" and "resident of
the other Contracting State" mean a resident of Canada or a resident of
Japan, as the context requires;

(f) the term "Japanese corporation" means

(i) any company,

(ii) any other kind of juridical person, or

(iii) any organization without juridical personality treated for the pur-
poses of Japanese tax as a juridical person
which has its head or main office in Japan and which is not managed
and controlled in Canada;

(g) the term "Canadian corporation" means any corporation which is
managed and controlled in Canada and which has not its head or main
office in Japan;