

acter, if it has not been modified thereafter or has been modified only in minor respects so as not to affect its general character.

2. In the case of Indonesia, double taxation shall be avoided as follows:

- (a) Indonesia, when imposing tax on residents of Indonesia, may include in the basis upon which such taxes are imposed the items of income or capital which according to the provisions of this Convention may be taxed in Canada.
- (b) Subject to the provisions of subparagraph (c), Indonesia shall allow as a deduction from the tax computed in conformity with subparagraph (a) an amount equal to such proportion of that tax that the income or capital which is included in the basis of that tax and may be taxed in Canada according to the provisions of this Convention bears to the total income or capital which forms the basis for Indonesian tax.
- (c) Where a resident of Indonesia derives income which, in accordance with paragraph 2 of Article 10, paragraph 2 of Article 11, and paragraph 2 of Article 12 may be taxed in Canada, Indonesia shall allow as a deduction from the Indonesian tax on the income of that person an amount equal to the tax paid in Canada on that income. Such deduction shall not, however, exceed that part of the Indonesian tax computed in conformity with subparagraph (a) which is appropriate to the income derived from Canada.

3. For the purposes of this Article, profits, income or gains of a resident of a Contracting State which are taxed in the other Contracting State in accordance with this Convention shall be deemed to arise from sources in that other State.

## CHAPTER VI

### SPECIAL PROVISIONS

#### ARTICLE 24

##### *Non-Discrimination*

1. The nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other State in the same circumstances are or may be subjected.

2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.

3. Nothing in this Article shall be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and