

SUPPLEMENTARY AGREEMENT MODIFYING THE AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE ROYAL GOVERNMENT OF SWEDEN FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF RULES FOR RECIPROCAL FISCAL ASSISTANCE IN THE MATTER OF INCOME TAXES SIGNED AT OTTAWA ON APRIL 6, 1951.

The Government of Canada and the Royal Government of Sweden desiring to conclude a Supplementary Agreement modifying the Agreement for the avoidance of double taxation and the establishment of rules for reciprocal fiscal assistance in the matter of income taxes signed at Ottawa on April 6, 1951,⁽¹⁾ have agreed as follows:

ARTICLE I

The provisions of the above-mentioned Agreement are hereby modified as follows:

- (a) by deleting Article I and replacing it with the following:

"ARTICLE I

1. The taxes which are subject to this Agreement are

- (a) In Canada:

income taxes, including the old age security tax on income, which are imposed by the Government of Canada;

(hereinafter referred to as "Canadian tax").

- (b) In Sweden:

(i) the State income tax, including sailors tax and coupon tax;

(ii) the tax on public entertainers;

(iii) the communal income tax;

(hereinafter referred to as "Swedish tax").

2. This Agreement shall also apply to any other taxes of a substantially similar character which are subsequently imposed by the Government of Canada, and to any other State income tax and communal income tax of a substantially similar character which are subsequently imposed in Sweden";

- (b) by deleting in paragraph 1 of Article VI the words—

"Notwithstanding the provisions of the foregoing paragraph, the Canadian tax on dividends paid to a company which is a resident of Sweden by a company resident in Canada, more than 50 per cent of whose shares which have under all circumstances full voting rights are owned by the former company, shall not exceed 5 per cent.";

- (c) by deleting in paragraph 2 of Article VI the words—

"Notwithstanding the provisions of the foregoing paragraph, the Swedish coupon tax on dividends paid to a company which is a resident of Canada by a company resident in Sweden, more than 50 per cent of whose shares which have under all circumstances full voting rights are owned by the former company, shall not exceed 5 per cent.";

- (d) by deleting in paragraph 1 of Article XV the words—

"The special tax payable in Sweden by public entertainers such as theatre and radio artists, musicians and athletes (bevillningsavgifter

(1) Canada Treaty Series 1951 No. 13