

AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE UNION OF SOUTH AFRICA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO DEATH DUTIES.

The Government of Canada and the Government of the Union of South Africa desiring to conclude an agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to death duties, have agreed as follows:

ARTICLE I

- (1) The duties which are the subject of this agreement are—
- (a) In the Union of South Africa the estate duty imposed by the Union; and
 - (b) In Canada the succession duty imposed by Canada.
- (2) This Agreement shall also apply to any other duties of a substantially similar character imposed by either Contracting Government subsequent to the date of signature of this Agreement.

ARTICLE II

- (1) In this Agreement, unless the context otherwise requires—
- (a) "Union", means the Union of South Africa;
 - (b) "territory", means the Union or Canada as the case may be;
 - (c) "Competent Authority" means, in the case of the Union, the Commissioner for Inland Revenue or his authorised representative; in the case of Canada, the Minister of National Revenue or his authorised representative.
- (2) In the application of the provisions of this Agreement by one of the Contracting Governments, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting Government relating to the duties which are the subject of this Agreement.

ARTICLE III

- (1) Where both Contracting Governments impose duty on the property of any person who at the time of his death was—
- (a) ordinarily resident in the Union but not domiciled in Canada, or
 - (b) domiciled in Canada but not ordinarily resident in the Union the Contracting Government in whose territory such person was so ordinarily resident or domiciled shall allow against its duty (as calculated under its own legislation) a credit corresponding to the amount of duty imposed by the other Contracting Government and attributed by that other Contracting Government to the property included in the calculation of the duty imposed by both Governments, but the amount of this credit shall not exceed the portion of duty collectible by the Government which is required to give the credit on the same property.
- (2) Where both Contracting Governments impose duty on the property of any person who at the time of his death was ordinarily resident in the Union and domiciled in Canada, each Contracting Government shall allow against so much of its duty (as otherwise computed) as is attributable to the property included in the calculation of the duty by both Governments a credit which bears the same proportion to the amount of its duty so attri-