

by the Italian laws and must contain an official certificate issued by the competent authority of Canada stating that the conditions for claiming the exemptions or reductions provided for in this Convention have been fulfilled.

2. The competent authorities of the Contracting States may, by mutual agreement and in accordance with the provisions of Article XXIII, agree on other procedures for the application of the limitations provided for by this Convention.

ARTICLE XXVII

Entry into Force

1. This Convention shall be ratified and the instruments of ratification shall be exchanged as soon as possible at Rome.

2. The Convention shall enter into force upon the exchange of instruments of ratification and its provisions shall have effect:

(a) in Canada:

- (i) in respect of tax withheld at the source on amounts paid or credited to non-residents on or after the first day of January in the calendar year in which the exchange of instruments of ratification takes place; and
- (ii) in respect of other Canadian tax for taxation years beginning on or after the first day of January in the calendar year in which the exchange of instruments of ratification takes place;

(b) in Italy:

in respect of income derived during the taxable periods beginning on or after the first day of January in the calendar year in which the exchange of instruments of ratification takes place.

3. The exchanges of notes between Canada and Italy dated March 29, 1932 concerning the reciprocal tax exemption on income derived from the operation of ships, and dated October 29, 1974 concerning an Agreement for the avoidance of double taxation of income derived from the operation of aircraft, are terminated.

Their provisions shall cease to have effect with respect to taxes to which this Convention applies in accordance with paragraph 2.

ARTICLE XXVIII

Termination

This Convention shall continue in effect indefinitely but either Contracting State may, on or before June 30 in any calendar year after the expiration of the fifth year from that of its ratification, give to the other Contracting State a notice of termination in writing and through diplomatic channels. In such event, the Convention shall cease to have effect:

(a) in Canada:

- (i) in respect of tax withheld at the source on amounts paid or credited to non-residents on or after the first day of January in the calendar year following that in which the notice is given; and