

## ARTICLE XVIII.

1. The nationals of one of the Contracting States 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 Contracting State in the same circumstances are or may be subjected.

2. In this Article the term "nationals" means all individuals possessing the nationality of either of the Contracting States and all corporations and other associations (with or without juridical personality) deriving their status as such from the laws in force in either of the Contracting States.

3. This Article shall not be construed as preventing one of the Contracting States from taxing non-residents of that Contracting State on a different basis from that on which it taxes residents of that Contracting State.

## ARTICLE XIX.

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

2. This Convention shall enter into force on the date of exchange of instruments of ratification and shall have effect—

(a) in Japan:

in respect of tax for the taxable 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 Canada:

- (i) in respect of tax withheld at the source on amounts paid 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.

3. Either of the Contracting States may terminate this Convention at any time after a period of three years from the date on which this Convention enters into force, by giving to the other Contracting State notice of termination, provided that such notice shall be given on or before the 30th day of June, and, in such event, this Convention shall cease to be effective—

(a) in Japan:

in respect of tax for the taxable years beginning on or after the first day of January in the calendar year next following that in which the notice is given;

(b) in Canada:

- (i) in respect of tax withheld at the source on amounts paid to non-residents on or after the first day of January in the calendar year next following that in which the notice is given; and
- (ii) in respect of other Canadian tax for taxation years beginning on or after the first day of January in the calendar year next following that in which the notice is given.