

3. As used in this Article:

- (a) the term “pension” means payments made after retirement in consideration of past employment or by way of compensation for injuries received, in connection with past employment;
- (b) the term “annuity” means a stated sum payable periodically at stated times during life, or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money’s worth (other than services rendered).

4. Notwithstanding the provisions of paragraphs 1 and 2:

- (a) social security pensions arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in the first-mentioned State. However, such pensions shall be taxable only in the other Contracting State if the recipient is a national of and a resident of that other State;
- (b) war veterans pensions arising in Canada and paid to a resident of Brazil shall be exempt from Brazilian tax.

ARTICLE XIX

Governmental Payments

1. Remuneration, not including pensions, paid by a Contracting State, a political subdivision or a local authority thereof to any individual in respect of services rendered to that State, to a political subdivision or local authority shall be taxable only in that State.

However, such remuneration shall be taxable only in the Contracting State of which the recipient is a resident if the services are rendered in that State and if the recipient

- (a) is a national of that State, or
- (b) did not become a resident of that State solely for the purpose of performing the services.

2. The provisions of paragraph 1 shall not apply to remuneration in respect of services rendered in connection with any trade or business carried on by one of the Contracting States or a political subdivision or a local authority thereof.