

CANADA



EXCHANGE OF NOTES (August 2, 1956) BETWEEN CANADA AND THE UNITED KINGDOM EXTENDING THE DOUBLE TAXATION AGREEMENT OF JUNE 5, 1946 WITH RESPECT TO INCOME TAX TO KENYA, TANGANYIKA, UGANDA AND ZANZIBAR

I

The High Commissioner for the United Kingdom to the Secretary of State for External Affairs

OFFICE OF THE HIGH COMMISSIONER FOR THE UNITED KINGDOM,
EARNSCLIFFE, OTTAWA.

2nd August, 1956.

Sir,

I have the honour to inform you that the Government of the United Kingdom, in accordance with Article XV of the Agreement between the Government of the United Kingdom and the Government of Canada for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, dated 5th June 1946, has instructed me to give notice of its desire that the Agreement shall extend to certain colonial territories, the Governments of which have been consulted and have expressed their wish for the extension. The names of the territories and the taxes concerned are listed in the appendix hereto.

2. The extension, it is suggested, shall have effect in Canada as respects Income Taxes, including Surtaxes, for the taxation year 1954 and subsequent years, and, in the territories, as respects the taxes listed opposite their names in the Appendix hereto, for the year of income 1953 and subsequent years.

3. In relation to the territories listed in the Appendix, the Agreement will require modification as follows:—

- (a) In Article II the following words shall be inserted at the end of subparagraph (c) of paragraph (i):—“but shall not include any tax which is payable in respect of any default or omission in relation to the taxes to which this Agreement as extended applies or which represents a penalty imposed under the law of the territory concerned relating to those taxes.”
- (b) At the end of paragraph (1) of Article III shall be inserted the words “Provided that nothing in this Article shall affect any provisions of the law of either of the territories regarding the taxation of income from the business of insurance”.
- (c) At the end of paragraph (3) of Article III the fullstop shall be deleted and the following words added:—
“... and the profits so attributed shall be deemed to be income derived from sources in that other territory”.
- (d) Article XI shall be deleted.