

- (a) the term “Canada” used in a geographical sense, means the territory of Canada, and includes
 - (i) every area beyond the territorial seas of Canada that, in accordance with international law and the laws of Canada, is an area in respect of which Canada may exercise rights with respect to the sea-bed and subsoil and their natural resources; and
 - (ii) the seas above every area described in sub-paragraph (i) to the extent that the rights of Canada in these seas are recognized in international law;
- (b) the term “Japan”, when used in a geographical sense, means all the territory of Japan, including its territorial sea, in which the laws relating to Japanese tax are in force, and all the area beyond its territorial sea, including the sea-bed and subsoil thereof, over which Japan has jurisdiction in accordance with international law and in which the laws relating to Japanese tax are in force;
- (c) the terms “a Contracting State” and “the other Contracting State” mean Canada or Japan, as the context requires;
- (d) the term “tax” means Canadian tax or Japanese tax, as the context requires;
- (e) the term “person” includes an individual, a company and any other body of persons;
- (f) the term “company” means any body corporate or any entity which is treated as a body corporate for tax purposes;
- (g) the terms “enterprise of a Contracting State” and “enterprise of the other Contracting State” mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- (h) the term “nationals” means all individuals possessing the nationality of either Contracting State and all juridical persons created or organized under the laws of that Contracting State and all organizations without juridical personality treated for the purposes of tax of that Contracting State as juridical persons created or organized under the laws of that Contracting State;
- (i) the term “international traffic” means any voyage of a ship or aircraft operated by an enterprise of a Contracting State except where the principal purpose of the voyage is to transport passengers or goods between places in the other Contracting State;
- (j) the term “competent authority” means, in the case of Canada, the Minister of National Revenue or his authorized representative and, in the case of Japan, the Minister of Finance or his authorized representative.