

## ARTICLE 4

Subparagraph (a) of paragraph 3 of Article 12 of the Convention shall be deleted and replaced by the following:

“(a) copyright royalties and other like payments in respect of the production or reproduction of any literary, dramatic, musical or artistic work (but not including royalties in respect of motion pictures and works on film, videotape or other means of reproduction for use in connection with television broadcasting) arising in a Contracting State and paid to a resident of the other Contracting State who is subject to tax thereon shall be taxable only in that other State;”

## ARTICLE 5

1. There shall be added to paragraph 1 of Article 13 of the Convention a new subparagraph (d), written as follows:

“(d) For the purposes of subparagraphs (b) and (c) of this paragraph, the term “immovable property” includes the shares of a company the value of which shares is derived principally from immovable property or an interest in a partnership or trust the value of which is derived principally from immovable property, but does not include property, other than rental property, used in carrying on the activities of the company, partnership or trust.”

2. Paragraph 2 of Article 13 of the Convention shall be deleted and replaced by the following:

“2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State. However, gains from the alienation of ships or aircraft operated in international traffic by an enterprise of a Contracting State, or of movable property pertaining to the operation of such ships or aircraft shall be taxable only in that State.”

3. Paragraph 4 of Article 13 of the Convention shall be deleted and replaced by the following:

“4. Where a resident of a Contracting State alienates, in the course of a corporate organization, amalgamation, division or reorganization, shares forming part of a substantial interest in the capital stock of a company which is a resident of the other Contracting State, and gains with respect to this alienation are, or will be, subject to a tax carryover under the domestic laws or regulations of the first-mentioned Contracting State, the other Contracting State may agree, within the framework of an agreement between the competent