

**VII. FINAL PROVISIONS****ARTICLE 29****ENTRY INTO FORCE**

1. Each of the Contracting States shall notify the other through diplomatic channels of the completion of the procedures required by law for the bringing into force of this Convention. The Convention shall enter into force on the date of the later of these notifications and its provisions shall thereupon have effect:

(a) in Canada,

- (i) in respect of tax withheld at the source on amounts paid or credited to non-residents, on or after the first day of January of the calendar year immediately following that in which the Convention enters into force, and
- (ii) in respect of other Canadian tax for taxation years, beginning on or after the first day of January of the calendar year immediately following that in which the Convention enters into force; and

(b) in Chile,

in respect of taxes on income and amounts paid, credited to an account, made at the disposal or accounted as an expense, on or after the first day of January of the calendar year immediately following that in which the Convention enters into force.

2. The existing agreement between Canada and the Republic of Chile for the avoidance of double taxation of income derived from the operation of ships or aircraft in international traffic signed on July 30, 1992, shall terminate upon the entry into force of the Convention. However, the provisions of the said agreement shall continue in effect until the provisions of the Convention, in accordance with the provisions of paragraph 1, shall have effect.