

ARTICLE 20

Students

Payments which a student, apprentice or business trainee who is, or was immediately before visiting one of the Contracting States, a resident of the other Contracting State and who is present in the first-mentioned contracting State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that first-mentioned State, provided that such payments are made to him from sources outside that State.

ARTICLE 21

Income not Expressly Mentioned

1. Subject to the provisions of paragraph 2 of this Article, items of income of a resident of a Contracting State which are not expressly mentioned in the foregoing Articles of this Convention shall be taxable only in that Contracting State.

2. However, if such income is derived by a resident of a Contracting State from sources in the other Contracting State, such income may also be taxed in the State in which it arises, and according to the law of that State.

3. Notwithstanding the provisions of paragraph 2, in the case of income from an estate or trust derived from sources in Canada by a resident of Sri Lanka who is subject to tax in respect thereof, the tax charged in Canada shall not exceed 15 per cent of the gross amount of the income.

IV. TAXATION OF CAPITAL

ARTICLE 22

Capital

1. Capital represented by movable or immovable property may be taxed in the Contracting State in which such property is situated.

2. Ships and aircraft operated by an enterprise of a Contracting State in international traffic and movable property pertaining to the operation of such ships and aircraft, shall be taxable only in that State.

V. METHODS FOR PREVENTION OF DOUBLE TAXATION

ARTICLE 23

Elimination of Double Taxation

1. In the case of Canada, double taxation shall be avoided as follows:

(a) Subject to the existing provisions of the law of Canada regarding the deduction from tax payable in Canada of tax paid in a territory outside