

PRESS RELEASE



COMMUNIQUÉ

DEPARTMENT OF EXTERNAL AFFAIRS

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FRIDAY, APRIL 30, 1965.

The Secretary of State for External Affairs, the Honourable Paul Martin, announced today that he had met with the Ambassador of Japan, H. E. Hisanaga Shimadzu, to exchange the instruments of ratification for the Convention between Canada and Japan for the avoidance of double taxation and the prevention of fiscal evasion with respect to income taxes. This action has the effect of bringing the Convention, which was signed by the Minister of Finance, the Honourable W. L. Gordon in Tokyo on September 5, 1964, into force effective January 1, 1965.

The taxes included in the scope of the Convention are the Canadian federal income taxes on individuals and corporations including the old age security tax on income and the Japanese income tax and corporation tax on income. The Convention provides that the rate of tax imposed by one of the countries on dividends, interest and royalties paid to a resident of the other country may not exceed 15%. This rate is a reduction from the standard rate of 20% imposed by Japan.

Further details of the agreement are outlined in a press release issued by the Office of the Minister of Finance on September 5, 1964.