

för vissa offentliga föreställningar) shall be regarded, for purposes of this paragraph, as Swedish tax.”;

- (e) by deleting paragraph 2 of Article XV and replacing it with the following:

“2. Where income from sources in Canada under the laws of Canada and in accordance with this Agreement is subject to Canadian tax to which this Agreement applies, Sweden agrees to allow such Canadian tax paid in respect of that income as a deduction from and limited to the Swedish tax payable thereon.

However, where such income is a dividend paid by a company being a resident of Canada to a company which is a resident of Sweden, the dividend shall be exempt from Swedish tax, provided that in accordance with the laws of Sweden the dividend would be exempt from Swedish tax if the company paying the dividend had been a resident of Sweden and not a resident of Canada.”

## ARTICLE II

(1) This Supplementary Agreement is done in the English, French and Swedish languages, the texts having equal force. It shall be ratified by the two Contracting Governments. Ratification by His Majesty the King of Sweden shall be subject to the consent of Riksdag.

(2) The instruments of ratification shall be exchanged as soon as possible at Ottawa.

(3) This Supplementary Agreement shall come into force on the date on which the instruments of ratification are exchanged and shall thereupon have effect:

(a) In Sweden:

(i) in respect of tax on income for the assessment year 1967 and subsequent assessment years;

(ii) in respect of coupon tax on dividends payable on or after 1st April, 1966;

(iii) in respect of sailors tax and the tax on public entertainers on income derived on or after 1st January, 1966.

(b) In Canada:

(i) in respect of income taxes, including the old age security tax on income, for the taxation year 1966 and subsequent taxation years;

(ii) in respect of the tax withheld at the source on dividends, to any dividends paid or credited on or after 1st April, 1966.

(4) This Supplementary Agreement shall continue in force indefinitely as though it were an integral part of the Agreement of April 6, 1951.