

DOMINION OF CANADA

TREATY SERIES, 1930

No. 4

AGREEMENT

BETWEEN

HIS MAJESTY'S GOVERNMENT IN CANADA

and

HIS MAJESTY'S GOVERNMENT IN THE UNITED
KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND

providing for the

RECIPROCAL EXEMPTION FROM INCOME TAX
OF EARNINGS
DERIVED FROM THE OPERATION OF SHIPS

Signed at Ottawa the 8th May, 1930



OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1931

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AGREEMENT

Agreement between His Majesty's Government in Canada and His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland providing for the Reciprocal Exemption from Income Tax of Earnings derived from the Operation of Ships.

His Majesty's Government in Canada and His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland being desirous of concluding an agreement for the reciprocal exemption from income tax in certain cases of profits accruing from the business of shipping, have agreed as follows:

ARTICLE 1.

His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland agree to take the necessary steps under Section 18 of the Act of Parliament of the United Kingdom known as the Finance Act, 1923, and Section 31 of the Act of Parliament of the United Kingdom known as the Finance Act, 1924, for exempting from Income Tax chargeable in the United Kingdom for the year of assessment 1929/30, commencing on the 6th day of April, 1929, and for every subsequent year of assessment, any profits which accrue from the business of shipping carried on by an individual resident in Canada and not resident in the United Kingdom or by a company managing and controlling such business in Canada.

ARTICLE 2.

His Majesty's Government in Canada agree to take the necessary steps under paragraph (m) of Section 4 of the Income War Tax Act, (Revised Statutes, 1927, Chapter 97), of the Parliament of Canada for exempting from income tax chargeable in the Dominion in respect of the income of the year 1929, or of fiscal periods ending in that year, and of each year thereafter, any profits which accrue from the business of shipping carried on by an individual resident in the United Kingdom and not resident in Canada, or by a company managing and controlling such business in the United Kingdom.

ARTICLE 3.

The expression "the business of shipping" means the business carried on by an owner of ships, and for the purpose of this definition the expression "owner" includes any charterer.

ARTICLE 4.

This Agreement shall cease to have effect if and so soon as either the relief to be granted under Article 1 hereof in respect of income tax in the United Kingdom, or the relief to be granted under Article 2 hereof in respect of income tax in Canada ceases to have legal operation or upon the expiration of twelve months after either His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland or His Majesty's Government in Canada shall have given to the other notice of its intention to rescind this Agreement.

Done in duplicate at Ottawa this 8th day of May, 1930.

W. L. MACKENZIE KING.

W. H. CLARK.

W. D. EULER.

Signed on behalf of His Majesty's Government in Canada.

Signed on behalf of His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland.

ARTICLE 5.

His Majesty's Government in Canada agree to take the necessary steps under paragraph (a) of Section 4 of the Income Tax Act (Canada) and Chapter IV of the Statutes of Canada for exempting from income tax in the Dominion in respect of the income of the year 1929 or of any subsequent year of assessment any profits which accrue from the business of shipping carried on by an individual resident in Canada and not resident in the United Kingdom or by a company incorporated and carrying on business in Canada.

ARTICLE 6.

The expression "the business of shipping" means the business carried on by an owner of ships and for the purpose of this expression "owner" includes any charterer.

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