

N° 4268.

**ÉTATS-UNIS D'AMÉRIQUE
ET CANADA**

Convention concernant les taux de l'impôt sur le revenu appliqués aux personnes physiques et morales non résidentes. Signée à Washington, le 30 décembre 1936.

**UNITED STATES OF AMERICA
AND CANADA**

Convention concerning Rates of Income Tax imposed upon Non-resident Individuals and Corporations. Signed at Washington, December 30th, 1936.

No. 4268. — CONVENTION¹ BETWEEN THE UNITED STATES OF AMERICA AND CANADA CONCERNING RATES OF INCOME TAX IMPOSED UPON NON-RESIDENT INDIVIDUALS AND CORPORATIONS. SIGNED AT WASHINGTON, DECEMBER 30TH, 1936.

English official text communicated by the Envoy Extraordinary and Minister Plenipotentiary of the United States of America at Berne. The registration of this Convention took place January 31st, 1938.

THE GOVERNMENT OF THE UNITED STATES OF AMERICA and THE GOVERNMENT OF CANADA, being desirous of concluding a reciprocal Convention concerning rates of income tax imposed upon non-resident individuals and corporations, have agreed as follows :

Article I.

The High Contracting Parties mutually agree that the income taxation imposed in the two States shall be subject to the following reciprocal provisions :

(a) The rate of income tax imposed by one of the Contracting States, in respect of income derived from sources therein, upon individuals residing in the other State, who are not engaged in trade or business in the taxing State and have no office or place of business therein, shall not exceed five per centum for each taxable year, so long as an equivalent or lower rate of income taxation is imposed by the other State upon individuals residing in the former State who are not engaged in trade or business in such other State and do not have an office or place of business therein.

(b) The rate of income tax imposed by one of the Contracting States, in respect of dividends derived from sources therein, upon non-resident foreign corporations organized under the laws of the other State, which are not engaged in trade or business in the taxing State and have no office or place of business therein, shall not exceed five per centum for each taxable year, so long as an equivalent or lower rate of income taxation on dividends is imposed by the other State upon corporations organized under the laws of the former State which are not engaged in trade or business in such other State and do not have an office or place of business therein.

(c) Either State shall be at liberty to increase the rate of taxation prescribed by paragraphs (a) and (b) of this article, and in such case the other State shall be released from the requirements of the said paragraphs (a) and (b).

(d) Effect shall be given to the foregoing provisions by both States as and from the first day of January, nineteen hundred and thirty-six.

¹ The exchange of ratifications took place at Washington, August 13th, 1937.

Article II.

The provisions of this Convention shall not apply to citizens of the United States of America domiciled or resident in Canada.

Article III.

This Convention shall be ratified and shall take effect immediately upon the exchange of ratifications which shall take place at Washington as soon as possible.

Signed, in duplicate, at Washington by the duly authorized representatives of the United States of America and Canada, this thirtieth day of December, in the year of our Lord, one thousand nine hundred and thirty-six.

For the United States of America :

(Seal) R. Walton MOORE,
Acting Secretary of State.

For Canada :

(Seal) Herbert M. MARLER,
*Envoy Extraordinary
and Minister Plenipotentiary.*

Certified to be a true and complete textual copy of the original Convention in the sole language in which it was signed.

For the Secretary of State
of the United States of America :

Edward Yardley,
*Chief Clerk
and Administrative Assistant.*
