

**EXTENSION TO CERTAIN TERRITORIES OF THE UNITED KINGDOM  
DOUBLE INCOME-TAX AGREEMENT WITH CANADA**

It has been agreed between the United Kingdom Government and the Canadian Government that the Agreement of the 5th June, 1946, between the Government of the United Kingdom and the Government of Canada for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (S.R. & O. 1946 No. 1885) may be extended to apply to certain Territories.

The following letters have been exchanged between the two Governments:—

*Office of the High Commissioner for the United Kingdom,  
Earncliffe, Ottawa.  
27th July, 1951.*

No. 41  
Sir,

I have the honour to inform you that my Government, in accordance with Article XV of the Agreement between the Government of the United Kingdom and the Government of Canada for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on Income, dated 5th June, 1946, has instructed me to give notice of its desire that the Agreement shall extend to the Governments of certain Colonial territories which have been consulted and have expressed their wish for the extension. The names of the territories, the dates from which it is suggested the extension should have effect in relation to them, and the taxes concerned, are listed in the appendix hereto.

2. The extension, it is suggested, shall have effect in Canada as respects income taxes, including surtaxes, for the taxation year 1951 and, subsequent years.

3. In relation to the territories listed in the Appendix, Article VI (3) of the Agreement will require modification as follows. For "shall be exempt from [United Kingdom] surtax" there shall be deemed to be substituted "shall not be liable to tax in [the territory] at a rate in excess of the rate applicable to a company".

4. It is proposed that this notification and the Canadian Government's written acceptance shall be regarded as putting on record the agreement of the two Governments that the Double Taxation Agreement as modified shall apply to the territories named on the sixtieth day after the date below.

5. Subject to the concurrence of the Canadian Government it is proposed that this exchange of documents shall be published in the London Gazette and an announcement issued to the United Kingdom press. It is assumed that suitable publicity will also be given in Canada to the extension of the Agreement.

I have the honour to be,  
Sir,  
Your most obedient Servant,  
*J. Thomson,*  
for the High Commissioner.

The Honourable Brooke Claxton, D.C.M., K.C., M.P.,  
Acting Secretary of State for External Affairs,  
Ottawa.

APPENDIX

Territory	Date from which the extension is to be effective in the Territory	Taxes to which the Agreement is to apply in the Territory
Aden Colony	1st April, 1951	The income tax (including super tax)
Antigua	1st January, 1951	The income tax
Barbados	" " "	" " "
British Honduras	" " "	The income tax (including surtax)
Cyprus	" " "	The income tax
Falkland Islands	" " "	" " "
Fiji	" " "	Normal tax and surtax
Gambia	" " "	The income tax
Gold Coast	1st April, 1951	" " "
Grenada	1st January, 1951	" " "
Jamaica	" " "	The income tax (including surtax)
Mauritius	1st July, 1951	The income tax
Montserrat	1st January, 1951	" " "
Nigeria	1st April, 1951	" " "
Nyasaland	" " "	The income tax (including surtax)
St. Christopher and Nevis	1st January, 1951	The income tax
St. Vincent	" " "	" " "
Seychelles	" " "	" " "
Sierra Leone	1st April, 1951	The income tax; the duty on profits charged under the Concessions Ordinance, 1931; the Diamond Industry Profit Tax.
Trinidad	1st January, 1951	The income tax
Virgin Islands	" " "	" " "

*Department of External Affairs,  
Ottawa, August 14, 1951*

No. E-57  
Sir,

I have the honour to acknowledge receipt of your Note No. 41 of July 27, 1951, regarding the income tax agreement between Canada and the United Kingdom which reads as follows:—

[Here follows text of letter from the High Commissioner for the United Kingdom dated 27th July, 1951]

2. The terms of the foregoing note are acceptable to the Canadian Government and I have the honour to confirm that the note under reference together with my present reply thereto shall be regarded as putting on record the agreement of the two Governments that the Double Taxation Agreement as modified shall apply to the territories named on the sixtieth day after July 27, 1951.

3. I am also in a position to inform you that the Canadian Government has no objection to the publication of this exchange of documents in the London Gazette and to the release of an appropriate announcement to the United Kingdom Press. The Canadian authorities, for their part, propose to have the present exchange of notes published in the Canada Gazette and to issue a brief statement to the Canadian press.

I have the honour, etc.  
*A. D. P. Heeney,*  
for the Secretary of State for External Affairs.

His Excellency Sir Alexander Clutterbuck, K.C.M.G., M.C.,  
High Commissioner for the U.K.,  
Earncliffe, Ottawa.

*A. C. B. Symon,*  
Assistant Under Secretary of State.

Commonwealth Relations Office,  
17th September, 1951.