

No. 53272*

**Canada
and
Slovakia**

**Agreement between the Government of Canada and the Government of the Slovak Republic
for the avoidance of double taxation and the prevention of fiscal evasion with respect to
taxes on income and on capital. Bratislava, 22 May 2001**

Entry into force: *18 December 2001 by notification, in accordance with article 29*

Authentic texts: *English, French and Slovak*

Registration with the Secretariat of the United Nations: *Canada, 10 December 2015*

**No UNTS volume number has yet been determined for this record. The Text(s) reproduced below, if attached, are the authentic texts of the agreement /action attachment as submitted for registration and publication to the Secretariat. For ease of reference they were sequentially paginated. Translations, if attached, are not final and are provided for information only.*

**Canada
et
Slovaquie**

**Accord entre le Gouvernement du Canada et le Gouvernement de la République slovaque en
vue d'éviter les doubles impositions et de prévenir l'évasion fiscale en matière d'impôts
sur le revenu et sur la fortune. Bratislava, 22 mai 2001**

Entrée en vigueur : *18 décembre 2001 par notification, conformément à l'article 29*

Textes authentiques : *anglais, français et slovaque*

Enregistrement auprès du Secrétariat des Nations Unies : *Canada, 10 décembre 2015*

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[ENGLISH TEXT – TEXTE ANGLAIS]

AGREEMENT

BETWEEN

THE GOVERNMENT OF CANADA

AND

THE GOVERNMENT OF THE SLOVAK REPUBLIC

**FOR THE AVOIDANCE OF DOUBLE TAXATION
AND THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME AND ON CAPITAL**

**THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE
SLOVAK REPUBLIC,**

DESIRING to conclude an Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital,

HAVE AGREED as follows:

ARTICLE 1

PERSONS COVERED

This Agreement shall apply to persons who are residents of one or both of the Contracting States.

ARTICLE 2

TAXES COVERED

1. This Agreement shall apply to taxes on income and on capital imposed on behalf of a Contracting State, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property, as well as taxes on capital appreciation.
3. The existing taxes to which the Agreement shall apply are, in particular,
 - a) in the case of Canada, the taxes imposed by the Government of Canada under the *Income Tax Act* (hereinafter referred to as "Canadian tax"); and
 - b) in the case of Slovakia:
 - (i) the tax on income of individuals;

(ii) the tax on income of legal persons;

(iii) the tax on immovable property;

(hereinafter referred to as "Slovak tax").

4. The Agreement shall apply also to any identical or substantially similar taxes which are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their respective taxation laws.

ARTICLE 3

GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires,
 - a) the term "Canada", used in a geographical sense, means the territory of Canada, including
 - (i) any area beyond the territorial sea of Canada that, in accordance with international law and the laws of Canada, is an area in respect of which Canada may exercise rights with respect to the seabed and subsoil and their natural resources, and
 - (ii) the sea and airspace above every area referred to in clause (i);
 - b) the term "Slovakia" means the Slovak Republic and, used in a geographical sense, means the territory within which the Slovak Republic exercises its sovereign rights and jurisdiction, in accordance with the rules of international law;
 - c) the terms "a Contracting State" and "the other Contracting State" mean Canada or Slovakia as the context requires;
 - d) the term "person" includes an individual, a trust, a company and any other body of persons;
 - e) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;
 - f) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
 - g) the term "competent authority" means:
 - (i) in the case of Canada, the Minister of National Revenue or the Minister's authorized representative;
 - (ii) in the case of Slovakia, the Minister of Finance or the Minister's authorized representative;

- h) the term "national" means:
 - (i) any individual possessing the nationality of a Contracting State;
 - (ii) any legal person, partnership or association deriving its status as such from the laws in force in a Contracting State;
 - i) the term "international traffic" means any voyage of a ship or aircraft operated by an enterprise of a Contracting State to transport passengers or property except where the principal purpose of the voyage is to transport passengers or property between places within the other Contracting State.
2. As regards the application of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

ARTICLE 4

RESIDENT

1. For the purposes of this Agreement, the term "resident of a Contracting State" means:
- a) any person who, under the laws of that State, is liable to tax therein by reason of the person's domicile, residence, place of management or any other criterion of a similar nature but does not include any person who is liable to tax in that State in respect only of income from sources in that State;
 - b) that State or a political subdivision or local authority thereof or any agency or instrumentality of any such State, subdivision or authority.
2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then the individual's status shall be determined as follows:
- a) the individual shall be deemed to be a resident only of the State in which the individual has a permanent home available; if the individual has a permanent home available in both States, the individual shall be deemed to be a resident only of the State with which the individual's personal and economic relations are closer (centre of vital interests);
 - b) if the State in which the individual's centre of vital interests is situated cannot be determined, or if there is not a permanent home available to the individual in either State, the individual shall be deemed to be a resident only of the State in which the individual has an habitual abode;
 - c) if the individual has an habitual abode in both States or in neither of them, the individual shall be deemed to be a resident only of the State of which the individual is a national;
 - d) if the individual is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a company is a resident of both Contracting States, then its status shall be determined as follows:

- a) it shall be deemed to be a resident only of the State of which it is a national; or
- b) if it is a national of neither of the States, it shall be deemed to be a resident only of the State in which its place of effective management is situated.

4. Where by reason of the provisions of paragraph 1 a person other than an individual or a company is a resident of both Contracting States, the competent authorities of the Contracting States shall by mutual agreement endeavour to settle the question and to determine the mode of application of the Agreement to such person. In the absence of such agreement, such person shall not be entitled to claim any relief or exemption from tax provided by the Agreement.

ARTICLE 5

PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2. The term "permanent establishment" includes especially:

- a) a place of management;
- b) a branch;
- c) an office;
- d) a factory;
- e) a workshop; and
- f) a mine, an oil or gas well, a quarry or any other place relating to the exploration for or the exploitation of natural resources.

3. The term "permanent establishment" likewise encompasses:

- a) a building site or construction or assembly or installation project only if it lasts for more than twelve months;
- b) the furnishing of services, including consultancy and managerial services, by an enterprise of a Contracting State through employees or other personnel engaged by the enterprise for such purposes, but only where activities of that nature continue (for the same or a connected project) within the territory of the other Contracting State for a period or periods aggregating more than nine months within any twelve-month period.

4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:

- a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;