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Office of the High Commissioner for Canada,  
Wellington, January 30th, 1946.

MY DEAR MR. NASH,—

I have the honour to acknowledge the receipt of your Note of November 3rd, 1945, with regard to the proposed Agreement between Canada and New Zealand for the reciprocal exemption of certain agency profits from income tax, and the annexed Memorandum of Agreement.

The arrangements proposed in the Memorandum of Agreement meet with the approval of the Government of Canada, and I have been authorized to conclude the Memorandum of Agreement and to accept your suggestion that your Note and the annexed Memorandum of Agreement, together with this reply informing you that the proposals are accepted by the Government of Canada shall constitute a formal agreement between our two Governments, as of November 3rd, 1945.

Yours sincerely,

(Signed) W. A. RIDDELL, High Commissioner for Canada.

Enclosure : Memorandum of Agreement.

The Right Honourable Walter Nash,  
Minister of Finance,  
Wellington.

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# MEMORANDUM OF AGREEMENT BETWEEN CANADA AND NEW ZEALAND FOR RECIPROCAL EXEMPTION OF CERTAIN AGENCY PROFITS FROM INCOME TAX

His Majesty's Government in Canada and His Majesty's Government in New Zealand, being desirous of concluding an agreement for reciprocal exemption from income tax in certain cases of profits or gains arising through an agency, have agreed as follows :—

## ARTICLE 1

His Majesty's Government in New Zealand undertake that the profits or gains to which this Article relates shall, so long as the exemption specified in Article 2 hereof remains effective, be exempted from income tax chargeable in New Zealand for the year of assessment commencing on the first day of April, nineteen hundred and forty-three, and for every subsequent year of assessment, and will take the necessary action under Section eleven of the Act of Parliament of New Zealand known as the Land and Income Tax Amendment Act 1935, with a view to giving the force of law to the exemption aforesaid.

The profits or gains to which this Article relates are any profits or gains from the sale of goods, other than things in action and money, arising, whether directly or