



# International tax treaty rates<sup>1</sup> (%)

(Updated to January 31, 2020)

Country	Interest <sup>2</sup>	Dividends, including patronage dividends <sup>3</sup>	Royalties and rents – Personal property <sup>2</sup>	Rents - Real property in Canada	Pensions and annuities <sup>2</sup>	Estate or trust
Australia	0/10	5/15	10	25	15/25	15
Belgium	0/10	5/15	0/10	25	25	15
China <sup>4</sup>	0/10	10/15	10	25	25	25
France	0/10	5/15	0/10	25	25	15
Germany	0/10	5/15	0/10	25	25	25
Israel	0/10	5/15	0/10	25	15/25	15/25
Italy	0/10	5/15	0/5/10	25	15/25	15/25
Japan	0/10	5/15	10	25	25	25
Mexico	0/10	5/15	0/10	25	15/25	15/25
Netherlands	0/10	5/15	0/10	25	15/25	15
Switzerland	0/10	5/15	0/10	25	15/25	25
United Kingdom	0/10	5/15	0/10	25	0/10/25	15
United States	0 <sup>5</sup>	5/15	0/10	25	15/25	15

<sup>1</sup> This table provides general information and should not replace a careful review of any particular treaty. Withholding tax rates noted are those applied by Canada on certain payments to residents of selected countries with which it has signed international tax treaties. Certain exceptions modify the tax withholding rates shown in the table. Canada is a signatory to the “Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting” (Multilateral Instrument or MLI). The MLI is applicable, with respect to withholding tax-related matters, as of January 1, 2020, in respect of covered tax agreements with jurisdictions that ratified the MLI prior to October 1, 2019.

<sup>2</sup> Certain payments are exempt from withholding tax under the Canadian Income Tax Act. For example, interest (other than on participating debt) paid to arm’s length parties is not subject to Canadian withholding tax effective January 1, 2008.

<sup>3</sup> Rates vary according to the percentage of ownership, and whether the payments are made to an individual or a corporation.

<sup>4</sup> The treaty with China does not apply to Hong Kong.

<sup>5</sup> Under the Canadian Income Tax Act and under the Fifth Protocol to the Canada-US treaty, (non-contingent) interest paid to both arm’s length and non-arm’s length parties is not subject to withholding tax.