

No. 32037

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**CANADA
and
MEXICO**

**Convention for the exchange of information with respect to
taxes. Signed at Mexico City on 16 March 1990**

Authentic texts: English, French and Spanish.

Registered by Canada on 5 July 1995.

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**Convention sur l'échange de renseignements en matière fis-
cale. Signée à Mexico le 16 mars 1990**

Textes authentiques : anglais, français et espagnol.

Enregistrée par le Canada le 5 juillet 1995.

CONVENTION¹ BETWEEN THE GOVERNMENT OF CANADA AND
THE GOVERNMENT OF THE UNITED MEXICAN STATES FOR
THE EXCHANGE OF INFORMATION WITH RESPECT TO
TAXES

The Government of Canada and the Government of
the United Mexican States, desiring to conclude a
Convention for the exchange of information with respect to
taxes (hereinafter referred to as the "Convention"), have
agreed as follows:

ARTICLE 1

OBJECT AND SCOPE

1. The objective of this Convention is to facilitate the exchange of information between the Contracting States on the assessment and collection of taxes, with a view to better enable them to prevent, within their respective jurisdiction, fiscal evasion and fraud, and develop improved information sources for tax matters.
2. The Contracting States shall cooperate with each other to carry out the objective of this Convention, in conformity with and subject to the limitations of their respective national laws and regulations.
3. Pursuant to the provision of paragraph 2 of this Article, requests for assistance under this Convention will be executed, except to the extent that:

¹ Came into force on 27 April 1992, the date on which the Contracting Parties informed each other of the completion of the constitutional and statutory requirements, in accordance with article 7 (1).

- a) execution of the request would require the requested State to exceed its legal authority or would otherwise be prohibited by legal provisions in force in that State, or when the information requested is not obtainable under the laws or in the normal course of the administration of the requested State or of the other Contracting State, in which case the competent authorities of both Contracting States shall consult with each other to agree upon alternative lawful means for securing assistance;
- b) execution of the request would in the judgement of the requested State be contrary to its national security or public policy;
- c) to supply information would disclose any trade, business, industrial, commercial, or professional secret or trade process;
- d) execution of the request would impose on a Contracting State the obligation to carry out measures at variance with the laws or the administrative practices of that or the other Contracting State; or
- e) the request does not comply with the provisions of this Convention.

4. The Contracting States shall provide assistance through exchanges of information authorized pursuant to Article 4 and such related measures as may be agreed upon by the competent authorities pursuant to Article 5.

ARTICLE 2

TAXES COVERED

1. This Convention shall apply to the following taxes imposed by or on behalf of a Contracting State:

- a) in the case of Canada, the taxes imposed by the Government of Canada under the Income Tax Act;
- b) in the case of the United Mexican States,
 - (1) Federal income taxes,
 - (11) Federal taxes on employment income,
 - (111) Federal taxes on assets.

2. This Convention shall apply also to any identical or substantially similar taxes imposed after the date of signature of the Convention in addition to or in place of the existing taxes. The competent authority of each Contracting State shall notify the other of changes in laws which may affect the obligations of that State pursuant to this Convention.

3. This Convention shall not apply to taxes imposed by states, provinces, municipalities or other political subdivisions of a Contracting State.

ARTICLE 3

DEFINITIONS

1. In this Convention, unless otherwise defined:
 - a) The term "competent authority" means:
 - (i) in the case of Canada, the Minister of National Revenue or his authorized representative, and
 - (ii) in the case of the United Mexican States the Secretary of Finance and Public Credit or his authorized representative.
 - b) The term "person" includes an individual and any legal person, including a partnership, trust, estate, or association.
 - c) The term "tax" means any tax to which the Convention applies.
 - d) The term "information" means any fact or statement, in any form whatever, that may be relevant or material to tax administration and enforcement, including (but not limited to):
 - (i) testimony of an individual, and
 - (ii) documents or records of a person or a Contracting State.