

SUBJECT: **SPECIAL RELEASE**

**Exemption from Non-Resident Tax on Interest
Payable on Certain Bonds, Debentures, Notes,
Hypothecs or Similar Obligations**

N°: **IT-155R3**

DATE: March 26, 1993

Application

The purpose of this Special Release is to update IT-155R3 dated June 16, 1989.

Bulletin Revisions

1. Delete the last sentence of paragraph 1.
2. Replace paragraph 2 with the following:
 2. The expression "guaranteed by the Government of Canada" refers to a guarantee given under the authority of Parliament to fulfil or partially fulfil the obligations of a person in case of default. Interest paid on obligations of, or guaranteed by, a Crown corporation (or a board, commission or other body) that can be regarded as the Government of Canada by virtue of its enabling legislation is also exempt from the non-resident tax when paid or credited to a person not resident in Canada. Examples of such entities are the Canadian Wheat Board, the Federal Business Development Bank and the Export Development Corporation. Canadian National Railways is an example of a Crown corporation which is not regarded as the Government of Canada.