

Treaty withholding tax rates – Pension and annuities⁽¹⁾

[current as of June 30, 2020]

Country	Pension payments		Annuity payments %
	Periodic pension payments from registered pension plans %	Lump-sum pension payment from registered pension plans %	
Algeria	15	25	15
Argentina	15	25	15
Armenia	15	25	25
Australia (including certain territories)(2)	15	15	15
Austria(3)	25	25	25
Azerbaijan	15	25	25
Bangladesh	15	25	15
Barbados(4)	15	25	15
Belgium(5)	25	25	25
Brazil	25	25	25
Bulgaria	15	25	10
Cameroon	25	25	25
Chile	25	25	15
China (PRC) (excluding certain territories)(6)	25	25	25
Colombia	15	25	15
Croatia	15	25	10
Cyprus	15	25	15

Czech Republic	15	25	15
Denmark (excluding certain territories)(7)	25	25	25
Dominican Republic	18	25	18
Ecuador	15	25	15
Egypt	25	25	25
Estonia	15	25	10
Finland (including certain territories)(8)	20	25	15
France(9) (including and excluding certain territories)(10)	25	25	25
Gabon	25	25	25
Germany	15	25	15
Greece (Hellenic Republic)	15	25	15
Guyana	25	25	25
Hong Kong	25	25	25
Hungary	15	25	10
Iceland	15	25	15
India	25	25	25
Indonesia	15	25	15
Ireland	15	25	15
Israel(11)	15	25	15
Italy	15	25	25
Ivory Coast	15	25	15
Jamaica	25	25	15
Japan	25	25	25

Jordan	25	25	25
Kazakhstan	15	25	25
Kenya	15	25	15
Korea, Republic of	25	25	25
Kuwait	15	25	15
Kyrgyzstan	15	25	15
Latvia	15	25	10
Lebanon(12)	[15]	[25]	[25]
Lithuania	15	25	10
Luxembourg(13)	25	25	25
Madagascar(14)	15	25	15
Malaysia	15	25	15
Malta	15	25	15
Mexico	15	25	15
Moldova	15	25	15
Mongolia	15	25	15
Morocco	25	25	25
Namibia(15)	[25/0]	[25/0]	[25]
Netherlands (excluding certain territories)(16)	15	25	15
New Zealand(17) (excluding certain territories)(18)	15	25	15/25
Nigeria	25	25	25
Norway (excluding certain territories)(19)	15	25	15
Oman	15	25	15

Pakistan	25	25	25
Papua New Guinea	15	25	15
Peru	15	25	15
Philippines	25	25	25
Poland	15	25	15/25
Portugal (including certain territories)(20)	15	25	15
Romania	15	25	15
Russia	25	25	25
Senegal	15	25	15/25
Serbia	15	25	25
Singapore(21)	25	25	25
Slovak Republic	15	25	15
Slovenia	15	25	10
South Africa	25	25	25
Spain(22)	15	25	15
Sri Lanka	15	25	15
Sweden	25	25	25
Switzerland(23)	15	25	15
Taiwan(24)	15	25	15
Tanzania	15	25	15
Thailand	25	25	25
Trinidad and Tobago	15	25	25
Tunisia	25	25	25
Turkey	15	25	15

Ukraine	25	25	25
United Arab Emirates	25	25	25
United Kingdom ⁽²⁵⁾ (excluding certain territories) ⁽²⁶⁾	Nil	25	10
United States ⁽²⁷⁾ (excluding certain territories) ⁽²⁸⁾	15	25	15
Uzbekistan	25	25	25
Venezuela	25	25	25
Vietnam	15	25	25
Zambia	15	25	15
Zimbabwe	15	25	15

Endnotes:

1. Where the terms pension, periodic pension payment, and annuity are defined in the applicable treaty with reference to the laws of Canada, or the applicable treaty does not provide for a definition, the meaning of these terms as provided for in the *Income Tax Conventions Interpretation Act* must be referred to. Where the applicable treaty provides its own definition of these terms, the treaty definition must be used.

In general, Part XIII of the *Income Tax Act* provides for a withholding of 25% on Canadian pension benefits or annuities paid to a non-resident of Canada. Some treaties provide for a reduction or elimination of the withholding tax on such payments.

Under section 217 of the *Income Tax Act*, a non-resident earning certain types of pension benefits or other similar types of retirement benefits, may elect to file a Canadian income tax return and pay tax on that income at the same rates as applicable for Canadian residents.

2. Ashmore and Cartier Islands, Christmas Island, Cocos (Keeling) Islands, Coral Sea Islands, Heard Island and McDonald Islands, and Norfolk Island.

3. The second protocol amending the Canada-Austria tax treaty entered into force on October 1, 2013. There is no change in the pension or annuity withholding rates under the protocol.

4. A protocol amending the Canada-Barbados tax treaty entered into force on December 17, 2013. There is no change in the pension or annuity withholding rates under the protocol.

5. A protocol amending the Canada-Belgium tax treaty was signed on April 1, 2014, but is not yet ratified. The protocol includes provisions reflecting the standard developed by the OECD for the exchange of tax information. There is no change in the pension or annuity withholding rates under the protocol.

6. Hong Kong, Macau, and Taiwan.

7. Faroe Islands and Greenland.

8. Åland Islands.

9. The third protocol of the Canada-France tax treaty entered into force on December 27, 2013. There is no change in the pension or annuity withholding rates under the third protocol.

10. Including Guadeloupe, Guyane, Martinique, Mayotte, New Caledonia, Réunion, and Saint-Pierre-et-Miquelon; but excluding Clipperton Island, French Polynesia, French Southern Lands (Crozet Islands, Kerguelen Islands, Scattered Islands, and St. Paul and Amsterdam Islands), Saint Barthélemy, Saint Martin, and Wallis and Futuna.

11. A new tax treaty was signed on September 21, 2016, and entered into force on December 21, 2016. There is no change in the pension or annuity withholding rates under the new treaty.

12. The treaty was signed on December 29, 1998, and was ratified in Canada on June 19, 2013, but has not yet entered into force. Until the treaty is in force, the applicable withholding tax rate is the general rate of 25%. The proposed withholding tax rates are shown in the table in square brackets.

13. A protocol amending the Canada-Luxembourg tax treaty entered into force on December 10, 2013. The protocol includes provisions reflecting the standard developed by the OECD for the exchange of tax information. There is no change in the pension or annuity withholding rates under the protocol.

14. The treaty was signed on November 24, 2016, and entered into force on June 3, 2020. The treaty has effect in Canada in respect of tax withheld at source on amounts paid or credited to non-residents on or after January 1, 2021. Previously, the applicable withholding tax rate was the general rate of 25%.

15. This treaty was signed on March 25, 2010, and was ratified in Canada on June 19, 2013, but has not yet entered into force. Until the treaty is in force, the applicable withholding tax rate is the general rate of 25%. The proposed withholding tax rates are shown in the table in square brackets — the lower rate (0%) will apply on pension payments to the extent that the pension is subjected to tax in Namibia.

16. Aruba, Bonaire, Curaçao, Saba, Sint Eustatius, and Sint Maarten.

17. A new Canada-New Zealand tax treaty entered into force on June 26, 2015. In addition, a second protocol amending the Canada-New Zealand tax treaty also entered into force on June 26, 2015. The protocol grants New Zealand an exclusive right to tax pensions paid by, or out of funds created by, the government of New Zealand or one of its political subdivisions to an individual in respect of services rendered to the government of New Zealand or one of its subdivisions. The provision applies only to pensions paid under a government superannuation fund scheme or a national provident fund scheme to individuals who became members of any of these schemes prior to 1996. There is no change in the pension or annuity withholding rates under the protocol.
18. Tokelau and the self-governing states of Cook Islands and Niue.
19. Bouvet Island, Jan Mayen, and Svalbard.
20. Azores and Madeira.
21. A protocol amending the Canada-Singapore tax treaty entered into force on August 31, 2012. There is no change in the pension or annuity withholding rates under the protocol.
22. A protocol amending the Canada-Spain tax treaty entered into force December 12, 2015. The protocol includes provisions reflecting the standard developed by the OECD for the exchange of tax information. There is no change in the pension or annuity withholding rates under the protocol.
23. A protocol amending the Canada-Switzerland tax treaty entered into force on December 16, 2011. There is no change in the pension or annuity withholding rates under the protocol. In addition, on October 31, 2013, an agreement concerning the interpretation of Article 25 (Exchange of Information) of the Canada-Switzerland Tax Convention entered into force. The agreement is effective from December 16, 2011. There is no change in the pension or annuity withholding rates under the agreement.
24. A tax treaty was signed on January 15, 2016, and entered into force on December 23, 2016. The treaty has effect in Canada in respect of tax withheld at source on amounts paid or credited to non-residents on or after January 1, 2017.
25. A protocol amending the Canada-United Kingdom tax treaty entered into force on December 18, 2014. The protocol includes provisions reflecting the standard developed by the OECD for the exchange of tax information. There is no change in the pension or annuity withholding rates under the protocol. In addition, on December 21, 2016, an agreement concerning the application of the arbitration provisions of the Canada-United Kingdom Tax Convention entered into force. The agreement brings into effect paragraph 6 and 7 of Article 23 of the convention, regarding mutual agreement procedures. There is no change in the pension or annuity withholding rates under the agreement.
26. Akrotiri and Dhekelia, Anguilla, Bermuda, British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Guernsey, Isle of Man, Jersey, Montserrat, Pitcairn Islands, South Georgia and the South Sandwich Islands, St Helena, Ascension and Tristan da Cunha, and Turks & Caicos Islands.
27. The fifth protocol of the Canada-US tax treaty entered into force on December 15, 2008. There is no change in the pension or annuity withholding rates under the fifth protocol. On June 26, 2012, Canada and the United States entered into an agreement regarding the interpretation of Article VII (Business Profits) of the Canada-US treaty (the agreement also provides that all other provisions of the Canada-US treaty that require a determination of whether an asset or amount is effectively connected or attributable to a permanent establishment). There is no change in the pension or annuity withholding rates under the agreement.
28. Guam, Puerto Rico, Virgin Islands, and the other United States possessions or territories (i.e., American Samoa, Baker Island, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Navassa Island, Northern Mariana Islands, Palmyra Atoll, and Wake Island).
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