



Treaty Benefits and Corporate Residence on disposition of Partnership interests Introduction The concept of residence of a Corporation based on local control or effective management and the consequent charge to capital gains tax on sale of partnership interest was dealt with by the Canadian Tax Court in *Landbouwbetrijf Backx BV vs. The Queen* (2018 TCC 142). The principal issue was whether a company's central management and control was in Canada or the Netherlands which amounted to whether control of the company lay with its sole director based in Netherlands or with its shareholders based in Canada. The court confirmed the principle that although central management and control generally lies with the directors (even if there is Residence and effective ma.....