Consumers and businesses commonly finance equipment purchases using leases. However, non-resident financiers are seldom able to offer lease financing to Canadians because of Canadian withholding tax on rents. This article reviews Canada’s taxation of non-resident lessors and suggests approaches to enable non-residents to offer lease financing to Canadians.

**KEYWORDS:** RENTS ▪ NON-RESIDENTS ▪ LEASING ▪ WITHHOLDING TAXES ▪ FOREIGN TAX CREDITS ▪ FINANCING

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