"2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that Contracting State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes when such information may be used for such other purposes under the laws of both Contracting States and the competent authority of the Contracting State supplying the information authorises such use."

2. The second sentence of paragraph 5 of Article 25A of the Convention shall be deleted.

ARTICLE 18

1. Paragraph 1 of the Protocol to the Convention shall be deleted and replaced by the following:

"1. Notwithstanding any provisions of the Convention, a benefit under the Convention shall not be granted in respect of an item of income if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of the Convention."

2. A new paragraph shall be added immediately after paragraph 2 of the Protocol to the Convention as follows:

"3. With reference to paragraph 3 of Article 7 and paragraph 2 of Article 9 of the Convention:

It is understood that a Contracting State is obliged to make an adjustment pursuant to paragraph 3 of Article 7 or paragraph 2 of Article 9 of the Convention only if that Contracting State agrees that the adjustment made by the other Contracting State is justified both in the principle contained in paragraph 2 of Article 7 or paragraph 1 of Article 9 of the Convention and as regards the amount assessed under such principle."

3. Paragraph 3 of the Protocol to the Convention shall be amended by deleting the words "subparagraph (a) of paragraph 2 and".

4. Paragraph 4 of the Protocol to the Convention shall be amended by deleting the words "paragraph 3 of Article 11 and".

5. Paragraphs 3, 4 and 5 of the Protocol to the Convention shall be renumbered as paragraphs 4, 5 and 6 respectively.

ARTICLE 19

1. Each of the Contracting States shall send in writing and through diplomatic channels to the other Contracting State the notification confirming that its internal procedures necessary for the entry into force of this Protocol have been completed. The Protocol shall enter into force on the thirtieth day after the date of receipt of the later notification.

2. This Protocol shall have effect:

(a) in Japan:

(i) with respect to taxes levied on the basis of a taxable year, for taxes for any taxable years beginning on or after 1 January in the calendar year next following that in which the Protocol enters into force;

(ii) with respect to taxes levied not on the basis of a taxable year, for taxes levied on or after 1 January in the calendar year next following that in which the Protocol enters into force;