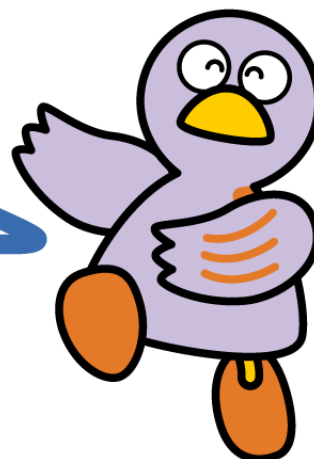


Chapter 8 Taxation



Saitama's Prefectural Mascot,
Kobaton

- 1 Income Tax
- 2 Inhabitant Tax
- 3 Other Major Taxes

All residents of Japan, regardless of nationality, are obligated to pay taxes.

Taxes are an important resource used to promote a happy and stable environment for everyone. Taxes support various projects across a wide range of fields such as education, civil engineering, welfare, healthcare, culture, environment, and industry.

There are two main types of tax: income tax, which is levied by the national government, and inhabitant tax, which is levied by the prefectural and municipal governments.

To avoid double taxation, you may be exempt from paying income and inhabitant tax due to special bilateral taxation treaties between Japan and various countries. To check if these exemptions apply to you, please contact your country's embassy in Japan for further information.

Taxes must be paid by the due date. If you do not pay on time, a late fee will be incurred each day from the day after the due date until payment is made. If your taxes remain unpaid for an extended period of time, your assets will be seized.

Make sure you pay your taxes by the due date.

Explanation of Prefectural Taxes and How to Pay Taxes (Saitama Prefectural Government Taxation Division website):

<https://www.pref.saitama.lg.jp/a0209/z-kurashiindex/z-kankoubutsu.html>

1 Income Tax and Special Income Tax for Reconstruction

Income tax is levied on a person's total income earned between January 1 and December 31. There are two ways that the amount of income tax and special income tax for reconstruction are calculated: the end of year tax adjustment and the final tax return.

(1) End of Year Tax Adjustment

The payer of a form of income (such as an employer who pays employees a salary) must deduct income tax and special income tax for reconstruction from the amount each time the salary, etc. is paid. The amount of tax deducted is paid to the national government. This is called withholding tax (*gensen choushuu*).

If income tax and special income tax for reconstruction are deducted from your salary under the withholding tax system, at the final payment of the year, your employer will calculate how much tax you are required to pay for the year, and whether there has been any excess or shortfall in the tax withheld. This is called the "end of year adjustment".

If your only income is your salary and the end of year adjustment has been applied, you do not need to file a final tax return (in (2) below) because income tax and special income tax for reconstruction have already been deducted from your salary throughout the year. However, in certain situations such as if you have had high medical bills or used certain loans to purchase a house, it is possible that some of your income tax and special income tax for reconstruction may be returned if you file a final tax return. In this case, you will need to submit your Statement of Earnings (*gensen choushuuhyou*), which is a document you receive from the payer of your income (employer).

(2) Final Tax Return

If one or more of the items below apply, you are required to file a final tax return. You must calculate your total earned income for one year from January 1 to December 31 and the amount of income tax and special income tax for reconstruction you are required to pay. You must then submit a final tax return to the tax office before the deadline. If you have had tax withheld from your income, any excess or shortfall in tax withheld will be calculated at this time. This process is called "the final tax return" (*kakutei shinkoku* in Japanese).

- The total of your business and/or real estate earnings exceeds the designated amount
- You receive a total salary amounting to more than 20,000,000 yen in one year
- You receive a salary from only one source, and your total income other than your salary and any retirement allowance exceeds 200,000 yen
- You receive salaries from 2 or more sources, and the combined total of your secondary income that is not subject to end of year adjustment and your income other than your salary and any retirement allowance exceeds 200,000 yen
- Income tax and special income tax for reconstruction are not withheld from your salary (such as those working at a foreign diplomatic mission (embassy, etc.) in Japan or as domestic workers)
- You receive a public pension (such as a public pension paid overseas) which is not subject to the withholding tax system

(3) When Leaving Japan to Live in Another Country

① If your only source of income is a salary:

Have your workplace adjust the amount of income tax and special income tax for reconstruction withheld in the same way as an end of year tax adjustment

② If you have a source of income other than a salary (if you are required to file a final tax return):

- If you appoint a tax representative:

Before leaving Japan, submit a notice appointing your tax representative to the director of the tax office.

Your tax representative must file your final tax return for you before the due date.

- If you do not declare a tax representative, you must file your own final tax return for the total amount of income earned before you leave Japan (a quasi-final tax return, *jun kakutei shinkoku*).

2 Inhabitant Tax

Everyone living in Japan who had a Japanese address as of January 1 is required to pay both prefectural and municipal inhabitant taxes. These taxes are calculated based on your income from the previous year.

(1) Salaried Workers

The office of the mayor in the municipality you were living in as of January 1 calculates the amount of inhabitant tax you owe based on the payroll report submitted by your employer. Your employer will generally be notified of this amount of tax by May 31. Your employer then deducts this amount from your monthly salary over a period of 12 months (from June to May of the following year) and makes payments to your municipality.

(2) Non-Salaried Workers (income from business or real estate)

The office of the mayor in the municipality you were living in as of January 1 calculates the amount of inhabitant tax you owe based on your tax declaration. Municipalities accept inhabitant tax declarations until March 15.

If you have filed a final tax return for your income tax, you do not need to file an inhabitant tax declaration. The municipality where you resided as of January 1 will calculate and send a notice about the amount of inhabitant tax you owe. This tax is payable in four installments in June, August, October, and January of the following year. Please note that payment deadlines may vary according to municipality.

(3) When Leaving Japan for a Year or More

If you wish to make your inhabitant tax payment after you leave Japan, you must appoint a tax representative to take care of tax matters on your behalf and notify your local municipal office of your decision. If you choose not to appoint a tax representative, you will need to pay your inhabitant tax in full before you leave Japan.

For further information, contact the division in charge of inhabitant tax at your local municipal or ward office.

3 Other Major Taxes

(1) Consumption and Local Consumption Tax (National and Local Taxes)

A 10% tax (standard tax rate) is levied on the purchase or rental of goods and services, with some exceptions such as healthcare, welfare and education.

However, food and beverage purchases (excluding alcohol and dining in restaurants, etc.) are taxed at partly reduced rate of 8%.

(2) Automobile Tax (According to Type) (Prefectural Tax)

An automobile tax is imposed on persons who own motor vehicles as of April 1. Payment is made through a tax notice sent by the Prefectural Automobile Taxation Office in May.

(3) Light Automobile Tax (According to Type) (Municipal Tax)

A tax is imposed on persons who own motorcycles or automobiles with an engine size of 660cc or less as of April 1. Payment is made through a tax notice sent by the municipality in May.



Consultations and Inquiries

National (Income) Tax

Name	Phone	Address	Reception Hours
Kawagoe Tax Office	049-235-9411	452-2 Namiki, Oaza, Kawagoe-shi	Mon - Fri (Excluding National Holidays and the New Year's holiday period) 8:30 - 17:00
Kumagaya Tax Office	048-521-2905	41 Naka-cho, Kumagaya-shi	
Kawaguchi Tax Office	048-252-5141	2-2-17 Aoki, Kawaguchi-shi	
Nishi-Kawaguchi Tax Office	048-253-4061	4-6-18 Nishi-Kawaguchi, Kawaguchi-shi	
Urawa Tax Office	048-600-5400	Saitama-Shintoshin Godo Chosha 1, 1-1 Shintoshin, Chuo-ku, Saitama-shi	
Omiya Tax Office	048-641-4945	3-184 Dote-cho, Omiya-ku, Saitama-shi	
Gyoda Tax Office	048-556-2121	17-15 Sakae-cho, Gyoda-shi	

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Name	Phone	Address	Reception Hours
Chichibu Tax Office	0494-22-4433	1-2-41 Hinoda-machi, Chichibu-shi	
Tokorozawa Tax Office	04-2993-9111	1-7 Namiki, Tokorozawa-shi	
Honjo Tax Office	0495-22-2111	2-25-16 Ekinan, Honjo-shi	
Higashimatsuyama Tax Office	0493-22-0990	1-8-14 Yakyu-cho, Higashimatsuyama-shi	
Kasukabe Tax Office	048-733-2111	2-12-1 Onuma, Kasukabe-shi	
Ageo Tax Office	048-770-1800	577 Nishimonzen, Oaza, Ageo-shi	
Koshigaya Tax Office	048-965-8111	5-7-47 Akayama-cho, Koshigaya-shi	
Asaka Tax Office	048-467-2211	1-1-46 Honcho, Asaka-shi	

Prefectural Tax

Name	Phone	Address	Reception Hours
Saitama Prefectural Tax Office	048-822-5131	5-6-5 Kitaurawa,Urawa-ku, Saitama-shi	Mon - Fri (Excluding National Holidays and the New Year's holiday period) 8:30 - 17:15
Kawaguchi Prefectural Tax Office	048-252-3571	2-13-1 Nishiaoki, Kawaguchi-shi	
Ageo Prefectural Tax Office	048-772-7111	239-1 Oaza Minami, Ageo-shi	
Asaka Prefectural Tax Office	048-463-1671	1-3-1 Mihara, Asaka-shi	
Kawagoe Prefectural Tax Office	049-242-1801	1-17-17 Arajuku-machi, Kawagoe-shi	
Tokorozawa Prefectural Tax Office	04-2995-2112	1-8-1 Namiki, Tokorozawa-shi	
Hanno Prefectural Tax Office	042-973-5612	353 Namiyanagi, Hanno-shi	
Higashimatsuyama Prefectural Tax Office	0493-23-8945	5-1 Rokken-cho, Higashimatsuyama-shi	
Chichibu Prefectural Tax Office	0494-23-2110	29-20 Higashi-machi, Chichibu-shi	
Honjo Prefectural Tax Office	0495-22-5675	1-4-6 Asahi-cho, Honjo-shi	

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Name	Phone	Address	Reception Hours
Kumagaya Prefectural Tax Office	048-523-2809	3-9-1 Suehiro, Kumagaya-shi	
Gyoda Prefectural Tax Office	048-556-5067	2-20 Honmaru, Gyoda-shi	
Kasukabe Prefectural Tax Office	048-737-2110	1-76 Onuma, Kasukabe-shi	
Koshigaya Prefectural Tax Office	048-962-2191	4-2-82 Koshigaya, Koshigaya-shi	

Automobile Tax

Name	Phone	Address	Reception Hours
Saitama Prefectural Automobile Tax Office	Tax inquiries: 048-658-0226	3-8-3 Shimo-cho, Omiya-ku, Saitama-shi	Mon - Fri (Excluding National Holidays and the New Year's holiday period) 8:30 - 17:15
	Tax payment: 048-641-2222		
Automobile Tax Call Center	0570-012-229		
Omiya Branch, Saitama Prefectural Automobile Tax Office	048-623-0600	2152 Nakakugi, Nishi-ku, Saitama-shi	
Kumagaya Branch, Saitama Prefectural Automobile Tax Office	048-532-8011	701-5 Miizugahara, Kumagaya-shi	
Tokorozawa Branch, Saitama Prefectural Automobile Tax Office	04-2998-1321	690-1 Ushinuma, Tokorozawa-shi	
Kasukabe Branch, Saitama Prefectural Automobile Tax Office	048-763-4111	752-5 Mashito, Kasukabe-shi	

Inhabitant Tax and Light Automobile (Municipal) Tax

Please consult your municipal or ward office (see list in Chapter 13).