

**Comparison Table of Tax System and Administration**

**ANNEX III**

	<b>JAPAN</b>	<b>Your Country</b>
Official homepage Address	<a href="http://www.nta.go.jp">www.nta.go.jp</a>	
<b>I GENERAL INFORMATION</b>	FY2016 (April 2016–March 2017)	
1 Tax Revenue	(100 million yen)	(Million USD)
(1) National Tax	589,563	
(2) Other Tax	393,923	
(3) Total	983,486	
2 Tax Burden to National Income		
(1) National Tax	15.1%	
(2) Other Tax	10.0%	
(3) Total	25.1%	
3 National Tax Revenue Ratio		
(1) Direct Taxes (Major items)		
① Individual Income Tax	29.9%	
② Corporation Income Tax	17.5%	
③ Inheritance Tax	3.6%	
④ Others	–	
Sub-Total	51.0%	
(2) Indirect Taxes (Major items)		
① Consumption Tax	29.2%	
② Liquor Tax	2.2%	
③ Gasoline Tax	4.1%	
④ Stamps	1.8%	
⑤ Others	11.7%	
Sub-Total	49.0%	
Total	100.0%	
4 Number of Taxpayers	(thousand)	
(1) Self-assessed Income Tax	21,664(CY 2016)	
(2) Corporation Tax	3,078(FY 2016)	
(3) Withholding Income Tax	6,616 (As of the end of June, 2017)	
(4) Others	–	
Total	31,358	
5 Delinquency of National Tax	(As of the end of FY 2016)	
(1) Number of tax delinquencies	2,830(thousand)	
(2) Amount of total tax arrears	897(billion yen)	
<b>II INCOME TAX SYSTEM</b>		
1 Method of Assessment	Self-Assessment	
2 Period of Taxation		
(1) Individual	Calendar Year	
(2) Corporation	Accounting Period	
3 Tax Rate		
(1) Individual	5%–45% (progressive)	
(2) Corporation	15% (income not more than 8 million yen) 23.2% (income more than 8 million yen)	
4 Due Date for Filing		
(1) Individual	March 15th	
(2) Corporation	Within two months after the close of accounting period	
5 Time Limit on Assessment		
(1) Deficient case	5 years	
(2) No filing case	5 years	
(3) Fraud case	7 years	
6 Obligation of Book-keeping	Yes (Under certain conditions)	
7 Fine or imprisonment imposed in the case of evasion	Imprisonment not more than 10 years or fine not more than 10million yen, or both	
8 Withholding system is applied to:	Interest, Dividend, Wages and Salaries, Remuneration, and Fee, etc.	

III VALUE ADDED TAX SYSTEM		
1 Taxpayer Registration System	Yes	
2 Method of Assessment	Self-Assessment	
3 Period of Taxation (1) Sole proprietor (2) Corporation	Calendar Year Accounting Period	
4 Tax Rate	8%	
5 Due Date for Filing (1) Sole proprietor (2) Corporation	End of March Within two months after the close of accounting period	
6 Time Limit on Assessment Tax (1) Deficient case (2) No filing case (3) Fraud case	5 years 5 years 7 years	
7 Obligation of Book-keeping	Yes (Under certain conditions)	
8 Fine or imprisonment imposed in the case of evasion	Imprisonment not more than 10 years or fine not more than 10 million yen, or both	
IV TAX ADMINISTRATION		
1 Organization Structure (1) Outline of Organization  (2) The year of the establishment (3) Head of the organization (4) Organization in charge of Tax Policy and Tax System	(As of April 2018) National Tax Agency 1 HQ(1) 2 Regional Taxation Bureaus (12) 3 Tax Offices (524) 1949 Commissioner, Takeshi Hujii(since July 2018) Tax Bureau, Ministry of Finance	
2 Number of Personnel (1) National Tax Agency (2) Regional Taxation Bureau and Tax Offices (3) Others Total	(As of April 2018) 984 53,895 795 55,674	
3 Employment procedure	1 Entrance examination 2 Interview and writing an essay	
4 Transfer system	July 10th every year	
5 Retirement age	60 (mandatory)	
6 Existence of Audit System (1) Direct Taxes ① Field Examination ② Criminal Investigation (2) Indirect Taxes ① Field Examination ② Criminal Investigation	Yes Yes  Yes Yes	
7 International Taxation (1) Transfer pricing taxation (2) Tax treaties	Yes (As of March 2019) 74 treaties, 129 countries	
8 Computer Processing System (1) The year Computer Processing System was introduced  (2) The area Computer Processing System is applied to:  (3) The year Electronic filing system was introduced	1965 1 Clerical work on Income Tax, Corporation Tax, Consumption Tax, etc. 2 Calculation of the employee's wage, etc. 2004	
9 Organization or division of staff training	National Tax College	
10 Tax professional	Certified Public Tax Accountant	
11 Organization in charge of Tax Consultation System	1 Tax counsel office 2 Tax office	
12 Outline of Appellate System	1 Tax Office 2 National Tax Tribunal 3 Court	