



Knowledge Co-Creation Program (Group & Region Focus)

GENERAL INFORMATION ON

INTERNATIONAL SEMINAR ON TAXATION (GENERAL)
課題別研修「国際税務行政（一般）」

JFY 2018

NO. J18-04132 / ID.1884618

Course Period in Japan: From September 4, 2018 to October 6, 2018

This information pertains to one of the JICA Knowledge Co-Creation Program (Group & Region Focus) of the Japan International Cooperation Agency (JICA), which shall be implemented as part of the Official Development Assistance of the Government of Japan based on bilateral agreement between both Governments.

‘JICA Knowledge Co-Creation Program (KCCP)’ as a New Start

In the Development Cooperation Charter which was released from the Japanese Cabinet on February 2015, it is clearly pointed out that *“In its development cooperation, Japan has maintained the spirit of jointly creating things that suit partner countries while respecting ownership, intentions and intrinsic characteristics of the country concerned based on a field-oriented approach through dialogue and collaboration. It has also maintained the approach of building reciprocal relationships with developing countries in which both sides learn from each other and grow and develop together.”* We believe that this ‘Knowledge Co-Creation Program’ will serve as a center of mutual learning process.

I. Concept

Background

Tax serves as a key component of national finance, and tax administration which is responsible for the enforcement of tax system is one of the most important roles of national public administration. Improving and enhancing the tax system and administration is indispensable for the stability and development of national fiscal base, particularly in developing countries.

Also, along with expansion, complexity and internationalization of economic activities, the environment surrounding tax administration has become much tougher in any country.

From those standpoints, this seminar has been held in Japan every year since 1968, intending that tax officials of developing countries can benefit from learning the Japanese tax administration, which has accumulated experiences from coping with its tough surrounding environment.

For what?

Recognize current general issues of tax administration in their respective countries, and share the knowledge and experience obtained in this program in each tax authority.

For whom?

This program is offered to “junior class officials”(please refer to “Ⅲ 2 Nominee Qualifications” on page 6) of administrative authorities for national taxes except customs. Please note that the program aims to provide fundamental knowledge so that little experienced officials could obtain basic knowledge in terms of tax administration.

How?

During the seminar in Japan, participants shall acquire a general picture of Japanese tax administration, and basic knowledge of international taxation, and learn current situation regarding enforcement of tax administration in Japan from a series of lectures and study visits conducted by National Tax College (NTC), National Tax Agency (NTA) of Japan. Please note that most of lectures are delivered by NTC/NTA tax officials, and some of them are done through an interpreter.

In addition, discussions among participants and lecturers, and presentations of “Country Report” and “Action Plan” by participants would be precious opportunities to exchange information of current situation in their tax administration and to recognize the potential problems in their countries.

II. Description

**1. Title (J-No.): International Seminar on Taxation (GENERAL)
(J18-04132)**

2. Course Period in Japan: From September 4, 2018 to October 6, 2018

3. Target Countries (19 countries)

Brazil, Cambodia, Cape Verde, Dominican Republic, Egypt, Fiji, Ghana, India, Iran, Lebanon, Mongolia, Myanmar, Nigeria, Papua New Guinea, Philippines, Tajikistan, Tanzania, Viet Nam and Zambia

4. Eligible / Target Organization

This program is designed for administrative authorities for national taxes except for customs.

5. Course Capacity (Upper limit of Participants)

19 participants

6. Language to be used in this program: English

7. Course Objective:

The junior class officials at the national tax authority (except those engaged in customs) will be able to recognize current issues of tax administration in their respective countries, and share the knowledge and experience at the authority.

8. Overall Goal

The participants of this course will contribute to the improvement of tax administration in their respective countries and more appropriate tax administration will be implemented to secure stable tax revenue.

9. Expected Module Output:

In order to achieve the Program Objective, participants are expected to be able to:

- (1) explain the general knowledge of Japanese taxes.
- (2) explain the current situation regarding the enforcement of tax administration in Japan
- (3) explain the general knowledge on international taxation
- (4) explain the points to be improved at the national tax system and administration in their respective countries by comparing them with those of other participating countries and Japan
- (5) make the plan (Action Plan) to share the knowledge and experience what they studied through the seminar with those at the national tax authority in his/her country.

10. Program Contents:

This program consists of the following components. Details on each component are given below:

<p>(1) Preliminary Phase in a participant's home country (From July 2018 to September 2018) <i>Participants are expected to make required preparation for the Program in the respective countries.</i></p>	
1. Formulation of Country Report	See ANEEX I.
2. Formulation of Comparison Table of Tax System and Administration	See ANNEX I, II.
3. Collection of information and materials	<p>Preparation of the following information;</p> <p>① Annual Report: The latest annual report on tax administration of the participant's country.</p> <p>② Information about:</p> <p>(a) Outline of the tax system/administration of the participant's country and its background; budget of revenue and expenditure, structure of tax revenue,</p> <p>(b) Topics that the participant wants to discuss/exchange information in discussion sessions,</p> <p>(c) Major issues which the participant's national tax administration faces and expected measures to cope with them.</p> <p>③ Others: <u>Participants are recommended to bring a copy of their own tax legislation, statistics, administrative guidance and other necessary materials/books related to participants' own topics for preparing "Action Plan" (See next page)</u></p>
<p>(2) Core Phase in Japan (From September 4, 2018 to October 6, 2018) <i>Participants dispatched by the organizations attend the Program implemented in Japan.</i></p>	
Expected Module Output	<p>Through the Core Phase in Japan, participants are expected to be able to:</p> <p>(1) explain the general knowledge of Japanese taxes</p> <p>(2) explain the current situation regarding the enforcement of tax administration in Japan</p> <p>(3) explain the general knowledge on international taxation</p> <p>(4) explain the points to be improved at the national tax system and administration in their respective countries by comparing them with those of other participating countries and Japan</p> <p>(5) make the plan (Action Plan) to share the knowledge and experience what they studied through the seminar with those at the national tax authority in his/her country.</p>

Contents	<p>For above-mentioned output, the following contents will be delivered;</p> <p><u>1. Lectures</u></p> <p>(1)Tax system and administration in Japan The NTC faculty and NTA officials will provide the major topics and practical knowledge associated with tax systems and tax administration such as: outline of tax systems, staff training, international taxation, and so on.</p> <p>(2)OECD Seminars Lecturers from the Organization for Economic Cooperation and Development will provide lectures and case study sessions on “Tax Treaties”.</p> <p><u>2. Presentations and discussions</u></p> <p>(1)Presentation of Country Report At the beginning of this phase, each participant is required to present his/her country report. Each participant has 15 minutes for the presentation and Q&A session. <u>It is required that your presentation should be focused on overview of your country’s tax system and the issues which your tax administration faces. (Also see ANNEX I)</u></p> <p>(2)Presentation of “Action Plan” Each participant is required to make an “Action Plan” presentation at the last stage of this phase. “Action Plan” is made for presenting ideas to address the issues you mentioned at the country report presentation session considering the knowledge and experience obtained in this phase.</p> <p>Each participant has 20 minutes for the presentation and Q&A session for action plan presentation.</p> <p>Following structure is recommended.</p> <ul style="list-style-type: none"> - Chapter 1 Introduction (including explanation of the issue) - Chapter 2a Outline of measures taken by your tax administration - Chapter 2b Outline of measures taken by other country’s (countries’) tax administration(s). -Chapter 3 Conclusion and Recommendation (possible solution or recommendation for the issue in tax administration) <p><i>For example</i>, if the theme is difficulty of examining cash business, Chapter 1 should explain the needs for it, Chapter 2a should address how participant’s own tax authority has dealt with it, then, Chapter 2b should demonstrate Japanese method or experience, for example presumptive taxation learned during the seminar. Finally, Chapter 3, suggestive solutions and their application should be presented.</p> <p><u>3. Study Visits</u></p> <p>(e.g.) Regional Taxation Bureaus, Tax Offices</p> <p>※Note: The above contents might be changed.</p>
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III. Conditions and Procedures for Application

1. Expectations from the Participating Organizations:

- (1) This seminar is designed primarily for organizations that intend to address specific issues or problems identified in their operation. Applying organizations are expected to use the program for those specific purposes.
- (2) In this connection, applying organizations are expected to nominate the most qualified candidates to address the said issues or problems, carefully referring to the qualifications described in section III-2 below.
- (3) Applying organizations are also expected to be prepared to make use of knowledge acquired by the nominees for the said purpose.
- (4) This program is enriched with contents and facilitation schemes specially developed in collaboration with relevant prominent organizations in Japan. These special features enable the project to meet specific requirements of applying organizations and effectively facilitate them toward solutions for the issues and problems.
- (5) As this program is designed to facilitate organizations to come up with concrete solutions for their issues, participating organizations are expected to make due preparation before dispatching their participants to Japan by carrying out the activities of the Preliminary Phase described in section II -10 .
- (6) Participating organizations are also expected to make the best use of the results achieved by their participants in Japan.

2. Nominee Qualifications:

Applying Organizations are expected to select nominees who meet the following qualifications.

〈Essential Qualifications〉

(1) Present position, assignment:

Be ranked as junior-class officials of the national tax authority except those engaged in customs.

(2) Occupational Background:

Have more than 5 years to 10 years or less of occupational experience in national tax administration or national tax system planning (except for customs).

(3) Age: Under 40 years old, in principal

(4) Language:

Be proficient in English (at the level of TOEFL IBT 79-80 (CBT 213, PBT 550) or more is desirable), as this course includes active participation in discussions and intensive report writing which require high competence of English.

(5) Health:

Must be in good health, both physically and mentally, to participate in the Program in

Japan. Pregnant applicants are not recommended to apply due to the potential risk of health and life issues of mother and fetus.

3. Required Documents for Application

(1) Application Form: The electronic data of the Application Form is available at the JICA office or the Embassy of Japan to be filled with.

(2) Photocopy of passport: to be submitted with the application form if you possess your passport which you will carry when entering Japan for this program. If not, you are requested to submit its photocopy as soon as you obtain it.

* Photocopy should include the followings:

Name, Date of birth, Nationality, Sex, Passport number and Expire date.

(3) Nominee's English Score Sheet: to be submitted with the application forms if you have any official documentation of English ability. (e.g., TOEFL, TOEIC, ILETS)

(4) Organization Chart: to be submitted with the application form.

Every applicant is required to submit an organizational chart of national tax administration, indicating the department/division the applicant currently belongs to.

(5) Country Report (ANNEX I) and Comparison Table of Tax System and Administration (ANNEX II): Each applicant must prepare two papers(a "Country Report" and a "Comparison Table of Tax System and Administration"), and they must be submitted together with the application form.

4. Procedure for Application and Selection :

(1) Submission of the Application Documents:

Closing date for applications: Please inquire to the JICA office (or the Embassy of Japan).

(After receiving application, the JICA office (or the Embassy of Japan) will send them to the JICA center in JAPAN by June 1, 2018.)

(2) Selection:

After receiving the documents through proper channels from your government, the JICA office (or the embassy of Japan) will conduct screenings, and then forward the documents to the JICA Center in Japan. Selection will be made by the JICA Center in consultation with concerned organization in Japan. The applying organization with the best intention to utilize the opportunity of this program will be highly valued in the selection.

Qualifications of applicants who belong to the military or other military-related organizations and/or who are enlisted in the military will be examined by the Government of Japan on a case-by-case basis, consistent with the Development Cooperation Charter of Japan, taking into consideration their duties, positions in the organization, and other relevant information in a comprehensive manner.

(3) Notice of Acceptance:

Notification of results shall be made by the JICA office (or the Embassy of Japan) to the respective Governments not later than **July 4, 2018**.

5. Conditions for Attendance:

- (1) to strictly adhere to the program schedule.
- (2) not to change the program topics.
- (3) not to extend the period of stay in Japan.
- (4) not to be accompanied by family members during the program.
- (5) to return to home countries at the end of the program in accordance with the travel schedule designated by JICA.
- (6) to refrain from engaging in any political activities, or any form of employment for profit or gain.
- (7) to observe Japanese laws and ordinances. If there is any violation of said laws and ordinances, participants may be required to return part or all of the training expenditure depending on the severity of said violation.
- (8) to observe the rules and regulations of the accommodation and not to change the accommodation designated by JICA.

IV. Administrative Arrangements

1. Organizer:

- (1) **Name:** JICA Tokyo International Centre
- (2) **Contact:** Industrial Development and Public Policy
- (3) **E-mail:** tictip@jica.go.jp

2. Implementing Partner:

- (1) **Name:** National Tax Agency (NTA)/National Tax College (NTC)
- (2) **URL:** <http://www.nta.go.jp/ntc/english/index.htm>
- (3) **Remarks:** The National Tax College (NTC) is an institution to provide necessary training to officials of National Tax Agency (NTA), the administrative agency in charge of the assessment and collection of internal taxes in Japan. While performing its duty as a training institute for Japan's tax officials, NTC also engages in providing international training programs for overseas tax officials as part of international cooperation activities under the supervision of the NTA.

3. Travel to Japan:

- (1) **Air Ticket:** The cost of a round-trip ticket between an international airport designated by JICA and Japan will be borne by JICA.
- (2) **Travel Insurance:** Coverage is from time of arrival up to departure in Japan. Thus traveling time outside Japan will not be covered.

4. Accommodation in Japan:

JICA will arrange the following accommodations for the participants in Japan:

JICA Tokyo International Center (JICA TOKYO)
Address: 2-49-5 Nishihara, Shibuya-ku, Tokyo 151-0066, Japan
TEL: 81-3-3485-7051 FAX: 81-3-3485-7654
(where "81" is the country code for Japan, and "3" is the local area code)

If there is no vacancy at JICA TOKYO, JICA will arrange alternative accommodations for the participants. Please refer to facility guide of JICA TOKYO at its URL

<http://www.jica.go.jp/english/contact/domestic/pdf/welcome.pdf>

5. Expenses:

The following expenses will be provided for the participants by JICA:

- (1) Allowances for accommodation, living expenses, outfit, and shipping
- (2) Expenses for study tours (basically in the form of train tickets.)
- (3) Free medical care for participants who become ill after arriving in Japan (costs related to pre-existing illness, pregnancy, or dental treatment are not included)
- (4) Expenses for program implementation, including materials

For more details, please see “ⅢALLOWANCES” of the brochure for participants titled “KENSU-IN GUIDE BOOK,” which will be given before departure for Japan.

6. Pre-departure Orientation:

A pre-departure orientation will be held at the respective countries' JICA office (or Japanese Embassy), to provide participants with details on travel to Japan, conditions of the training program, and other matters.

V. Other Information

1. Laptop Computer:

The participants are kindly requested to bring their own laptop computer for making reports and calculator during the Core Phase in Japan due to limited number of available computer and so on at JICA Tokyo.

2. Small bag for study tour:

For the long-distance study tour in Japan, participants are advised to bring a separate small bag so they can leave behind a big suitcase at JICA Tokyo.

3. E-mail address:

JICA Tokyo will contact the participants by e-mail after the notice of acceptance, therefore you should write down your e-mail address surely in the application form.

VI. ANNEX:

ANNEX I	<i>Country Report and Comparison Table</i>
ANNEX II	<i>Comparison Table of Tax System and Administration</i>

ANNEX I

Country Report and Comparison Table

The applicants are required to prepare two kinds of documents, Country Report and Comparison Table.

They are required to submit them to JICA office (or the Embassy of Japan) with application by **June 1**, 2018 (as well as to JICA Tokyo by e-mail (tictip@jica.go.jp)).

1. Country Report

A country report should be typewritten in single space on A4 size paper MS Words (210mm x 296mm) and must include the following item:

- a. Name of Country,
- b. Name of Participant,
- c. Name of organization and position of participant,
- d. Organization chart of whole organization in charge of national tax administration other than customs (please indicate participant's position in the chart),
- e. Current issues and challenges in your authority

The volume of Country Report should be about 2 pages.

(Points to Remember for Your Country Report Presentation)

- a. Time allocated for each presentation is 15 minutes: 10 minutes for your presentation and 5 minutes for Q/A.
- b. To strictly keep the allocated time for your presentation
- c. Although it is titled as "Country Report Presentation", your presentation should not be an introduction of some tourist spots of your country; it should be an introduction of tax system and tax administration, and tax related challenges of your country.
- d. The followings are expected to be included in your presentation:
 1. Brief overview of tax system of your country
(Example: you can say that, "In my country, tax items are classified into national and local taxes. As for our national tax items, we have XXX tax as a direct tax, and XXX tax as an indirect tax, while as for our local tax items we have XXX tax. Our country adopts a self-assessment tax filing system for almost every tax item.")
 2. Organization chart in charge of national tax administration
(Example: you can share as follows: by pointing at your organization chart, "In my country, planning of tax system is drawn up by XXX Bureau in the Ministry of Finance and tax administration is carried out by the National Tax Agency. Under the National Tax Agency, we have regional tax bureaus. Under the regional tax bureaus, we have district tax offices.")

3. Indicate on the above-mentioned organization chart to which bureau/department you belong, and specifically mention what you are doing there
4. Mention some issues/challenges that you are currently facing at work or your tax administration

Please note that the purpose of this report is rather to clarify specific problems or challenges (No.4 as mentioned above) than to introduce your organization.

2. Comparison Table

Each participant should fill in the format (**ANNEX II**).

This document should include information on description of the tax system and tax administration of the participant's country.

ANNEXII Comparison Table of Tax System and Administration		
	JAPAN	Your Country
Official homepage Address	www.nta.go.jp	
I GENERAL INFORMATION		
	FY2016 (April 2016–March 2017)	
1 Tax Revenue	(100 million yen)	(Million USD)
(1) National Tax	599,694	
(2) Other Tax	390,985	
(3) Total	990,679	
2 Tax Burden to National Income		
(1) National Tax	15.4%	
(2) Other Tax	10.1%	
(3) Total	25.5%	
3 National Tax Revenue Ratio		
(1) Direct Taxes (Major items)		
① Individual Income Tax	29.7%	
② Corporation Income Tax	18.1%	
③ Inheritance Tax	3.3%	
④ Others	–	
Sub-Total	51.1%	
(2) Indirect Taxes (Major items)		
① Consumption Tax	29.1%	
② Liquor Tax	2.2%	
③ Gasoline Tax	4.1%	
④ Stamps	1.8%	
⑤ Others	11.7%	
Sub-Total	48.9%	
Total	100.0%	
4 Number of Taxpayers	(thousand)	
(1) Self-assessed Income Tax	21,489(CY 2015)	
(2) Corporation Tax	3,048(FY 2015)	
(3) Withholding Income Tax	6,599 (As of the end of June, 2016)	
(4) Others	–	
Total	31,136	
5 Delinquency of National Tax	(As of the end of FY 2015)	
(1) Number of tax delinquencies	3,058 (thousand)	
(2) Amount of total tax arrears	977 (billion yen)	
II INCOME TAX SYSTEM		
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) 23.9% (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	Calendar Year	
(2) Corporation	Accounting Period	

TAX ADMINISTRATION		
1	Organization Structure	(As of April 2017)
(1)	Outline of Organization	National Tax Agency 1 HQ(1) 2 Regional Taxation Bureaus (12) 3 Tax Offices (524)
(2)	The year of the establishment	1949
(3)	Head of the organization	Commissioner, Nobuhisa Sagawa (since June 2017)
(4)	Organization in charge of Tax Policy and Tax System	Tax Bureau, Ministry of Finance
2	Number of Personnel	(As of April 2017)
(1)	National Tax Agency	974
(2)	Regional Taxation Bureau and Tax Offices	53,898
(3)	Others	795
	Total	55,667
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	Yes
	② Criminal Investigation	Yes
(2)	Indirect Taxes	
	① Field Examination	Yes
	② Criminal Investigation	Yes
7	International Taxation	
(1)	Transfer pricing taxation	Yes
(2)	Tax treaties	(As of January 2018) 70 treaties, 123 countries
8	Computer Processing System	
(1)	The year Computer Processing System was introduced	1965
(2)	The area Computer Processing System is applied to:	1 Clerical work on Income Tax, Corporation Tax, Consumption Tax, etc. 2 Calculation of the employee's wage, etc.
(3)	The year Electronic filing system was introduced	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

For Your Reference

JICA and Capacity Development

The key concept underpinning JICA operations since its establishment in 1974 has been the conviction that “capacity development” is central to the socioeconomic development of any country, regardless of the specific operational scheme one may be undertaking, i.e. expert assignments, development projects, development study projects, training programs, JOCV programs, etc.

Within this wide range of programs, Training Programs have long occupied an important place in JICA operations. Conducted in Japan, they provide partner countries with opportunities to acquire practical knowledge accumulated in Japanese society. Participants dispatched by partner countries might find useful knowledge and re-create their own knowledge for enhancement of their own capacity or that of the organization and society to which they belong.

About 460 pre-organized programs cover a wide range of professional fields, ranging from education, health, infrastructure, energy, trade and finance, to agriculture, rural development, gender mainstreaming, and environmental protection. A variety of programs and are being customized to address the specific needs of different target organizations, such as policy-making organizations, service provision organizations, as well as research and academic institutions. Some programs are organized to target a certain group of countries with similar developmental challenges.

Japanese Development Experience

Japan was the first non-Western country to successfully modernize its society and industrialize its economy. At the core of this process, which started more than 140 years ago, was the “*adopt and adapt*” concept by which a wide range of appropriate skills and knowledge have been imported from developed countries; these skills and knowledge have been adapted and/or improved using local skills, knowledge and initiatives. They finally became internalized in Japanese society to suit its local needs and conditions.

From engineering technology to production management methods, most of the know-how that has enabled Japan to become what it is today has emanated from this “*adoption and adaptation*” process, which, of course, has been accompanied by countless failures and errors behind the success stories. We presume that such experiences, both successful and unsuccessful, will be useful to our partners who are trying to address the challenges currently faced by developing countries.

However, it is rather challenging to share with our partners this whole body of Japan’s developmental experience. This difficulty has to do, in part, with the challenge of explaining a body of “tacit knowledge,” a type of knowledge that cannot fully be expressed in words or numbers. Adding to this difficulty are the social and cultural systems of Japan that vastly differ from those of other Western industrialized countries, and hence still remain unfamiliar to many partner countries. Simply stated, coming to Japan might be one way of overcoming such a cultural gap.

JICA, therefore, would like to invite as many leaders of partner countries as possible to come and visit us, to mingle with the Japanese people, and witness the advantages as well as the disadvantages of Japanese systems, so that integration of their findings might help them reach their developmental objectives.



CORRESPONDENCE

For enquiries and further information, please contact the JICA office or the Embassy of Japan. Further, address correspondence to:

JICA Tokyo International Center (JICA TOKYO)
Address: 2-49-5 Nishihara, Shibuya-ku, Tokyo 151-0066, Japan
TEL: +81-3-3485-7051 FAX: +81-3-3485-7654