

Taxes

Taxes in Japan are divided into national taxes and local taxes (prefectural taxes and municipal taxes). Foreign residents of Japan are also required to pay these taxes. The city taxes, prefecture taxes, vehicles taxes (paid by installments), corporative taxes and other taxes are used for welfare, children education, garbage collection and other services.

1. City resident's tax and prefectural resident's tax

City resident's tax and prefectural resident's tax are divided into two types: city resident's tax and prefectural resident's tax for individuals and city resident's tax for corporate entities such as companies.

City resident's tax and prefectural resident's tax for individuals applies to the residents of a municipality where they reside on January 1, and is imposed on the income and deduction of the previous year. The amount of city resident's tax and prefectural resident's tax is a sum of **the income levy portion** based on the income of the previous year, and a **per capita portion** that is charged equally to those with a certain level of income.

Income is defined as the amount left after subtracting employment income and public pension deductions, necessary expenses and other deductions/expenses from revenues.

◇City resident's tax and prefectural resident's tax calculation method

Equalization tax= city resident's tax ¥3,500, and prefectural resident's tax ¥1,500

Income levy = (Income amount – Income deductions) × 10 percent (6 percent for city resident's tax, 4 percent for prefectural resident's tax) – tax credit

◇People not subject to either per capita taxation or income-based taxation

(1) People who receive public financial assistance for everyday living under the Public Assistance Act

(2) Disabled persons, widows, single parent and minors whose total income amount in the previous year was ¥1.35 million or less

(3) Persons who fall under the following calculations

- If there are no dependent kin:

Total income amount \leq ¥415,000

- If there are dependent kin:

Total income amount \leq ¥315,000 × (Partner sharing the same household income and number of dependent +1) + ¥ 289,000

◇People not subject to taxation on an income basis

- If there are no dependent kin:

Total net income etc \leq ¥450,000

- If there are dependent kin:

Total net income etc \leq ¥350,000 × (Partner sharing the same household income and number of dependent + 1) + ¥420,000

◇Requirements for spouse/dependent deduction

Total income amount must be ¥480,000 or less

Note: The spouse/dependent(s) must share the same livelihood with the taxpayer.

The procedure for counting relatives living abroad as dependents will change

If you want to count relatives living abroad as dependents, you will be required to submit kinship documents, remittance records and Japanese translations of these documents when filing tax returns and year-end adjustments.

“Kinship documents” refers to documents that show the names, addresses, date of birth and family relationship of the relatives considered as dependents, such as local birth certificates. “Remittance records” refers to documents that prove that remittances are being sent overseas from Japan, such as remittance certificates from banks.

Note: If there are multiple non-resident relatives, “Kinship documents” is required for each non-resident relatives who applies dependent deduction, and so on.

2. Fixed Assets Tax and City Planning Tax

◇Fixed assets tax

This tax is levied on residents who own land, buildings and depreciable property (collectively referred to as “fixed assets”) as of January 1 of each year.

◇City planning tax

This tax is levied on people who own land or buildings in urban areas as of January 1 of each year.

◇Tax rates

The fixed assets tax rate is 1.4 percent, and the city planning tax rate is 0.3 percent.

◇Amount of tax

The amount of tax is that multiply standard taxable based on amount of fixed assets value and tax rate.

◇General inspection system

From April 1 of each year until the first-term payment due date of the fixed assets tax for that fiscal year, you can have the valuation of your land and buildings compared with the valuation of other land and buildings.

◇Reference system

You can check the estimated value and other related information of your own assets. Property leaseholders can also check the contents of taxation for the part corresponding to the lease contract year-round.

3. Light Motor Vehicle Tax

This tax is levied on people who, as of April 1, own or use a moped, four-wheeled light car, small-sized special motor vehicle or light motorbike/small vehicle with two wheels in the city.

◇Tax rates

- Mopeds type 1 (50 cc or less) / type 2, grade “Otsu” (90 cc or less) : --- ¥2,000
- Mopeds type 2, grade “Ko” (125 cc or less) : --- ¥2,400
- Minicars : --- ¥3,700
- Light motorbikes (over 125 cc to 250 cc) : --- ¥3,600
- Small vehicles with two wheels (over 250 cc) : --- ¥6,000
- Four-wheeled light cars for private use : --- ¥10,800

Notes: 1. In addition to the above types, there are also small-sized special motor vehicles, four-wheeled light freight cars for private use, and so on.

2. The above tax rates are standard tax rates. Depending on the vehicle, a heavier tax rate or lighter tax rate may apply.

◇Vehicle types for which City Hall can handle new registration, change registration, and deregistration:

Mopeds type 1 (50 cc or less), minicars, mopeds type 2 grade “Otsu” (90 cc or less), mopeds type 2 grade “Ko” (125 cc or less), small-sized special motor vehicles (for agricultural work, etc.)

◇Items required for vehicle registration

- New purchase: Sales certificate, personal identification
- Ownership transfer: Application for deregistration, ownership transfer certificate and personal identification

◇Items required for vehicle deregistration procedure

License plate, certificate of license plate issuance and personal identification

◇If moving outside the city but retaining ownership of vehicle

If you were issued a license plate in Yachiyo City, be sure to deregister (Yachiyo City number return). Moreover, the procedures for a change of address and other similar procedures for four-wheeled light cars, light motorbikes (over 125 cc to 250 cc) and small vehicles with two wheels (over 250 cc) must be done at the following locations:

☛ Four-wheeled light cars

Narashino Branch, Chiba Office, Light Motor Vehicle Inspection Organization

〒276-0040 Midorigaoka Nishi 8-10, Yachiyo-shi ☎050-3816-3115

☛ Two-wheeled vehicles over 125 cc

Narashino Vehicle Inspection and Registration Office

〒274-0063 8-57-1 Narashinodai, Funabashi-shi ☎050-5540-2024

4. Applying for Tax Certificates

When applying for a tax certificate, please bring personal identification (in principle, a photo ID). Some documents cannot be issued at branch offices and liaison offices, so please check the following table before applying.

Tax payment certificates (Tax Payment Division)

Certificate		Application location	Required items	Fee
City resident's tax and prefectural resident's tax		City Hall Branch office Liaison office	A: If the taxpayer himself/herself or a relative belonging to the same household applies: - Personal identification of the person applying B: If a proxy (a person other than a relative belonging to the same household as the taxpayer) applies: - Personal identification of the person applying and power of attorney C For application of a corporation, it is necessary the applicant identification document and the representative's seal. Note: If the application is for a certificate of a light motor vehicle for continued use, the above is not required.	¥ 300
Fixed assets tax · City planning tax				Free
Light motor vehicle tax	For continued use			¥ 300
	Other than the above			
Corporate municipal tax		City Hall	Applicant's identification and representative's seal or power of attorney	¥ 300
Certificate of payment of local taxes without arrears (for public interest corporation authorization, etc.)				

City resident's tax certification (Municipal Resident Tax Division)

Certificate		Application location	Required items	Fee
Income and taxation certificate Income certificate Taxation certificate Tax exemption certificate		City Hall Branch office Liaison office	A. If the taxpayer himself/herself or a relative belonging to the same household applies: - Personal identification of the person applying B. If a proxy (a person other than a relative belonging to the same household as the tax payer) applies: - Personal identification of the person applying and power of attorney Note: If the application is for a corporate location certificate, the	¥ 300
Corporate location certificate	For light motor vehicle registration			Free
	Other than the above	¥ 300		

			above is not required.	
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Fixed assets tax certification (Property Tax Division)

Certificate	Application location	Items required	Fee
Property assessment certificate Tax estimate certificate Certificate of items listed in the tax roll Fixed assets certificate Taxation certificate Copy of real estate register book	City Hall Branch office Liaison office	<p>A. If the taxpayer himself/herself or a relative belonging to the same household applies: - Personal identification of the person applying</p> <p>B. If the land and/or house tenant applies: - Personal identification of the person applying, and a copy of the lease agreement</p> <p>C. If an heir applies: - Personal identification of the heir making the application, documentation showing the inheritance relationship and certificate of death of the decedent (copy of family register, etc.)</p> <p>D. If the person who became the owner after the date of property assessment applies: - Applicant's personal identification; certificate of registered matters that includes transfer of ownership; purchase and sale agreement or other equivalent document (in the case of a registration information document obtained from the online registry information service, it must have the reference number and date of issue [reference number must have been issued within the last hundred days and not been used])</p> <p>E. If a successful bidder applies: - Applicant's personal identification; (as documents verifying a successful bid) payment remittance deadline notice and auction catalogue (issued only if said item is listed in the catalogue)</p> <p>F. If an auction petitioner applies: - Applicant's personal identification; set of petition documents from the relevant real estate auction</p> <p>☆If a proxy (other than A through F above) applies: - In addition to the required documents for ABCDEF, power of attorney(if it is corporate entity, a seal of representative will be required)</p> <p>Note: If the application location is a branch office or liaison office, the certificate will be issued two or three days later.</p>	¥300

5. Regarding Income Tax

Income tax (national tax) is levied on residents who have had an income during the one-year period from January to December.

In the case of salaried workers working in companies, etc., the income tax is deducted from the monthly salary. All other workers need to file a tax return with a tax office. This must be done at the following location:

Chiba Nishi Tax Office

〒262-8502 1-520 Takeishi-cho, Hanamigawa-ku, Chiba City

☎043-274-2111

6. Consultation on taxes

Taxes need to be paid on time. However, due to sickness, unemployment, bankruptcy and unavoidable reasons, maybe it is difficult to pay taxes. People who cannot pay city taxes on time, the payment can be recalculated and adjusted, according the situation. Those, who are willing to have a consultation, can come or call the taxes department.