

## ~ Enhanced taxpayer services achieved by public relations activities, tax education, tax consultation, etc. ~

Japan adopts a self-assessment system for most of its national taxes. Under this system, taxpayers themselves calculate their income and tax amount, based on which they file and make a payment. In order for the self-assessment system to function properly, at the NTA, we do our best to ensure taxpayers have a high level of awareness regarding tax payment and proactively and properly fulfill the obligation of tax responsibilities as provided by the law.

To this end, the NTA is working to enhance a variety of services for taxpayers while cooperating and coordinating with Certified Public Tax Accountants (CPTAs) and relevant private organizations. These include (1) public relations activities and tax education relating to the significance and function of taxes and knowledge about the tax law, (2) clarification of legal interpretation and of practices, procedures, etc., (3) centralization of taxpayer contact points, and (4) efforts to improve taxpayer convenience in tax consultation and filing returns.

## 1 Providing information, etc.

### ~ Various public relations activities ~

The NTA provides taxpayers with useful information on tax filing and payments, etc.

More specifically, focused on the NTA website (<https://www.nta.go.jp>), the NTA provides a variety of information on the significance and roles played by taxes and on the tax system. The information is also provided through the mass media, such as TV and newspapers, and public relations mediums such as pamphlets made available at the Tax Offices as well as municipal offices, and various explanatory meetings (accessed 332.83million times in FY2018).

The NTA also answers to general inquiries and consultations related to taxes by telephone and other means, while providing information on the interpretation and handling of general tax law through the NTA website, etc. Furthermore, it responds to advance inquiries where there are questions on tax applications related to actual transactions.

### “Think About Tax” Week

The NTA has been regularly taking measures for the improvement in the awareness regarding tax payment to assist citizens to deeply understand the significance and functions of taxes and the current state of tax administration, and to proactively and properly fulfill the obligation of tax responsibilities.

The week from November 11 to 17 is annually set in particular as the “Think About Tax” Week. The NTA conducts various PR activities mainly during this period and also considers this period as an opportunity to receive opinions and requests for tax administration.

The NTA recognizes that understanding the relationship between the lives of the people and taxes through this effort is essential to maintain and develop self-assessment system.

### (1) Information provided on the NTA website

#### ~ The NTA website is designed with a focus on taxpayer convenience ~

To enable anyone to easily use its website, the NTA is making efforts to deliver information in an easy-to-understand format, such as simplified layout of the website with menu selection consolidated, and pays attention to convenience for the visually disabled and the elderly by providing text enlargement, voice reading functions, etc.

In addition, optimized display on a smartphone or tablet screen is delivered through a function which automatically adjusts the display in accordance with the size of the display (responsive web design).

The NTA also has a website for cellular phones, etc. (<https://www.nta.go.jp/m> (in Japanese))

# Overview of NTA Website (top page)

\* The following diagram is as of May 2019.

The screenshot shows the NTA website homepage with the following features highlighted by numbered callouts:

- Search function within the website:** A search bar at the top right.
- Text enlargement / voice reading:** A search bar with a magnifying glass icon.
- Global navigation:** A horizontal menu with items like Home, Tax Information, Publications, Laws, Notices, and About NTA.
- Urgent notice:** A red banner at the top left with the heading "緊急のお知らせ" (Urgent Notice).
- New arrivals:** A section titled "新着情報" (New Arrivals) with a list of recent updates.
- Monthly access ranking:** A section titled "月間アクセスランキング" (Monthly Access Ranking) with a list of popular pages.
- Menu by area of interest:** A section titled "分野別メニュー" (Menu by Area of Interest) with sub-sections for "税について調べる" (Learn about taxes) and "申告・納税" (Filing and Payment).
- Search for tax office:** A section titled "税務署を検索" (Search for Tax Office) with a form to search by postal code.
- SNS, etc.:** A section titled "SNS" with links to Twitter, YouTube, and other social media.
- Banner:** A banner at the bottom for "社会保障・税番号制度<マイナンバー>" (Social Security and Tax Number System <My Number>).
- Site map:** A section at the bottom titled "税の情報・手続・用紙" (Tax Information, Procedures, and Forms) with a grid of links.

- Search function within the website**  
Function to search through information on the entire NTA website by referencing a keyword
- Text enlargement / voice reading**  
Support functions for the elderly and those who have visual disorders
- Global navigation**  
Information guide that serves as an entrance to various information sites
- Urgent notice**  
Displays highly urgent information, such as disaster-related messages
- New arrivals**  
Displays new arrival information in a table by content
- Monthly access ranking**  
Displays pages with the most access in a ranking format
- Menu by area of interest**  
Displays page with the most access by area of interest
- Search for tax office**  
Enables the user to search for its jurisdictional tax office by postal code or address
- SNS, etc.**  
Collects and displays information from all tools used by the NTA to release information
- Banner**  
Displays the contents to be distributed in the form of banner depending on various situations
- Site map**  
Displays the composition of the entire NTA website in a table

About the NTA  
Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration  
Proper and Fair Taxation and Collection  
Remedy for Taxpayer Rights  
Liquor Administration  
Ensuring Proper Administration of Services by Certified Public Tax Accountants (CPTAs)  
Evaluation of Policies  
Statistics

\* The NTA submits information including new information regarding the NTA and a press release through the official NTA Twitter account (@NTA\_Japan) other than the NTA website. The free video sharing site "YouTube" also delivers videos with information on the NTA activities (including the publicity activities of each Regional Taxation Bureau and Tax Office) and support for self-assessment procedures.

# II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

## (2) Tax education

### ~ Developing the environment for, and providing support for enhanced tax education ~

The NTA works on developing the environment for and providing support for a solid tax education in school education, so that the significance and roles of taxation that forms the country's foundations will be correctly understood.

Specifically, the Council for Promoting Tax Education among related ministries, etc. (consisting of the NTA, Ministry of Internal Affairs and Communications, Ministry of Education, Culture, Sports, Science and Technology, etc.) meets to discuss effective support measures. Furthermore, we dispatch our staff as teachers to tax education classes on the request of schools as well as organize tax essay contests, via cooperation from the Certified Public Tax Accountants' Associations and the relevant private organizations, mainly by councils for promoting tax education established in each prefecture (members comprised of Regional Taxation Bureaus, Tax Offices, local authorities, educational leaders, etc.).

Moreover, Taking into account changes in the environment surrounding tax education, such as revision of the education guideline and increasing importance of citizenship education, the NTA is making efforts to develop courses and teaching materials that deliver a profound learning experience by accurately ascertaining the needs of the educators and collaborating with related agencies, enabling children and students to make observations in a subjective and interactive manner. A

"Tax learning section" is provided on the NTA website (<https://www.nta.go.jp/taxes/kids/> (in Japanese)) as a page for site visitors, like school children, students, etc. to study the significance and roles of taxation.

"Tax☆Space UENO," a facility for tax education in the Tokyo-Ueno Tax Office, holds "Tax Office Tour" and "Experiential Learning" events as well. For further information, please see the NTA website (<https://www.nta.go.jp/about/organization/tokyo/education/taiken/01.htm> (in Japanese)).



Tax☆Space UENO



Tax learning section (top page) (as of May 2019)

#### ■ Number of lecturers dispatched to Tax Education Class, etc.

Fiscal year	2017	2018
Officials	9,075	9,203
Non-officials	31,788	34,133
<b>Total</b>	<b>40,863</b>	<b>43,336</b>

\* Includes the number of lecturers dispatched to universities and vocational schools.

#### ■ Number of essays entered for Tax Essay Contest

Fiscal year	2017	2018
Received from high school students	218,208	219,163
Received from junior high-school students	616,072	593,795

## Providing tax knowledge through the Tax Museum

The Tax Museum in the National Tax College has valuable collections of historical documents and materials regarding national taxes. The Museum displays its large number of collections throughout the year and is open to a wide variety of visitors such as primary school children and other people as well as specialists on tax history.

For further information, please visit the National Tax College section within the NTA website (<https://www.nta.go.jp/about/organization/ntc/english/>).



Tax Museum

### (3) Lectures

#### ~ Tax Enlightenment Activities to Improve Awareness Towards Tax Payment ~

The NTA holds lectures, supported by the Regional Taxation Bureaus and Tax Offices, for college students and adults with the objective to improve awareness towards tax payment, aiming towards development of understanding towards tax payment through accurate knowledge and proactive thoughts on the role of taxes, significance of the self-assessment system and the rights and obligations of taxpayers.

#### Frequency of lectures

Fiscal year	2016	2017
Frequency held	1,690 times	1,993 times

### (4) Briefings for taxpayers

#### ~ Organizing various educational sessions to provide information ~

To help taxpayers better understand the tax procedures and tax system revisions, the NTA holds a variety of briefings, including: (1) various briefings on tax returns, (2) year-end adjustment briefings, (3) briefings on revisions to the tax laws, and (4) briefings for newly established corporations.

#### Frequency of briefings and number of participants

Operation year	2016	2017
Frequency held	23,058 times	25,939 times
Number of participants	1,062 thousand people	1,105 thousand people

# II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

## (5) Advance inquiries

### ~ Enhanced predictability for taxpayers ~

In case taxpayers have some doubts regarding the tax treatment of any transaction conducted or to be conducted, Tax Offices receive advance inquiries before taxpayers start a trade or file a tax return and provide answers. If requested, a written answer may be provided under certain conditions and disclosed as Q&As on the NTA website (<https://www.nta.go.jp/law/bunshokaito/01.htm> (in Japanese)).

Besides written answers, answers that can serve as reference for taxpayers among ones to advance inquiries, are also carried on the NTA website as examples in Q&As. (<https://www.nta.go.jp/law/shitsugi/01.htm> (in Japanese)).

#### ■ Number of Advance Inquiries received by written reply procedure

Fiscal year	2017	2018
Number of Advance Inquiries Received	133	133

#### ■ Number of Q&A examples posted on website

Fiscal year	2017	2018
Number of Q&A posted	1,928	1,953

## (6) Tax consultation

### ~ General tax consultations are handled at centralized Phone Consultation Centers ~

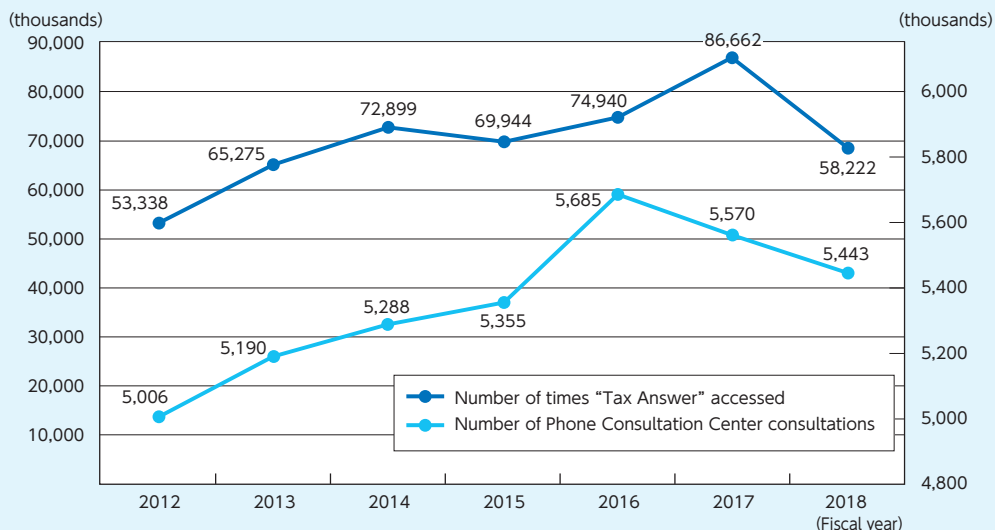
Phone Consultation Centers at Regional Taxation Bureaus provide centralized handling of general national tax questions and consultations from taxpayers. Phone Consultation Centers at Regional Taxation Bureaus in Tokyo, Nagoya and Osaka also provide tax consultation in English.

Also, the NTA website provides information in its "Tax Answer" section (<https://www.nta.go.jp/taxes/shiraberu/taxanswer/index2.htm> (in Japanese)), in which general answers to frequently asked questions are posted (it also provides a mobile phone site.).



Phone Consultation Center

#### ■ Phone Consultation Center; Number of consultations and number of times "Tax Answer" was accessed



## ~ Tax Offices will provide individual and specific tax consultation services on a prior appointment basis ~

When consultation by interview is required, for example if it is necessary to check specific documents or facts, appointments can be made in advance at the Tax Office with jurisdiction. This serves to eliminate wait time at the Tax Office, as part of our efforts for effective and efficient operation which matches the content of consultations.

## Response to affected taxpayers and other parties

The NTA took a measure to extend the national tax filing and payment deadlines for the regions which were affected by The Heavy Rain Event of July 2018 and the 2018 Hokkaido Eastern Iburu Earthquake and which were designated by the NTA.

Afterwards, while the measure to extend the deadline was terminated area by area, based on the post-disaster situation of the affected areas, further extensions were offered to people who had difficulty in filing or payment, in response to their application. The NTA strives to respond carefully, considering the individual circumstances of the affected people.

Moreover, to assist those who have suffered from the Great East Japan Earthquake, the NTA has developed a system for providing appropriate consultations to those who are taking refuge at their nearest Tax Offices. The NTA continuously endeavors to disseminate systems, answer inquiries from taxpayers, and so on as well as provide consultations while giving adequate consideration to their circumstances and emotions.

### Principal tax treatments applicable to those who suffered damage from these disasters

- The taxpayer may extend the deadline for filing or payment, and postpone tax payment for a certain period.
- The taxpayer may benefit from reduced taxes or postponement of payment, even during the stages of an estimated income tax prepayment or income tax withholding.
- Should the taxpayer suffer damage to its home or belongings, the taxpayer may reduce its income tax through casualty loss deduction methods determined in the Income Tax Act or methods of tax reduction or release determined in the Act on Reduction or Release, Deferment of Collection and Other Measures Related to Tax Imposed on Disaster Victims.

### Publicity about taxation measures relating to disasters

The NTA has provided information and publicity about taxation measures with the people affected by disasters through its website, Twitter and other methods, soon after the occurrence of disasters.

For other measures and details, see the NTA website "The Disaster related information" (<https://www.nta.go.jp/taxes/shiraberu/saigai/index.htm> (in Japanese)).

The screenshot shows the National Tax Agency (NTA) website interface. At the top, there is a search bar and navigation links for 'English', 'Text Size', 'User-specific', and 'Site Map'. Below the navigation bar, there are tabs for 'Home', 'Tax Information, Procedures, and Forms', 'Publications', 'Laws', 'News', and 'About the NTA'. The main content area is titled 'Disaster-Related Information' (災害関連情報) and includes a message to affected taxpayers, a list of recent news items, and a sidebar menu with categories like 'Tax Information, Procedures, and Forms', 'Tax Procedures and Forms', 'Taxation Procedures', 'Taxation Procedures', 'Taxation Procedures', and 'Taxation Procedures'.

The Disaster related information (as of May 2019)

# II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

## 2 e-Tax (online national tax return filing and tax payment system)

~ Strongly promote various measures in order to encourage the use of e-Tax and submitting all documents including attachment electrically ~

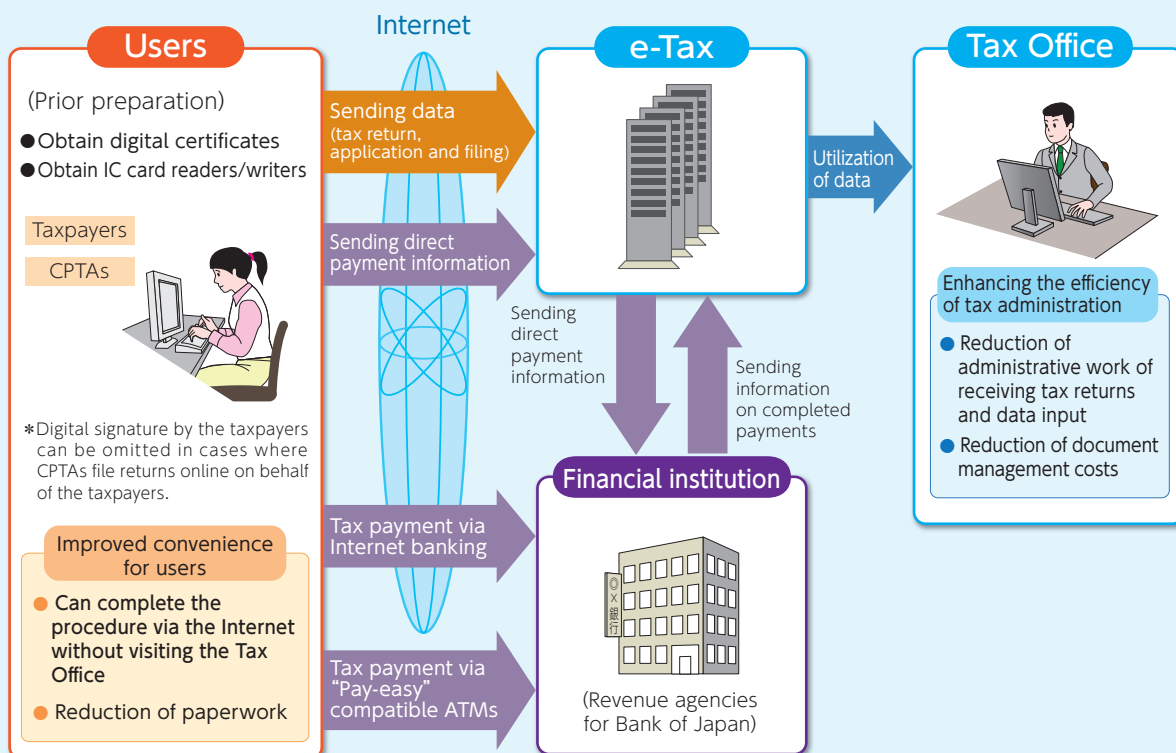
e-Tax enables users to perform procedures for filing income tax, corporation tax, consumption tax, gift tax, stamp tax and liquor tax returns, as well as submitting statutory records and applying for blue return filing, etc. via the Internet without visiting the Tax Office. Tax payment can be made via direct payment, the Internet, Pay-easy<sup>1</sup> compatible ATMs, etc.

Use of tax and accounting software compatible with e-Tax enables taxpayers and CPTAs to digitally carry out the set of work, including accounts processing and reporting, from data preparation to filing, which will reduce paperwork.

The NTA thinks e-Tax also reduces administration work, such as receiving tax returns at the counter or by postal mail and data input, as well as reduces document management costs for tax authorities, thereby promoting the efficiency of tax administration.

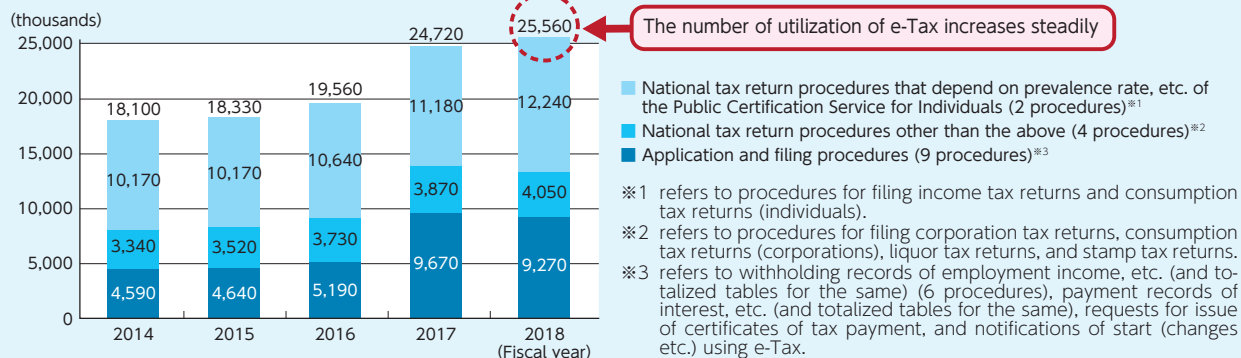
To this end, amid the computerization of the economic society further progressing, the NTA will enhance the convenience so as to enable taxpayers to perform procedures easily and accurately. At the same time, from the perspective of promoting cost reduction in the whole society and productivity improvement in corporations, the NTA will place emphasis on further promotion of e-Tax and submitting all documents including attachments electrically.

### ■ Outline of e-Tax



<sup>1</sup> "Pay-easy" is a service where taxpayers can pay taxes, public utility charges and other charges through PCs, smartphones/cellular phones or ATMs without queuing at the counters of financial institutions or convenience stores.

## The number of utilizations of e-Tax



## Column 2 The NTA will endeavor to increase the convenience of e-Tax

At the NTA, introduction and preparation of the following policies are underway in order to further increase the convenience of e-Tax.

### 1 The simplification of the authentication procedure for the use of e-Tax by individual taxpayers [implemented in January 2019]

#### (1) The use of e-Tax with My Number Card (My Number Card method)

By logging into e-Tax through Mynportal or from the e-Tax website with My Number Cards, taxpayers may be able to start using e-Tax more easily.

#### (2) The use of e-Tax with IDs and passwords (ID and password method)

In terms of those who do not possess a My Number Card or IC card readers/writers, the taxpayer can transmit its filing data through e-Tax from the filing assistance on the NTA website, using only an ID and password dedicated to e-Tax, issued after in-person identity verification by a staff at the Tax Office.

#### (3) Compatibility with smartphones

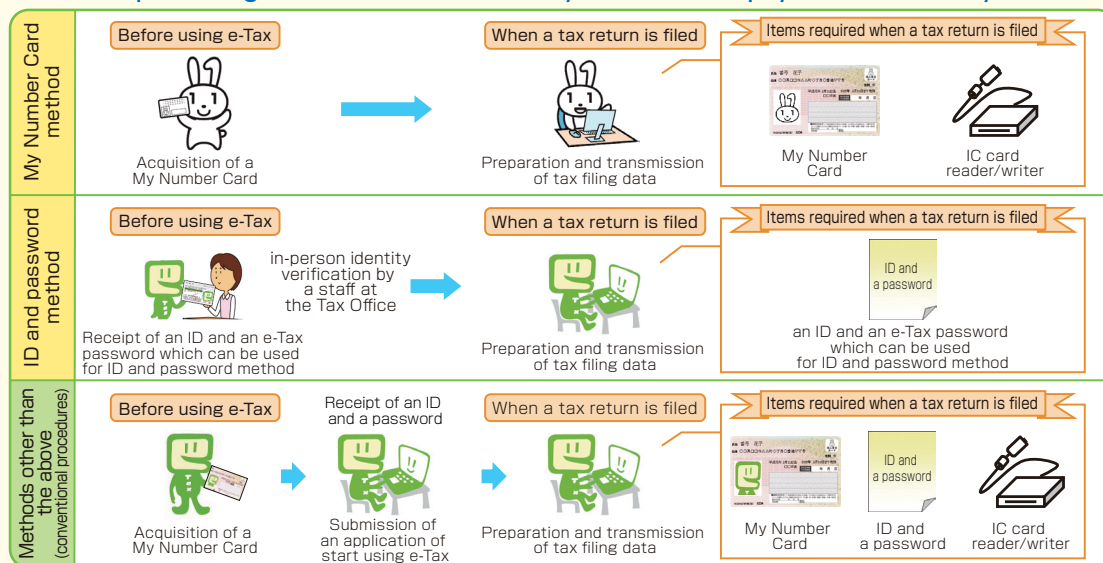
Wage earners who filed year-end adjustment and will apply for tax deduction for medical expenses or donations can prepare final income tax returns by visiting the filing assistance on the NTA website and using the special screen optimized for smartphones, etc.

A prepared return form can be transmitted through e-Tax with an ID and password method. In addition to the ID and password method, e-Tax transmission by the My Number Card method will become possible after January 2020\*.

\* Available only to smartphones compatible with My Number Card. For the model names of smartphones compatible with My Number Card, please check the website for "Public Certification Service for Individuals" by Japan Agency for Local Authority Information Systems (<https://www.jpki.go.jp> (in Japanese)).

The NTA plans to expand the scope of people who can use the special screen for smartphones into taxpayers who earn employment incomes from multiple sources or miscellaneous incomes, such as public pensions.

### ~ Conceptual diagram of the use of e-Tax by individual taxpayers after January 2019 ~



1 "Mynportal" refers to a portal site, newly created when the My Number System was adopted, which each and every citizen may have access to.



# II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

## 2 Increase the convenience for e-Tax use by corporate taxpayers

In tandem with the mandatory requirement for large enterprises to file tax return online (refer to Column 3), the NTA has advancing preparations of an environment that for corporate taxpayers enables smooth online submission of filing data pertaining to corporate taxes.

### (1) Reduction in the amount of information requiring submission [implemented in April 2018]

Regarding documents prepared by third parties, such as the certificate related to expropriation of land, which are required to be attached to a final tax return, the NTA accepts the application of the system if such documents are retained instead of being attached to the return form.

### (2) Acceptance of various data formats [planned for implementation after May 2019]

Out of attached forms, portions that require detailed descriptions, account heading breakdown statements and financial statements can be submitted in the CSV form.

### (3) Increase in number of options for submission [planned for implementation by April 2020]

Submission of attached documents in the form of optical disk will be accepted.

### (4) Centralized destination for submission ('once only policy') [planned for implementation by April 2020]

When financial statements are submitted through e-Tax in filing a corporation tax return, the submission of financial statements in filing a corporation enterprise tax return can be omitted due to coordination in information between national and local tax offices.

### (5) The simplification of the authentication procedure for the use of e-Tax [implemented in April 2018]

When the corporate taxpayer files using e-Tax, transmission of the representative's digital signature is no longer necessary, as long as the digital signature and digital certificate of the individual (restricted to a director or employee of the corporate taxpayer) who has been appointed by the representative of the corporate taxpayer is sent.

\* For details of each item, see the e-Tax website (<http://www.e-tax.nta.go.jp/hojin/gimuka/index.htm> (in Japanese)).

## 3 Further expansion of e-Tax reception hours [Implemented in January 2019]

The e-Tax reception hours have been expanded to be 24 hours every day during the period for filing tax returns and 24 hours on weekdays outside the period for filing tax returns including the final Saturday and the following Sunday each month.

## 4 Enlargement of the transmission capacity of e-Tax [Implemented in January 2019]

The transmission capacity of e-Tax per transmission has been increased twice as much as the current one (20MB) for return forms and about five times as much as the current one (8MB) for attached documents.

## 5 e-Tax adaptation to inheritance tax filing [planned for implementation after October 2019]

Inheritance tax will be eligible for filing through e-Tax.

## 6 Simplification of filing procedures utilizing electrical reduction certification, etc [implemented after January 2018]

Through improvement of filing assistance on the NTA website, when applying for deduction for insurance premiums, deduction for earthquake insurance premiums, deduction for the donation and deduction for medical expenses for income tax, the electronic data such as deduction certification, provided by the insurance company, may be sent as attachment to the final tax return data when submitting the final tax return through e-Tax.

## Column 3 Large enterprises will be required to file returns via e-Tax

With increasing degree of ICT in the economic society, submission of final tax returns and such by large enterprises (for domestic corporation only) which fulfill certain conditions, such as capital or contribution exceeding 100 million yen, will be required to submit online, including attachments such as account heading breakdown statements, beginning April 1, 2020, from the perspective of reduction of cost to overall society and promotion of efficiency enhancement. The NTA is committed to preparing adequate conditions to enable smooth online submission of filing data pertaining to corporate taxes (Taxpayers other than large corporation can also use this).

### ■ Overview of the system

#### 1 Subject tax category and procedure

Submission of final tax return, including corporate tax and local corporate tax as well as consumption tax and local consumption tax

#### 2 Large enterprises

- Corporate entities whose capital or contribution exceeds 100 million yen at the beginning of the business year
- Mutual companies, investment corporations and special purpose companies, national and local governments

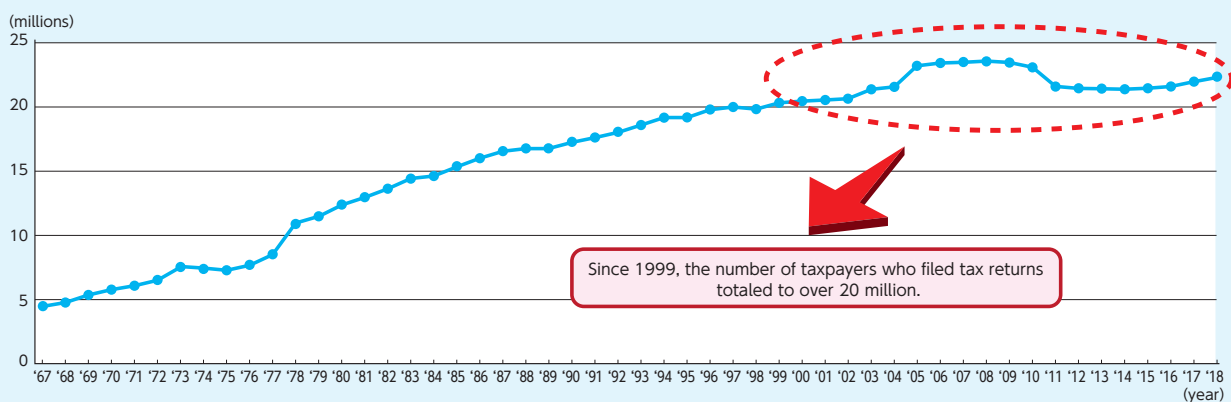
\* For concrete details, see the e-Tax website (<http://www.e-tax.nta.go.jp/hojin/gimuka/index.htm> (in Japanese)).

### 3 Filing for tax return

~ The number of taxpayers who filed income tax returns totaled 22.22 million. More than half filed for tax refunds ~

Tax filing is a procedure, in which the taxpayer calculates income and tax amount for a one year period, and files and pays taxes. Not only persons obligated to file, but also those who obtain tax refunds file tax returns, for example, because they paid large medical expenses. 22.22 million people filed their income tax and special income tax for reconstruction (hereinafter referred to as "income taxes, etc") for 2018; thus, one out of six residents filed tax returns. Of these, over 13.06 million people filed for refunds, comprising over half of the people filing tax returns.

■ Trend of the number of income tax return filers



Various services are provided to meet with various needs of taxpayers  
 → Implemented systems to enable easy and convenient filing process

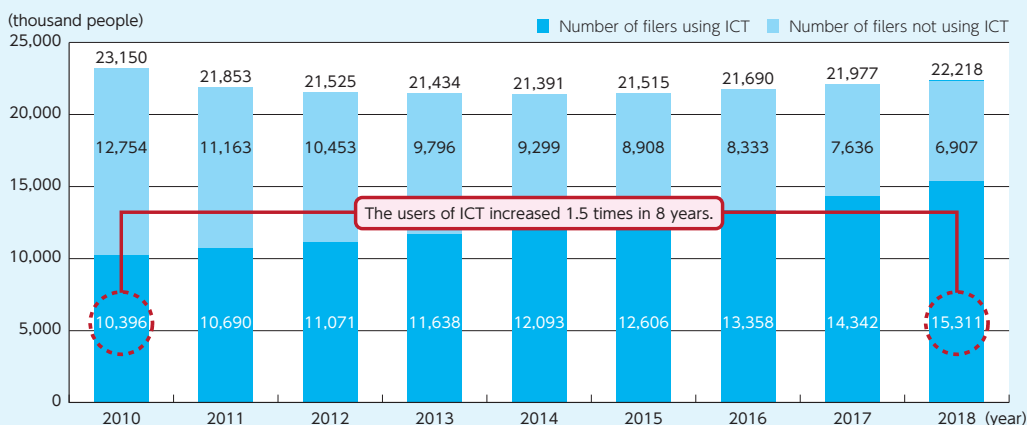
#### (1) Promotion of filing using ICT

~ Filing assistance on the website and e-Tax ~

The NTA promotes filings using ICT from home, etc, such as filing assistance on the NTA website and e-Tax.

\* Taxpayers visiting consultation sites of Tax Offices can use the PCs for filing assistance on the NTA website to prepare tax returns and to transmit them using e-Tax, experiencing the convenience of filing using ICT.

■ Filers who used ICT to file an income tax return



## II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

~ The number of users of “filing assistance on the website” is increasing each year ~

With the filing assistance on the NTA website, if a taxpayer enters the amounts and other necessary information according to the guidance on the PC screen, income amounts and tax amounts are automatically calculated, and it allows taxpayers to complete their tax returns accurately for income tax, etc. consumption tax and local consumption tax for sole proprietors, and gift tax, as well as financial statements for blue returns.

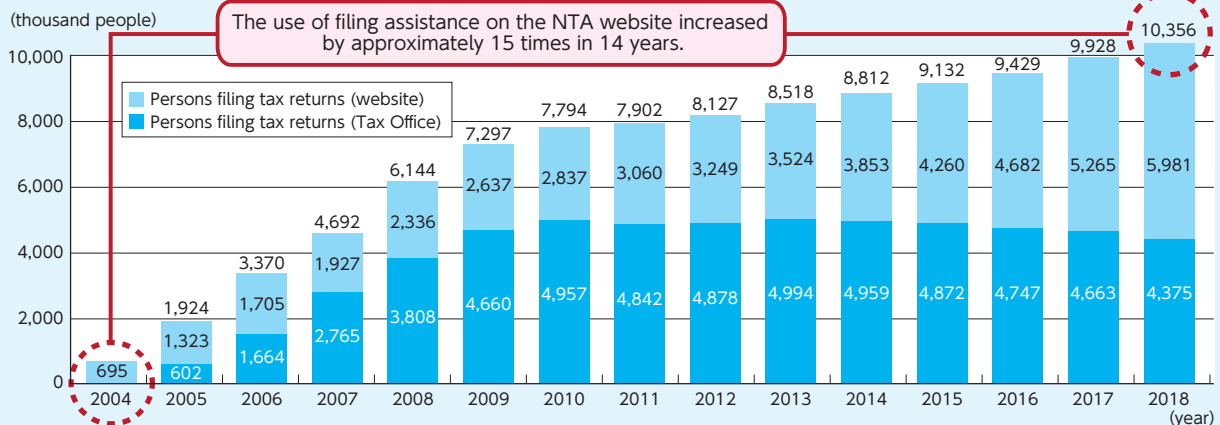
e-Tax can be used to file the prepared data directly or it can be printed and submitted to the Tax Office by post, etc.

In the filing period for 2018, the number of people who submitted tax returns for income tax etc. prepared with filing assistance on the NTA website reached 10.36 million cases including those prepared via PCs set up at consultation sites. This comprised about 47% of all people who submitted returns.

Of the 10.36 million cases which were prepared using the filing assistance on the NTA website, approximately 370,000 were prepared through smartphones.

We will continue our efforts to improve the system to make it easier to use based on feedback from users, so that it can be used by as many taxpayers as possible.

### ■ Trend in income tax return submissions prepared in filing assistance on the NTA website



\* Figures represent those submitted by the end of March of the following year.  
 The use of filing assistance on the NTA website at PCs installed in the Tax Office started from tax returns for 2004. However, the number of taxpayers who submitted returns using this method remains unaccounted for.  
 The number of taxpayers who submitted tax returns for years before 2003 remains unaccounted for.  
 The number of taxpayers who submitted tax returns for years since 2007 includes cases using e-Tax.

## (2) Response to diverse taxpayer needs

~ Opening tax office on Sunday during filing period ~

Taxpayers said that “It’s a problem that filing consultations can only be handled on weekdays; I would like it if they were also provided on days when the Tax Offices are closed.” In response, the NTA receives tax returns and provides filing consultations on two Sundays during the tax return filing period at some Tax Offices, and at joint meeting sites outside the Tax Offices.

For the 2018 tax return filing period, the offices were open on February 24 and March 3, 2019, during which 290,000 final income tax returns were filed.

### Cooperation with the local government

In an effort to simplify taxpayer filing procedures, the NTA is working on achieving close cooperation between the NTA and the local government. On the system aspects, for example, in the case of income tax filings, there is no need to file for individual enterprise tax and individual inhabitant tax, which are local taxes.

Also, on the implementation aspects, income tax filing data and other data are mutually provided between national government and local public bodies. Such actively increased use of ICT is an effort to boost efficiency and reduce the costs of administrative operations of national government and local government.

## 4 Diversification of payment methods

### ~ Enhanced taxpayer services by offering various payment methods ~

To enhance taxpayer services, diverse payment have been introduced; such as Cashless payment such as online payment using Direct payment and Internet banking, Credit card payment and payment at convenience stores, instead of paying at the counters of financial institutions and Tax offices in cash with tax payment slips. Additionally, beginning January 2019, taxpayers are able to pay at convenience store using a QR code.

Taxpayers can also use transfer tax payments from a deposit account for income tax and sole proprietors' consumption tax.

### Direct payment (direct type online payment of national tax)

Direct payment is a procedure that enables taxpayers to pay tax by simple operation after filing tax returns digitally by e-Tax, by submitting an application indicating bank account information in advance.

Direct payment can only be used at bank accounts held at financial institution which is compatible with direct payment. This is why the NTA is working to expand the number of financial institutions in which direct payment can be used, for example by requesting that non-compatible financial institutions become compatible. As of the end of March 2019, it was usable in 425 financial institutions.

### Online tax payment using Internet banking

National taxes can be paid online through Internet banking and ATMs of financial institutions that accept payment with Pay-easy.

To pay taxes online using Internet banking, etc., taxpayers are required to submit an application of start using e-Tax beforehand.

### Payment with credit card

Credit card payment is a payment procedure by inputting necessary information on the "National Tax Credit Card Payment Site" on the Internet by PC or smartphone.

The tax amount that can be paid with a credit card is less than 10 million yen and should be within the payment limit of the credit card to be used.

Taxpayers must pay for handling charges for credit card payment in accordance with the tax payment amount (handling charges are not national revenue).

### Payment at convenience stores

By printing at home a QR Code that embodies information required to complete payment of taxes, taxpayers are able to pay taxes at the cash register of convenience stores after scanning the QR Code at kiosk terminals (i.e., "Loppi" and "FamiPort") located within the stores. Taxpayers may also complete the payment at convenience stores using the bar coded payment slips issued by the jurisdictional Regional Taxation Bureau or Tax Office which are used to inform the taxpayer of scheduled income tax payments and finalized tax payment amounts prior to the payment deadline.

The maximum amount of taxes payable at convenience stores is 300,000 yen.

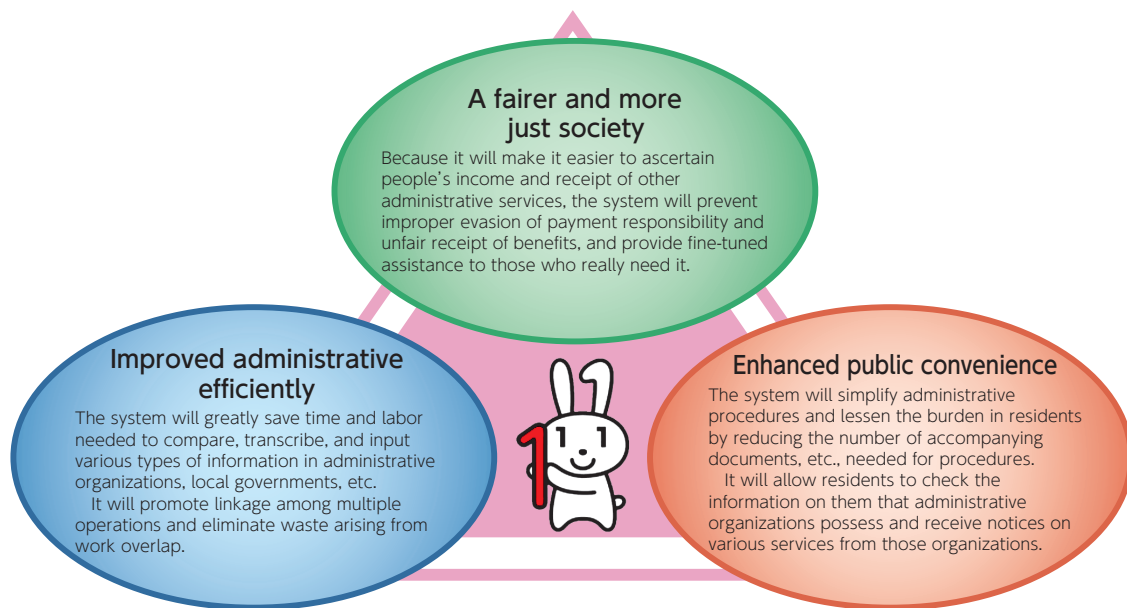
(Note) "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

## 5 Efforts toward the Social Security and Tax Number System (My Number System)

### (1) Outline of My Number System

My Number System is the social infrastructure to improve administrative efficiency, enhance public convenience, and realize a fairer and more just society.

Upon the introduction of My Number System, the NTA acts as an entity assigning Corporate Numbers and also as an entity utilizing My Numbers (Individual number) and Corporate Numbers.



(Source: Cabinet Office, Government of Japan website (<https://www.cao.go.jp/bangouseido/foreigners/english.html>))

#### ① My Number (Individual number)

My Number is a 12-digit number which has been designated to anyone holding residential registration. The use of My Number is limited to the procedures prescribed by law or municipal regulations, such as procedures in the fields of social security, taxation, and disaster response.

#### ② Corporate Number

Corporate Number is a 13-digit number to each corporation, such as stock companies. Corporate Number is available to anyone, unlike My Number.

### (2) Actions as an entity utilizing My Numbers and Corporate Numbers

#### ~ Utilization in the national tax field ~

An individual or corporation has to fill in the Number (My Number or Corporate Number) on the filing form and statutory statements each time they submit to the tax authority.

When My Number is provided, it is necessary to confirm the identity of individuals based on Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure to prevent identity fraud. Therefore, the NTA enact a notice that establishes specific procedures to confirm the identity of individuals in the national tax field.

## ~ Improving convenience for taxpayers ~

Taking the opportunity of the introduction of My Number System, attaching a copy of a certificate of residence can be omitted in a filing procedure to claim for housing loan tax credit from 2016, and storing information from e-Tax's message box in the "Notice" section of the Mynportal<sup>1</sup>, which allows centralized access to information from all administrative organizations from 2019, for those transmitted filing data of income tax, consumption tax or gift tax.

The NTA is examining ways in which to collaborate with related organizations to construct a scheme that enables simple filing by automatically transferring data, such as deduction certificates, which were collectively obtained through the Mynportal into the filing assistance on the NTA website and automatically completing the form.\*

\* The NTA is looking into introducing a similar system with the "Year-End Adjustment Deduction Declaration Preparation Software" (software that will support simple and accurate preparation of deduction declaration form through the use of deduction certificates electronically issued to employees by insurance firms, etc., and electronic submission to the employers during the year-end adjustment process) that is being developed by the NTA.

## ~ Recognizing income more properly and efficiently ~

In the field of national taxes, as numbers will be required on documents such as declaration form and statutory statements, the NTA expects that name-based aggregation of statutory statements and matching with declaration form will become more accurate and efficient, and, in turn, income will be recognized more accurately. Therefore, we believe that the number will lead to more proper and fair taxation.

## ~ Conducting public relations activities ~

To facilitate the establishment of My Number System, the NTA is actively conducting public relations by various tools; such as publishing FAQ through a special site regarding My Number System on its website, a briefing session held for the relevant private sectors, industrial associations, etc., and newspapers and Internet advertising in cooperation with the relevant ministries and agencies.

### Latest information and inquiries on the Social Security and Tax Number System

- The Cabinet Office website for the Social Security and Tax Number System  
<https://www.cao.go.jp/bangouseido/foreigners/english.html>
- Call Center for the Social Security and Tax Number System (Multilingual Service)

**0120-0178-26 (Toll Free)**

Available from 9:30 am until 8 pm on weekdays and until 5:30 pm on weekends and holidays  
(Excluding December 29 to January 3)

\* Response to request for temporary suspension of My Number Card due to loss or theft will be available 24 hours, 365 days.

### Latest information on the Social Security and Tax Number System pertaining to national taxes

- The NTA website "Social Security and Tax Number System".  
<https://www.nta.go.jp/taxes/tetsuzuki/mynumberinfo/index.htm> (in Japanese)
- The NTA website "the NTA Corporate Number Publication Site"  
<https://www.houjin-bangou.nta.go.jp/en>
- Inquiries about designating Corporate Number, sending a written notice, and how to use "the NTA Corporate Number Publication Site".  
the Office of Corporate Number Management at the NTA **0120-053-161 (Toll-Free)**  
Available from 8:45 am until 6 pm on weekdays (not available on weekends, holidays, and December 29 to January 3)

<sup>1</sup> Mynportal refers to a portal site that was newly set up when the My Number System was introduced, which is accessible by each and every national citizen.

### (3) Actions as an entity assigning Corporate Number

#### ~ Assigning Corporate Numbers ~

The Corporate Number is designated to ① corporations registered for incorporation, such as stock companies, ② national government organizations, ③ local public entities, or ④ corporations or associations without juridical personality, etc., or other than those listed in ① through ③, those submitted a “Notification of Establishment of a Salary-Paying Office”, etc. The NTA designates a Corporate Number based on the registration information provided by the Ministry of Justice or notification submitted to the Tax Office, and also sends the Notification of the Corporate Number.

The NTA publishes the three types of basic information ((i) trade name or name, (ii) address of head office or principal place of business, and (iii) Corporate Number) on the corporation which designated Corporate Numbers on the Internet (the NTA Corporate Number Publication Site (<https://www.houjin-bangou.nta.go.jp>)).

\* Corporations and associations without juridical personality other than those mentioned above may still be designated a Corporate Number by notifying the NTA Commissioner if they meet certain requirements.

#### ~ Promoting the utilization of Corporate Number ~

The Corporate Number has no limit on their range of use, and it is important to utilize them in broad fields as a part of the social infrastructure. Cooperating with relevant ministries and agencies, the NTA is striving to explain the system and to encourage the utilization of the system by national and local administrative agencies and private organizations.

#### ~ Initiatives to enhance convenience of the NTA Corporate Number Publication Site ~

The three types of basic information on the corporations may be searched for on the NTA Corporate Number Publication Site, referencing the “Corporate Number,” “trade name or name” or “address”. Also, the site offers Data Download function and Web-API function<sup>1</sup> in order to enable users’ ease-of-use of information, such as the Corporate Number.

In April 2018, the NTA started to publish furigana (Japanese pronunciation) of trade names or names in order to make it easier for corporations to utilize these information as digitization and networks continue to expand.

In addition, during FY2018, functions were added with the aim to enhance reliability of data provided, such as those to remove corporations whose registered addresses of head offices are indicated in a form that no longer exists due to abolishment of addresses for reason of city-lot readjustment, etc.

#### ~ Initiatives for the boost of international utilization of Corporate Numbers ~

##### ① The registration as an issuing agency based on international standards

The NTA is registered as an issuing agency with the United Nations (UN) and the International Organization for Standardization (ISO), and has obtained “issuing agency codes”. Corporate Numbers can be used as a unique gratuitous corporation code in international distribution (e.g., electronic commerce) when issuing agency code and corporation code (Corporate Number) are used in combination.

##### ② Opening of the NTA Corporate Number Publication Site (English Version)

While economic transactions are being internationalized, there are increasing opportunities to use corporation names and addresses in English. In order for Corporate Numbers to be used more widely, the English version of the NTA Corporate Number Publication Site (<https://www.houjin-bangou.nta.go.jp/en/>) was established in April 2017, and trade names or names and the addresses of head offices or principle places of business in English are published upon requests from corporations.

<sup>1</sup> Web-API (Application Programming Interface) refers to an interface that connects different systems in order to exchange information that meets specified criteria by sending simple requests through the Internet from a system constructed by the user.

## 6 Promotion of adoption of procedures online and Business Process Reengineering (BPR)<sup>1</sup>

### ~ Working towards realization of a Digital Government ~

The environment surrounding tax administration has been going to dramatic changes, such as complication and integration business, as economic transaction is complicated and integrated and economic society is internationalized and highly informed.

Under such circumstances, with the “Declaration to be the World’s Most Advanced IT Nation: Basic Plan for the Advancement of Public and Private Sector Data Utilization” (Cabinet decision in June 2018) which aims to realize a society in which citizens may live with security and reassurance, and experience prosperity by establishing a simple and efficient social system that utilizes IT to their fullest extent, the NTA will take firm steps to further initiatives towards 30% reduction of operating cost by FY2021 concerning information systems, such as the KSK (Kokuzei Sogo Kanri) system and e-Tax.

Furthermore, the NTA will conduct a deep dive into the area of electronic administration, which is one of the priority areas of the said plan, and with respect to various plans, such as the detailed “Digital Government Action Plan” (decision by the Digital Government Cabinet meeting in July 2018), it will enforce strict implementation of Business Process Reengineering (BPR), including online processing of various tax related procedures including attachments, and the total abolition of attachments, while promoting concrete examination of the realization of online and one stop completion of “Social Insurance and Tax Related Process Executed by Corporations for Its Employees” and “Process to Establish Corporations” in accordance with the process guideline of the overall government as a member of related government agencies.<sup>2</sup>

### Ensuring stability and reliability of ICT system and information security

Since the national tax-related operations are closely connected to public rights and obligations, failure in its ICT system is likely to have a large impact on citizens and impair the credibility of tax administration. Therefore, the NTA is working to maintain stable operation of ICT systems by regularly updating ICT equipment.

Also, since the NTA holds and accumulates large amounts of taxpayer information, it takes great care for the prevention of its improper use and leakage. For instance, the NTA allows its officials to use only the necessary information for their work, and the NTA physically disconnects officials’ PCs that access taxpayer information from the Internet. The NTA also conducts security audits regularly.

At the computer center which stores data for e-Tax and the KSK System, the NTA built an information security management system (ISMS)<sup>3</sup> which complies with international standards, and in 2007, obtained certification based on the ISMS compliance evaluation system (certification based on ISO/IEC27001: 2005 and JISQ27001: 2006)<sup>4</sup>, and regularly renews the certification afterward.

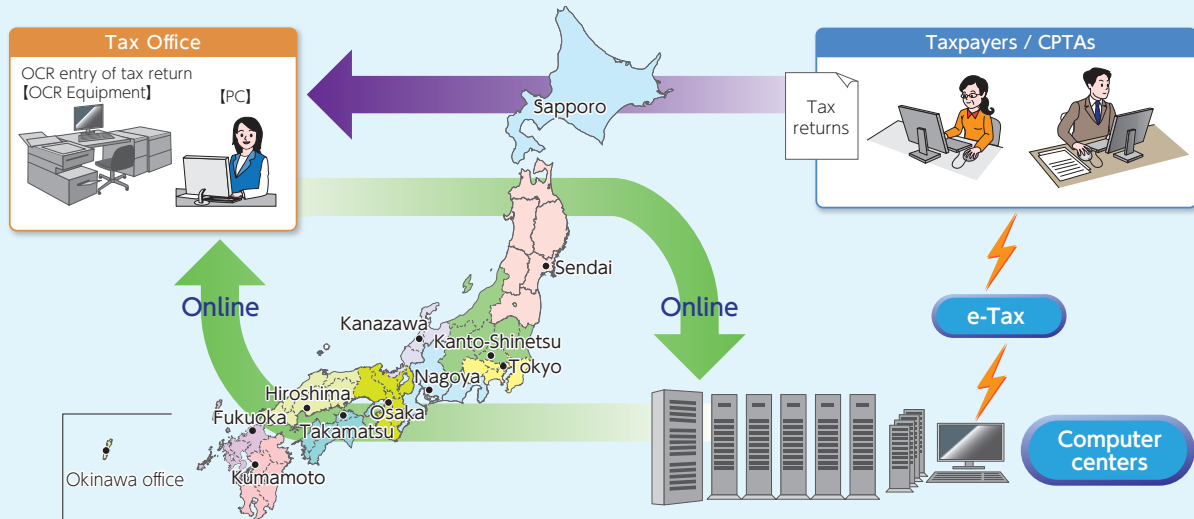
- 1 “Business Process Reengineering (BPR)” means a fundamental reform of existing organizations and business rules, and a redesign of duties, work flow, administrative mechanisms, and information systems from a process viewpoint.
- 2 The online and one-stop completion of “Social Insurance and Tax Related Process Executed by Corporations for Its Employees” refers to the initiative to bring social insurance and tax related procedures carried out by corporations (employers) that accompany life determining events, such as hiring and retirement of employees that used to require submission of documents to each administrative organizations, in an online and one-stop manner through the use of Mynportal. The initiative aims to construct a scheme in the future which will enable corporations to complete submission of various information to administrative organizations using a cloud service. The online and one-stop completion of “Process to Establish Corporations” refers to the initiative to realize a service which enables a user to complete various procedures through the Mynportal online in a one-stop manner, which would otherwise require submission of documents to each administrative organization when setting up a corporation.
- 3 An Information Security Management System (ISMS) is an organizational initiative to implement the planning, operation, review and improvement which are required in order to maintain a situation of appropriate management for confidentiality and completeness and usability of information assets which should be protected.
- 4 ISO/IEC27001: 2005 is one of the standards created by the International Organization for Standardization. This became a global standard for information security management systems in October 2005. JISQ 27001:2006 is a Japanese domestic standard published in May 2006, corresponding to ISO/IEC27001.



## II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

### Kokuzei Sogo Kanri (KSK) System

The KSK System, which links all Regional Taxation Bureaus and Tax Offices, is a computer system to facilitate sophisticated and efficient administration by centrally managing information across the area and the type of tax.



### Strict Management of Information

The NTA retains various information, such as income data of individuals, and strict management of information of personal information and taxpayer information is required, since should these information leak out without challenge, cooperation from taxpayers cannot be expected, disrupting smooth execution of examinations and collection of taxes.

For this reason, should a tax official leak confidential information obtained through a tax examination, etc., criminal punishment based on tax laws (up to two years in prison or a fine of up to 1 million yen) that is more serious than penalty defined by the National Public Servant Law (up to a year in prison or a fine of up to 500,000 yen) will be sentenced.

In terms of the tax officials, in addition to the regularly scheduled training on information security which they are required to attend, they are also informed so that certain locations, such as storefronts and entrances, be avoided for questionings during an examination in consideration of the taxpayer's privacy.

Since the NTA handles Specific Personal Information (personal information which contains My Number), with respect to the aim of related laws and regulations, such as the My Number Law, it strives to exercise control of taxpayer information held by the NTA in a strict manner, such as through regular inspection of the condition in which administrative documents are archived and managed.

## 7 Proper withholding tax system operation

### ~ Providing information and publicity to withholding agents ~

In the withholding tax system, withholding agents finalize the taxation process by doing year-end adjustments, which eliminate the procedures for tax returns for a large portion of the over 50 million wage earners. The withholding tax system is as important in tax administration as the self-assessment system.

To have withholding agents properly process withholding tax procedures and pay taxes, the NTA provides information and publicity about the withholding tax system by holding briefings about year-end adjustment, distributing guidebooks and pamphlets, etc.

## 8 Actions taken for the amended Consumption Tax Act

### (1) The reduced tax rate system

#### ~ Provision of information and publicity about the reduced tax rate system for consumption tax ~

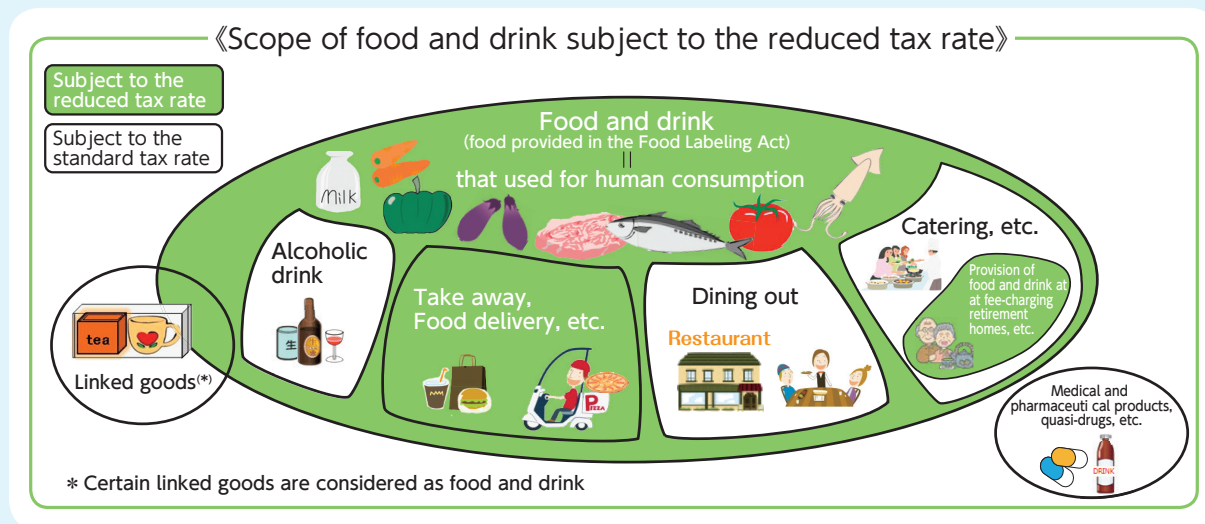
#### ① Outline of the reduced tax rate system

From the perspective of paying consideration to the low income bracket, the “reduced tax rate system” for consumption tax is to be implemented along with the raising of consumption tax rate scheduled on October 1, 2019.

#### ■ Consumption tax rates and items subject to the reduced tax rate

Consumption tax rates	The standard tax rate is 10% (consumption tax rate of 7.8% and local consumption tax rate of 2.2%) The reduced tax rate is 8% (consumption tax rate of 6.24% and local consumption tax rate of 1.76%)
Items subject to the reduced tax rate	① Food and drink excluding alcoholic drink and dining out ② Newspapers issued more than twice a week (those based on subscriptions)

#### ■ Scope of food and drink subject to the reduced tax rate

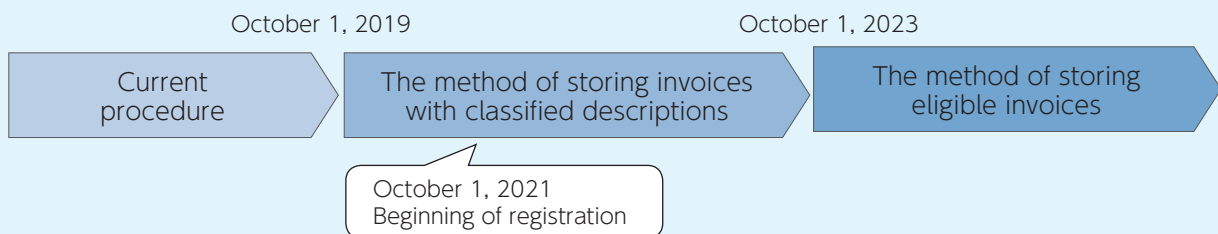


# II Efforts to Enhance Services for Taxpayers and to Boost Efficiency of Tax Administration

## ② Entry in ledgers, description on invoices and the storing of these documents

- (1) A business operator generating sales of, or purchasing, any items subject to the reduced tax rate is to issue an invoice, etc. and perform accounting such as book entries (separate accounting) adding tax rate-based separations to existing statement items.
- (2) A requirement for purchase tax credit is currently “storing ledgers, invoices, etc.” After the reduced tax rate system is implemented, business operators will be required to store ledgers, invoices, etc. in accordance with the separate accounting (the method of storing invoices with classified descriptions).
- (3) Starting October of 2023, the method of storing eligible invoices (so-called invoice system) will be introduced. Preservation of invoice such as “eligible invoices<sup>1</sup>,” will become the requirement for purchase tax credit, instead of “storage of separate statement invoices, etc.” (the method of storing eligible invoices).

### ■ Schedule of changing the method of purchase tax credit



### ■ Entry in ledgers and descriptions on invoices

Entry		Effective period		
		~September 30, 2019	October 1, 2019~	October 1, 2023~
Invoices	<ul style="list-style-type: none"> <li>• Name of invoice issuer</li> <li>• Date, month and year</li> <li>• Transaction description</li> <li>• Price</li> <li>• Name of the invoice recipient</li> </ul>	The method of storing invoices (Current procedure)	The method of storing invoices with classified descriptions	The method of storing eligible invoices
	<ul style="list-style-type: none"> <li>• The product is an items subject to the reduced tax rate</li> <li>• Tax-inclusive prices totaled according to different tax rates</li> </ul>			
	<ul style="list-style-type: none"> <li>• Registration number</li> <li>• Consumption tax amounts and applicable tax rate according to different tax rates</li> </ul>			
Ledgers	<ul style="list-style-type: none"> <li>• Name of the taxable purchase supplier</li> <li>• Date, month and year</li> <li>• Transaction description</li> <li>• Price</li> </ul>	The method of storing invoices (Current procedure)	The method of storing invoices with classified descriptions	The method of storing eligible invoices
	<ul style="list-style-type: none"> <li>• The product is an items subject to the reduced tax rate</li> </ul>			

<sup>1</sup> Businesses that are allowed to issue “eligible invoices” are limited to taxable businesses that have been registered after applying with the District Director of the tax office (businesses allowed to issue eligible invoice). Registration will begin on October 1, 2021.

### ③ Information and public relations about the reduced tax rate system for consumption tax

Under the reduced tax rate system, in addition to the need to make entries of sales and purchases classified according to different tax rate, issuance and storage of invoices corresponding to multiple tax rates will be required, these paperwork will impact many businesses, needless to say those businesses that handle items that are subject to the reduced tax rate, but also those that do not sell items subject to the reduced tax rate and tax exempt businesses that have no obligation to pay consumption tax.

The NTA is taking measures for providing information and consultation on the content of revision in close contact and cooperation with relevant ministries and private organizations so that business operators can fully understand the reduced tax rate system for consumption tax.

- Publication and revision of Q&As with explanations based on specific cases about items subject to the reduced tax rate
- Meetings held in locations across the country for business operators to ensure full understanding of the reduced tax rate system
- Setting up a reduced consumption tax rate telephone counseling center (reduced tax call center)  
**0120-205-553**  
Available from 9 am until 5 pm on weekdays (not available on weekends, holidays, and New Year holidays (December 29 to January 3))
- Setting up a guidance exclusively for the reduced tax rate at an existing telephone counseling center
- Provide consultations on the reduced tax rate system at the “revised consumption tax system consultation desk” at each Tax Office
- Opening of a special site of the reduced tax rate system on the NTA website  
\* Please visit the special site on the NTA website “About the Reduced Tax Rate System for Consumption Tax” (<https://www.nta.go.jp/taxes/shiraberu/zeimokubetsu/shohi/keigenzeiritsu/index.htm> (in Japanese)).
- Release of video via the official NTA website which provides an overview of the reduced tax rate system (Web-TAX-TV)

## (2) Measures for smooth and appropriate shifting of consumption taxes

### ~ Provision of consultation on price shifting and the guidance to liquor business operators ~

With the aim of ensuring the smooth and appropriate shifting of consumption taxes, the Act on Special Measures for Shifting Consumption Taxes (hereinafter referred to as the “Special Measures Act”) prohibits refusal to shift consumption taxes and price indication that interferes with said shifting. The Act also provides exceptions for the obligation to indicate the total price with tax.

Thus, the NTA endeavors to secure smooth and appropriate shifting of consumption taxes through the following measures:

- Publication of the detailed examples of misrecognition prevention measures, which are required for the application of exceptions for the obligation to indicate the total price with tax
- Consultation on price indication (exceptions from the obligation to indicate the total price with tax), as well as on the shifting of consumption taxes at the “revised consumption tax systems’ consultation desk” at Tax Offices
- As the government agency with jurisdiction over the liquor industry, the NTA provides liquor business operators with the necessary guidance and advice to prevent and correct any acts that violate the provisions of the Act on Special Measures for Shifting Consumption Taxes, and if any liquor business operator performs an act that refuses the shifting of consumption taxes or makes an indication that consumption taxes are not shifted, the NTA conducts an on-site inspection promptly.

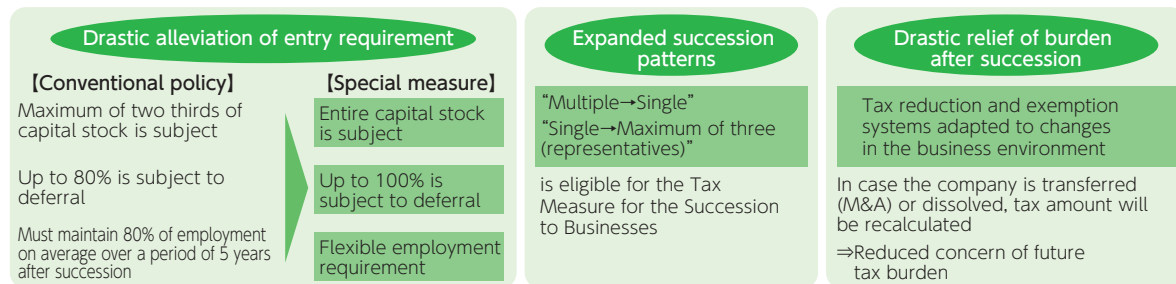
## Column 4 Corresponding to the New Tax Measure for the Succession to Businesses

### 1 Outline of the revision

The Tax Measure for the Succession to Businesses is a system in which payment of gift tax or inheritance tax is deferred under a certain set of conditions in case the successor to a business was gifted with shares or inherited shares from the previous business owner of an unlisted company that has been certified by a prefectural governor.

Under the FY2018 tax reform, in order to promote intensive subrogation as the aging of small and medium enterprise proprietors progresses (see “Reference”), a special measure valid for duration of 10 years, was established, including removal of restriction of shares of unlisted companies that are eligible for the tax deferral (maximum two thirds of capital stock) and increase of ratio of deferrable tax (80% to 100%).

#### [Outline of the FY2018 tax reform]



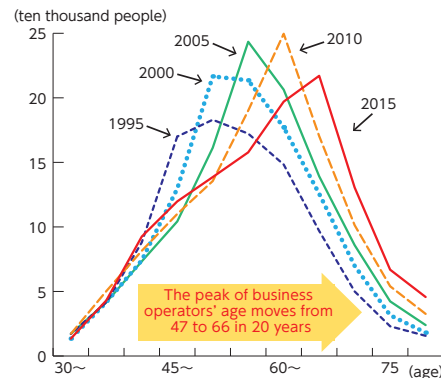
(Source) Prepared by editing “FY2018 Tax Reform” pamphlet published by Ministry of Finance

#### (Reference) Aging Population of Small and Medium Enterprise Proprietors

According to the 2018 White Paper on Small and Medium Enterprises in Japan, the aging of proprietors is progressing (refer to graph on right), the number of those exceeding the average retirement age of 70 in the next 10 years is expected to reach 2.45 million, and a half of these (1.27 million) are believed to have no successors in plan.

Among these aging small and medium enterprises and small scale enterprise proprietors are many who possess outstanding management resources, and promotion of succession of these enterprises does not simply address the succession challenges of enterprises, but a serious issue to our nation’s economy that cannot afford any more time before it is addressed.

#### Age distribution of business operators of small and medium enterprises



Source: “2018 White Paper on Small and Medium Enterprises in Japan” (Small and Medium Enterprise Agency)

### 2 Main priorities

As described in the “Reference” section above, in the context of increasing societal concern regarding the issue of aging of small and medium enterprise proprietors, the Tax Measure for the Succession to Businesses entails various measures, such as information and public relations, so that taxpayers may carry out the declaration and payment of taxes equipped with the proper understanding of the content of the revision of the tax system, as well as the overall scheme of the system and declaration procedures.

#### (1) Enhancing the content of NTA website

The NTA has opened on its website a section titled, “Special Feature on Tax Measure for the Succession to Businesses,” which compiles information related to the Tax Measure for the Succession to Businesses.

Specifically speaking, it contains reference for taxpayers, such as a pamphlet which illustrates the Tax Measure for the Succession to Businesses in an easy-to-understand manner and examples of common Q&A’s.

#### (2) Dispatch of instructors to various seminars and training sessions

The Regional Taxation Bureaus and Tax Offices are proactively responding to requests for dispatch of instructors to seminars and training sessions on the Tax Measure for the Succession to Businesses that are hosted by related nongovernment organizations.

Instructors have been dispatched to over 400 occasions from Regional Taxation Bureaus and Tax Offices between April 2018, when the Tax Measure for the Succession to Businesses came into effect, and December of the same year.

## Column 5 International Tourist Tax

### 1 Outline of the system

The International Tourist Tax Act was created as part of the FY2018 tax reform and went into effect on January 7, 2019.

With the purpose to secure funding to enhance and reinforce our foundation for tourism as one of the measures towards becoming an advanced sightseeing nation, travelers will be imposed 1,000 yen per departure, and income generated from this tax will be applied towards: 1. Preparation of an environment that enables travel in a stress-free and convenient manner, 2. Enabling easy access to information concerning our nation's various attractions, 3. Enhancing travelers' level of satisfaction from stays at local regions through preparation of tourist resources that highlight the culture and nature that are unique to the region.

Those obligated to pay this tax are travelers that are departing Japan by aircraft or ocean vessel, and as a basic rule, it will be collected and paid through the special collection method by airline and ocean vessel operators who operate an international traveler transport service. However, in case the traveler is departing the country on a private jet, the traveler must pay the tax on its own.

### 2 Main priorities

#### (1) Information and public relations

In order to ensure accurate understanding of the scheme and procedures of the system by travelers and travel operators who are obligated to collect the tax, the NTA has uploaded legal interpretation, leaflets and common Q&A examples concerning the International Tourist Tax on its website in addition to efforts in information and public relations, such as hosting seminars towards business operators in cooperation with related ministries, agencies and trade associations.

#### (2) Preparation of consultation services

Questions from the general public will be addressed through the Phone Consultation Centers, but individual requests from business operators who are obligated to collect this tax will be collectively addressed through the Consumption Tax Division located at the Tokyo and Osaka Regional Tax Bureaus.

## 9 Cooperation with private organizations

### ~ Provide necessary tax information to taxpayers in cooperation with relevant private organizations ~

The NTA is implementing public announcement and public relation actively to convey information on taxes to taxpayers accurately, through various explanatory meetings etc., cooperating with relevant private organizations.

The NTA is working to strengthen coordination and cooperation between these relevant private organizations, for example by promoting measures for the wider use and establishment of e-Tax, by dissemination and publicity work to smoothly establish and implement the Social Security and Tax Number System ("My Number System"), and by holding various joint events in the "Think About Tax" week.

These relevant private organizations are playing a large role in achieving a proper self-assessment system and in spreading knowledge about taxes.

### Blue return taxpayers' associations

Blue return taxpayers' associations are organized for the purpose of "contributing to establishing the self-assessment system and promoting small enterprises," mainly by sole proprietors who use the blue return system. They are formed mainly by sole business proprietors who use the system. There are about 1,800 associations nationwide, and the total number of members is about 590,000 (as of April 2019). Each blue return taxpayers' association performs a wide range of activities including the guidance on bookkeeping, holding seminars, and encouraging filing of blue returns. For further details, please visit the website of the National General Federation of Blue Return Taxpayers' Associations at <http://www.zenaoiobr.jp> (in Japanese), or contact the nearest blue return taxpayers' association.

### Corporations associations

Corporations associations are organized for the purpose of "contributing to spreading knowledge of tax, maintaining and developing a proper and fair self-assessment system, as well as achieving smooth tax administration". There are 481 corporations associations as incorporated associations, and membership stands at about 770,000 corporations (as of December 2018). Corporations associations organize tax education, tax awareness campaign, seminars on tax and management, etc. With the NTA's support, corporations associations hold "contests for the best picture postcards related to taxes" and promote "enhancement of corporations' tax compliance". For further details, please visit the website of the National General Federation of Corporations Associations at <http://www.zenkokuhojinkai.or.jp> (in Japanese).

### Indirect tax associations

Indirect tax associations are organized for the purpose of "cooperating in achieving smooth tax administration through acquiring knowledge about indirect taxes and establishing a voluntary self-assessment system." There are 516 associations nationwide with about 92,000 members (as of April 2018). Indirect tax associations make suggestions to the government on ways to enhance the tax system and to improve tax implementation. They also perform activities to spread knowledge about consumption tax and to prevent tax delinquency. In addition, they are also coordinating "tax slogan" (supported by the NTA). For further details, please visit the website of the National Federation of Indirect Tax Associations at <http://www.kanzeikai.jp> (in Japanese).

### Savings-for-tax associations

Savings-for-tax associations are organized for the purpose of "smooth payment of various taxes by means of saving funds for tax payment." The associations are established pursuant to the Tax Fund Saving Partnership Act, and there are now about 23,600 associations (as of March 2017). Savings-for-tax associations conduct activities to promote payment of tax by the due date and coordinating tax essay contests for junior high school students (co-hosted by Savings-for-tax associations and the NTA). For further details, please visit the website of the National Federation of Savings-for-Tax Associations at <http://www.zennoren.jp> (in Japanese).

### Tax Payment Associations

Tax Payment Associations are organized under the jurisdiction of the Tax Offices of the Osaka Regional Taxation Bureau, for the purpose of "spreading knowledge about taxes, promoting proper filing of returns, uplifting tax payment morality, and thereby contributing to the development of enterprises and regional societies." There are 83 Tax Payment Associations, and about 140,000 members belong to these associations (as of March 2019). The associations carry out activities which have large public benefits, such as holding various briefings, conducting publicity activities, working on tax education, etc. For further details, please visit the website of the Federation of Tax Payment Associations at <http://www.nouzeikyokai.or.jp> (in Japanese).