

6. TAXATION

There are more than fifty types of taxes in Japan. However, in this chapter we will only introduce the taxes directly related to daily life.

1. Income tax (Shotoku-Zei)

This tax is based on your annual income from Jan. 1 till Dec. 31. The amount of your tax is determined according to your annual income the year before. Non-Japanese residents who earn income in Japan must pay income tax the same as Japanese residents.

Tax-payers must pay in either of the two ways: one is the self-assessment system adopted by the self-employed and the other is the deducted system where tax is deducted automatically from the wages of salaried workers, by their employer.

The employer calculates each employee's annual income in December and makes necessary adjustments called " the year-end adjustment ". The taxpayer must pay any shortfalls at that time. Any excess payment that year is refunded. Besides those who did not get a year-end adjustment, the following people must submit a final tax return form at your local tax office:

- a. Salaried workers whose annual income is over 20 million yen
- b. Salaried workers who earn more than 200 thousand yen as other income such as house rent, writer's fee, etc.
- c. Salaried workers who have more than one income source and the total amount of income is over the designated limit

To File a Final Tax Return you will need the following items:

The statement that indicates the total salary paid to an employee by an employer and the total amount of tax withheld is called a With-holding Tax Statement (gensen choshu-hyo). Each employee receives it in December or January.

Taxpayers who may get a tax return by filing a final tax return form include:

- a. Tax-payers who paid medical costs exceeding the prescribed amount
- b. Tax-payers who purchased a home with a mortgage

- c. Tax-payers who retired mid-year and have not obtained employment thereafter

The final tax returns must be filed at the taxation office in charge of your region during the period of February 16 ~ March 15.

The following items are required:

- a. Final Tax Return Form (available at local taxation office)
- b. With-holding Tax Statement (gensen choshu-hyo)
- c. Documents to certify dependent family members overseas (children's birth certificate, marriage registration) with Japanese translation, and the name, address and seal of translator
- d. Documents to certify transferring money to support the dependent family in your country (i.e. money transfer forms issued by financial institutions)
- e. Bankbooks
- f. Personal seal (only if you have one)
- g. Alien Registration Card and Alien Registration Completion Certificate which are issued at the local municipal office

Inquire for more details at your local tax office.

Tax Offices in Eastern Shizuoka

Name	Telephone	Address
Shimoda	0558-63-7711	3-26 Roku-chome, Shimoda-shi
Atami	0557-81-3515	14-15 Kamijuku-cho, Atami-shi
Numazu	055-922-1560	3-30 Yoneyama-cho, Numazu-shi
Mishima	055-922-0185	1-4-33 Bunkyo-cho, Mishima-shi
Fuji	0545-61-2460	297-1 Motoichiba, Fuji-shi

Tax Offices in Central Shizuoka

Shizuoka	054-252-8111	10-88 Ote-machi, Shizuoka-shi
Shimizu	0543-66-4161	1-5-1 Shimizu Ejiri-higashi, Shizuoka-shi
Fujieda	054-641-0680	2-2-33 Aoki, Fujieda-shi
Shimada	0547-37-3121	2-2 Ogi-machi, Shimada-shi
Kakegawa	0537-22-5141	2 -11-4 Midorigaoka, Kakegawa-shi

Tax Offices in Western Shizuoka

Hamamatsu-nishi	053-473-1111	120-1 Genmoku-cho, Hamamatsu-shi
Hamamatsu-higashi	053-458-1111	216-6 Sunayama-cho, Hamamatsu-shi
Iwata	0538-32-6111	112-4 Nakaizumi, Iwata-shi

2. Residents' Tax (Jumin-Zei)

Residents' tax include both prefectural and municipal tax. Everyone in Japan on the 1st of January, Non-Japanese who have lived in Japan for more than one year, or are engaged in a job which requires them to live in Japan for more than one year are required to pay this tax. The municipal office collects both prefectural and municipal tax out of the residents' tax.

Normally, the tax is paid in June, August, October and January with notification papers, which are sent to each taxpayer. For salaried workers, their employer deducts this tax directly from their salary.

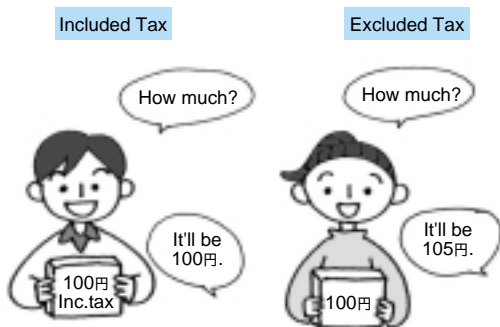
For more details inquire at your local municipal office.

(List of Local Municipal Offices on pg.160)

3. Consumption Tax (Shohi-Zei) and

Local Consumption Tax (Chihou Shohi-Zei)

Each time you purchase goods or pay for a service, you must pay a consumption tax. The rate of consumption tax is 5 % of the price of goods and services (includes a national tax of 4% and a local government tax of 1%). The consumption tax included in the price is called included tax (uchi-zei) and tax that is added to the price is called excluded tax (soto-zei).



4. Automobile Tax and Lightweight Automobile Tax (Jidosha-Zei and Kei-jidosha-Zei)

Owners of automobiles or lightweight automobiles must pay the taxes. Further information is provided in 'Automobiles and Lightweight Automobiles' on pg. 108.