

# Taxes and Pension

## Tax

(Zei 税)

As a foreign resident of Japan, your tax status varies depending on the tax treaties between your country and Japan, and on your Status of Residence. Check with your embassy or consulate regarding tax matters specific to your country.

In general, if you are liable for taxes in Japan, you must pay two types of income tax: income tax, which is collected by the national government, and resident tax, which is collected by the municipal government.

## Income Tax

(Shotoku Zei 所得税)

Responsible Organization: **North-Naha Tax Office** (Kita Naha Zeimussho 北那覇税務署)

Address: 5-6-12 Miyagi, Urasoe, Okinawa 901-2126

Telephone: (098) 877-1324

The National Tax Agency publishes a comprehensive guide to income tax in English. Please refer to the following link if you have questions that are not answered here. <http://www.nta.go.jp/english/taxes/individual/index.htm>

In brief, income tax is calculated from your earnings between January 1st and December 31st. Taxable income is calculated based on your total income, minus deductions. The rate of tax depends on your income, and ranges from 5% if your annual income is less than ¥1,950,000, 10% if your annual income is between ¥1,950,000 and ¥3,300,000, to 20% if your annual income is over ¥3,300,000.

## Employer Tax Withholding (Gensen Chōshū-zei 源泉徴収税)

In most cases, your employer will ask you to fill out paperwork to determine if you qualify for any of the common deductions listed below (others listed in the above link). Your employer will then withhold the correct income tax from your paycheck. At the end of the year, your employer will provide you with a statement of earnings (gensen chōshū hyō 源泉徴収票), detailing your income, taxes withheld, and your contributions to the national pension and health insurance. In some cases, your December paycheck may be smaller or larger than usual, if your employer has any adjustments to make to the taxes it has withheld.

## Deductions Calculated by Employer (Zeigaku Kōjo 税額控除)

- Deduction for social insurance premiums (if you have paid social insurance premiums such as National Insurance, National Pension, etc.)
- Exemption for widows or widowers (if you are a widow or widower)
- Exemption for working students (if you are a working student)
- Exemption for person with disabilities (if you or your spouse qualified for an exemption or dependents have a disability)
- Exemption for spouses (if your spouse qualifies for an exemption)
- Exemption for dependents (if you have any dependents who qualify for an exemption)
- Basic exemption (all people receive the basic exemption)

## Filing Income Tax Returns (Kakutei Shinkoku 確定申告)

If your income tax is directly deducted from your pay (as it is in most cases) you do not usually need to personally submit an income tax return. However, salaried workers with an annual salary of more than ¥20 million or with income of more than ¥200,000 from other sources (e.g. self-employment or capital gains) must submit a final tax return regardless of whether the taxes were previously withheld. Also, if an incorrect amount of tax was withheld from your salary, you must file your taxes to get a tax refund. Appropriate forms are available at the tax office and tax filing site, and office staff can help you with filling out the forms.

## Tax Refund (Zeikin Kanpu 税金還付)

You may be eligible to receive a tax refund if you can claim any of the following deductions, which your employer would not take into consideration when deducting taxes from your salary.



- Deduction for casualty losses (In the case of damage to property or household effects caused by theft, disaster or embezzlement)
- Deduction for medical expenses (If you have paid medical expenses, etc. that exceed a certain amount)
- Deduction for earthquake insurance premiums (if you have paid premiums on earthquake insurance policies or long-term casualty insurance policies)
- Deduction for donations (if you have made donations to national government in Kapan, hometown tax, or certain specified political donations)

## Resident Tax

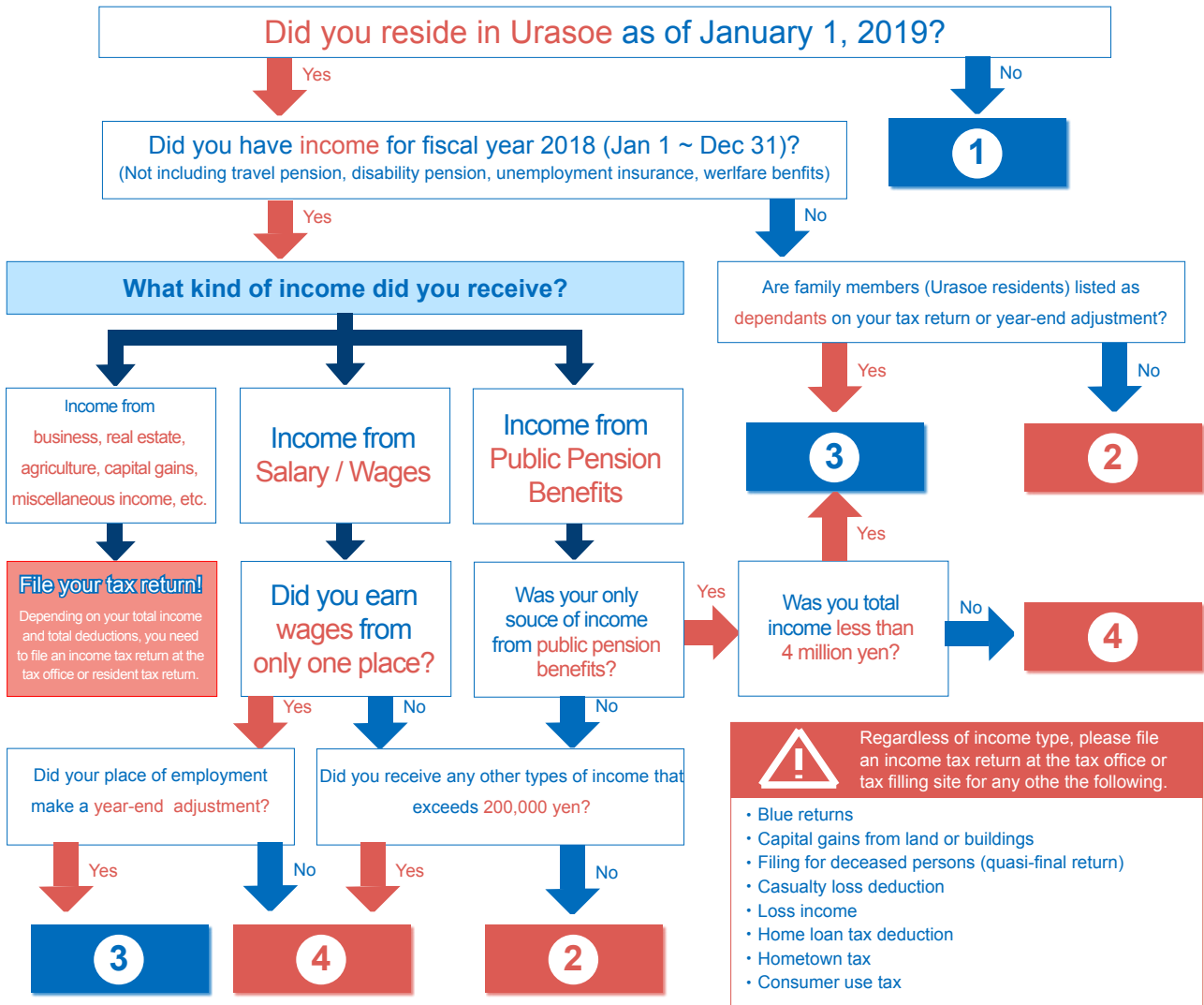
Telephone: (098) 876-1234 (ext. 2213)

Those who are registered citizens of Urasoe City as of January 1 of the filing year must file for resident tax. The filing period is from the middle of February to the middle of March. You should receive a Tax Return Form in the mail during tax season. If not, copies are available at the Municipal Tax Section or at the filing site.

[illegible]

# Tax Return Flow Chart

## START



- 1** You do not need to file at Urasoe City. Please consult with the municipality you resided in as of January 1, 2019.
- 2** File a resident tax return. You do not need to file an income tax return.
- 3** Filing is unnecessary. Filing will be necessary if you include deductions for medical expenses, social insurance premiums, or life insurance premiums.
- 4** File an income tax return. Please file at the tax office or tax filing site (Yui no Machi).

Filing a resident tax return means . . . submitting a "Municipal/Prefectural and National Health Insurance Tax Form" to City Hall.  
Filing an income tax return means . . . submitting a "Income Tax From" to the tax office or at the tax filing site.

### What to bring when filing a resident tax return

- ☐ Tax Return Form (if you did not receive one, forms are also issued at the filing site or at the Municipal Tax Section)
- ☐ Personal Seal (inkan)
- ☐ Personal Identification ("My Number" Card, "My Number" Notification Card, Driver's License, etc.)
- ☐ Proof of Income/Expenses (Statement of Earnings, Paycheck, Account Book, Receipts, etc.)
- ☐ Proof of Deductions
  - Social insurance premium receipts or payment certificates (for payments in 2018)
  - Life insurance and earthquake insurance premium payment certificates (for payments in 2018)
  - Medical expenses deduction statement (for payments in 2018)
  - Disability handbook, etc. (for disability exemptions), student ID (for working student exemptions)
  - Disability Exemption Certificate (for those over 65 certified to receive nursing. Issued by the Lively Old Age Support Division)
- ☐ Donation Deduction Certificate (receipts from organizations that issued donation monies)
- ☐ Other (receipts/certificates that confirm payments and/or applicable conditions)



## National Pension

(Kokumin Nenkin 国民年金)

Responsible Organizations: **Urasoe Social Security Office** (Urasoe Nenkin Jimusho 浦添年金事務所)  
Address: 3-3-25 Uchima, Urasoe, Okinawa 〒 901-2121  
Telephone: National Pension (Kokumin Nenkin 国民年金) - (098) 877-0511  
Dial Announcement→2 →Dial Announcement→2  
Pension Consultation (Nenkin Sōdan 年金相談) - (098) 877-0733  
Dial Announcement→1 →Dial Announcement→2

**Citizens' Affairs Section** (Shimin-ka 市民課)  
Urasoe City Hall, 1st Floor  
Telephone: (098) 876-1234 (ext. 3111)

The Japan Pension Service provides a comprehensive guide on the Japanese National Pension system in various languages. Please refer to the following link if you have questions that are not answered here.

<https://www.nenkin.go.jp/international/index.html>

All people registered to reside in Japan aged 20 to 59 are obligated to pay into the national pension system, regardless of their nationality. The National Pension Program will provide for you or your family in the event that you are seriously injured or die during the period you are making payments. Generally, employers will deduct premiums from your salary for you. However, please check with your employer to see if payments are being made. If you are not enrolled through an employer (for example if you are a student, self-employed, or unemployed), you must visit City Hall to sign up.

Regardless of your method of payment, when you enroll in the pension plan, you should receive a blue pension book. Please do not lose this book, as it is required for various pension procedures.

If you are having difficulty paying premiums due to low income, etc., please apply for a payment deduction at City Hall or the Urasoe Social Security Office. If your application is approved by the Japan Pension Service, you may be eligible for a premium exemption or a partial deduction.

## Lump Sum Withdrawal

(Dattai Ichiji-kin 脱退一時金)

Foreigners who leave Japan after paying into the pension plan for over six months may be entitled to a partial refund. To be eligible for the pension refund, you must satisfy all the following conditions and file an application within two years of leaving Japan. This procedure is called Lump Sum Withdrawal (dattai ichiji-kin 脱退一時金).

### Requirements

1. You must not possess Japanese citizenship.
2. You must have paid pension plan premiums for 6 months or more
3. You must have never received pension benefits.
4. You must not have a place of residence in Japan.

### Procedure

Before leaving Japan, you must obtain the claim form entitled "Request of Arbitration for Lump-Sum Withdrawal Benefit" (dattai ichiji-kin saitei seikyū-sho 脱退一時金裁定請求書) from the Japan Pension Service. After departing from Japan, you must fill out the form, attach the required documents, and mail them to the following address:

### Japan Pension Service

Takaidō-Nishi 3-5-24  
Suginami-ku, Tokyo 168-8505 Japan

### Required Documents

1. Pension Book (nenkin techō 年金手帳) or other documents showing your Basic Pension Number
2. A photocopy of your passport (include the pages showing your name, date of birth, nationality, signature, resident status, and the date of departure from Japan)
3. A document verifying the name of your bank, name of the branch office and its address, and account information (must be in your name)

It may take 6 months or longer for your paperwork to be processed. When the lump sum is remitted to your account, it will be converted to the currency of your country at the current exchange rate. Should the applicant die before receiving the Lump-Sum Withdrawal Payment, a spouse, child, parent, grandchild, grandparent, or sibling, living off the same income source, or anyone who is considered to be a member of the same fiscal household at the time of the applicant's death can receive payment in place of the applicant.



## Getting a Pension Refund (Dattai Ichiji-kin ni Kakaru Zeikin Kanpu 脱退一時金にかかる税金還付)

A 20.42% tax is imposed on the Lump-Sum Withdrawal Payment of your pension. However, you may also qualify to have the tax refunded. You must apply within five years of leaving Japan.

### Procedure

In the case of the lump sum withdrawal, the money is deposited directly into a bank account that you specify in your home country. However, the refund on the 20% flat tax cannot be deposited into bank accounts abroad. Therefore, you must designate an acquaintance in Japan with a bank account. The money will be deposited into that person's account and then you can have that person send you the money.

Before leaving Japan, you should get a copy of the "Tax Agent Designation Form" (nōzei kanri-nin no todokede-sho gaikokujin-yō 納税管理人の届出書外国人用) at the North-Naha Tax Office. Fill out the form and submit it to the North-Naha Tax Office.

### North-Naha Tax Office

Miyagi 5-6-12

Urasoe, Okinawa 901-2126 Japan

After leaving Japan, file for the Lump-Sum Withdrawal payment. Upon receipt of your payment, make a photocopy of the Notice of the Lump-Sum Withdrawal Payment (dat'tai ichiji-kin shikyū ket'tei tsūchisho 脱退一時金支給決定通知書) and mail the original form to your tax representative.

Have your Tax Representative go to the same tax office as before and file the Tax Refund Claim (Kakutei Shinkoku-sho 確定申告書) on your behalf. A bank account in Japan needs to be designated at the time of filing. The refund will be deposited into that account.

For more detailed information, please contact the North-Naha Tax Office in Urasoe.

