

Tax revenues and budget53

Tax returns and taxation.....54

Tax examinations.....55

International taxation...55

Delinquency55

Criminal investigation56

Remedy for infringement of taxpayer rights.....56

Tax consultations.....57

Taxpayer satisfaction...57

※ The time period of figures is indicated in its title or at the top right of individual tables.

The fiscal year is from April 1 through March 31 of the following year (i.e. fiscal year 2012: April 1, 2012 to March 31, 2013), while the operation year is from July 1 through June 30 of the following year (i.e. operation year 2011: July 1, 2011 to June 30, 2012). The calendar year ranges from January 1 through December 31 of the same year for which income tax and other returns are filed.

The amount of sub-total in each item of accounts may not accord with the amount indicated in the grand total, due to rounding of fractional figures.

Tax revenues and budget

Budget and final accounts of taxes and stamp revenues for fiscal year 2011

	Item	Budget after correction	Actual
General Account		Million yen	Million yen
	Withholding income tax	10,989,000	11,010,764
	Self-assessed income tax	2,411,000	2,465,427
	Corporation tax	8,807,000	9,351,426
	Inheritance tax	1,423,000	1,474,381
	Consumption tax	10,199,000	10,194,597
	Liquor tax	1,348,000	1,369,318
	Tobacco tax	994,000	1,031,547
	Gasoline tax	2,634,000	2,648,399
	Liquefied petroleum gas tax	12,000	11,301
	Aviation fuel tax	46,000	46,247
	Petroleum and coal tax	512,000	519,103
	Power resources development promotion tax	346,000	331,379
	Motor vehicle tonnage tax	428,000	447,754
	Customs duty	815,000	874,227
	Tonnage due	9,000	9,681
	Other ※	—	177
	Stamp revenue	1,057,000	1,046,873
	Subtotal	42,030,000	42,832,602
		Local gasoline tax	281,800
	Liquefied petroleum gas tax (transferred)	12,000	11,301
	Aviation fuel tax (transferred)	13,100	13,213
	Motor vehicle tonnage tax (transferred)	293,800	307,312
	Special tonnage due	11,300	12,101
	Special local corporation tax	1,565,700	1,555,957
	Special tobacco tax	153,700	159,542
	Total	44,361,400	45,175,396

※ "Other" includes collection of delinquent tax, such as the commodity tax and land value tax, etc.

NTA initial budget for fiscal year 2013

	Item	Budget
General Expenditures		Million yen
	ICT-related expenses	40,366
	Expenses to improve convenience for taxpayers*1	9,585
	Expenses related to internationalization measures	908
	General operating expenses, etc.*2	57,456
	Expenses to improve work environment and ensure safety*3	8,891
	Expenses related to tax reforms	7,252
	Expenses for National Tax College	2,372
	Expenses for National Tax Tribunal	339
	Expenses for National Research Institute of Brewing	965
	Costs of recovery and reconstruction from the Great East Japan Earthquake	322
	Costs transferred to the Great East Japan Earthquake Special Account	322
	Common number system related costs	717
Subtotal	129,495	
Salary costs	540,667	
Total NTA budget*4	670,162	
	Of those	322

※1 "Expenses to improve convenience for taxpayers" includes expenses related to maintenance of the e-Tax and the filing assistance on the NTA website.

※2 "General operating expenses, etc." includes expenses for tax forms and correspondence, wage expenses for part-timers, travel expenses, honoraria for hired bookkeeping instructors, and PR expenses.

※3 "Expenses to improve work environment and ensure safety" includes expenses to improve facilities and health care.

※4 The details of "Total NTA budget" show "Cost of recovery and reconstruction from the Great East Japan Earthquake" as recorded in the special-account spending on reconstruction from the Great East Japan Earthquake.

Tax returns and taxation

Income tax

(Calendar year 2012)

		Thousand people
Total population		127,800
Number of persons engaged		62,440
Number of final returns for income tax		21,520
Refund		12,570
Tax payment		6,090
Breakdown by income earners	Business income earners	1,590
	Other income earners	4,500
	Real estate income earners	1,070
	Employment income earners	2,320
	Miscellaneous income earners	860
	Other	250

※ "Total population" and "Number of persons engaged" are figures as of 2011.

Withholding agents and withholding income tax

(Operation year 2011)

Income etc. category	Number of withholding agents	Amount of tax
	Thousands	Million yen
Employment income (wages and salaries)	3,584	9,025,100
Retirement income	—	230,100
Interest income, etc.	41	455,300
Dividend income	127	1,676,900
Capital gains on listed shares etc. kept in special account	11	39,000
Income from remuneration, etc.	2,849	1,152,700
Income paid to non-residents and foreign corporations, etc.	24	262,300
Total	—	12,841,400

※ The figures of withholding agents are figures as of the end of June 2012.

Number of corporations and corporation tax

(Operation year 2011)

Number of corporations	2,977Thousands
Number of tax returns filed	2,763Thousands
Percentage of corporations filing	89.6%
Percentage of returns declaring a surplus	25.9%
Amount of self-assessed income	37,288,300Million yen
Amount of self-assessed loss	21,734,300Million yen
Amount of tax	9,535,200Million yen

※ The number of corporations is the figure as of the end of June 2012.

Inheritance tax

(Calendar year 2011)

Number of deceased	1,253,066People
Number of deceased subject to taxation	51,559People
Number of taxpayers (number of heirs)	146,270People
Taxable amount	10,746,800Million yen
Amount of tax	1,251,600Million yen

Gift tax

(Calendar year 2011)

Number of people subject to taxation	340,243People
Value of properties acquired	1,624,800Million yen
Amount of tax	136,200Million yen

※ Figures include the taxation system for settlement at the time of inheritance.

Consumption tax

(Fiscal year 2011)

		Payment	Refund
		Thousand cases	Thousand cases
Number of tax returns	Individuals	1,199	33
	Corporations	1,867	110
	Total	3,066	143
Amount of tax		9,303,900Million yen	2,019,000Million yen

Liquor tax and liquor production

(Fiscal year 2011)

Type	Volume of production	Amount of tax
	Thousand kℓ	Million yen
<i>Sake</i>	440	69,512
<i>Sake compounds</i>	41	4,112
Continuous distillation Japanese spirit (<i>Shochu</i>)	410	91,961
Single system distillation Japanese spirit (<i>Shochu</i>)	471	121,421
<i>Mirin</i> (rice cooking wine)	97	2,054
Beer	2,895	619,610
Fruit wine	80	7,467
Sweet fruit wine	4	498
Whisky	80	29,408
Brandy	5	1,999
Sparkling liquor	773	113,835
Alcohol for material & Spirits	303	25,217
Liqueurs	1,838	149,324
Other brewed liquors		
Powder liquor & miscellaneous liquor	699	57,446
Total	8,137	1,293,864

Tax examinations

Examination of self-assessed income tax

(Operation year 2011)

Category	Number of cases	Amount of unrecorded income		Additional tax revenue collected	
		Per case	Per case	Per case	Per case
Field examination	Thousands	Billion yen	Thousand yen	Billion yen	Thousand yen
Special, General ^{※1}	58	486.7	8,410	83.0	1,430
Focusing ^{※2}	41	101.5	2,490	6.3	160
Brief contact ^{※3}	676	371.1	550	26.8	40
Total	774	959.2	1,240	116.2	150

※1 "Special, General" refers to a deep examination focused on the large amount and serious violations.

※2 "Focusing" refers to a quick examination to find unrecorded income, etc.

※3 "Brief contact" means correction etc. of tax returns through telephone call or request for coming to tax office.

Examination of withholding income tax

(Operation year 2011)

Number of cases examined	Number of illegal cases	Additional tax revenue collected
Thousands	Thousands	Billion yen
174	46	33.6

Field examination of corporation tax

(Operation year 2011)

Category	Number of cases	Amount of unrecorded income		Additional tax revenue collected
		Per case	Per case	
All corporations	Thousands	Billion yen	Thousand yen	Billion yen
	129	1,174.9	9,140	217.5
Of which, corporations handled by the large enterprise examination department	3	522.3	155,590	94.1

Examination of consumption tax

(Operation year 2011)

Category	Number of cases	Number of undeclared cases	Additional tax revenue collected	
			Per case	Per case
	Thousands	Thousands	Billion yen	Thousand yen
Individuals	99	67	24.6	250
Corporations	120	66	45.8	380

Field examination of inheritance tax

(Operation year 2011)

Number of cases	Number of undeclared cases	Amount of unrecorded inheritance		Additional tax revenue collected	
		Per case	Per case	Per case	Per case
Thousands	Thousands	Billion yen	Thousand yen	Billion yen	Thousand yen
14	11	399.3	28,960	75.7	5,490

Collected number of statutory information

(Operation year 2011)

Name of statutory information	Number collected
	Thousands
Payment record of dividends, distribution of surplus, and interest paid on guaranty capital	69,008
Annual transaction report of special account	57,573
Payment record concerning transactions of futures	39,907
Withholding record of public pensions, etc.	36,488
Withholding record of employment income	19,179
Payment record of remuneration, fees, contracts and prize money	19,038
Record of remittance and receipt related to foreign countries	5,166
Other	60,315
Total	306,644

International taxation

Fraudulent income through overseas transactions

(Operation year 2011)

Number of examinations of corporations conducting overseas transactions	15,247Cases
Number of undeclared cases related to overseas transactions	3,666Cases
Of which, cases of overseas fraudulent calculations	606Cases
Amount of undeclared income related to overseas transactions	287.8Billion yen
Of which, amount of overseas fraudulently omitted income	18.8Billion yen

Transfer pricing taxation

(Operation year 2011)

Number of taxation cases	182Cases
Amount of taxable income	83.7Billion yen

Cases of advance pricing arrangement related to transfer pricing

(Operation year 2011)

Number of cases requested	103Cases
Number of cases processed	101Cases

Delinquency

Tax delinquency cases of 100 million yen or more, by industry

(As of the end of fiscal year 2012)

Industry	Number of persons		Amount of tax	
	People	%	Million yen	%
Manufacturing	38	3.8	7,619	2.7
Distribution	64	6.3	18,446	6.5
Real estate & construction	273	27.1	68,932	24.2
Food & beverage	68	6.7	11,351	4.0
Financial	23	2.3	12,382	4.3
Other industries ^{※1}	324	32.1	83,043	29.1
Other ^{※2}	219	21.7	83,366	29.2
Total	1,009	100.0	285,139	100.0

※1 "Other industries" refers to hospitals (doctors), service industry, leisure industry, etc.

※2 "Other" refers to wage earners, pensioners, etc.

Criminal investigation

Criminal investigations

(Fiscal year 2012)

Number of cases conducted	Number of cases closed	Number of cases with accusation filed to the prosecutor	Amount of tax evasion		Amount of tax evasion (filed accusation to the prosecutor)	
			Per case	Per case	Per case	Per case
Cases	Cases	Cases	Million yen	Million yen	Million yen	Million yen
190	191	129	20,500	107	17,500	135

Large-scale cases

(Fiscal year 2012)

Number of cases with accusation filed to the prosecutor	Cases of 300 million yen or more tax evasion	Cases of 500 million yen or more tax evasion
Cases	Cases	Cases
129	11	3

Filed accusations to the prosecutor, by tax item

(Fiscal year 2012)

Tax item	Number of cases	Tax evasion	
		Per case	Per case
	Cases	Million yen	Million yen
Income tax	22	2,900	131
Corporation tax	79	10,100	128
Inheritance tax	10	2,200	225
Consumption tax	12	1,500	123
Withholding income tax	6	800	129
Total	129	17,500	135

Remedy for infringement of taxpayer rights

Request for reinvestigation

(Fiscal year 2011)

Category	Number of requests for reinvestigation	Number of new requests for reinvestigation ①	Number of cases processed ②	Number of requests approved ③	Percentage ③/②
					%
	Cases	Cases	Cases	Cases	%
Taxation-related	4,716	3,395	4,118	373	9.1
Collection-related	473	408	393	2	0.5
Total	5,189	3,803	4,511	375	8.3

Request for reconsideration

(Fiscal year 2011)

Category	Number of requests for reconsideration	Number of new requests for reconsideration ①	Number of cases processed ②	Number of requests approved ③	Percentage ③/②
					%
	Cases	Cases	Cases	Cases	%
Taxation-related	5,238	3,278	2,546	403	15.8
Collection-related	537	303	421	1	0.2
Total	5,775	3,581	2,967	404	13.6

Litigation

(Fiscal year 2011)

Category	Number of litigations	Number of cases filed for first instance ①	Number of cases closed ②	Number of lost cases and partial defeats ③	Percentage ③/②
					%
	Cases	Cases	Cases	Cases	%
Taxation-related	634	162	311	48	15.4
Collection-related	118	49	63	3	4.8
National Tax Tribunal-related	8	5	6	—	—
Total	760	216	380	51	13.4

※ The figures for cases for litigation are the total numbers for each level of trial.

Tax consultations

The five tax items most frequently the subject of consultation

(Phone Consultation Centers) (Fiscal year 2012)

Rank	Tax category	Items	Thousand cases
1	Income tax	Obligations & procedures to file tax returns, etc.	429
2	Income tax	Special credit for loans relating to a dwelling	279
3	Income tax	Year-end adjustment	244
4	Income tax	Medical expenses deduction	239
5	Income tax	Filing returns for refund	159

(Tax Answer System) (Fiscal year 2012)

Rank	Tax category	Items	Thousand cases
1	Income tax	When have paid medical expenses (medical expenses deduction)	2,260
2	Income tax	Tax rate of income tax	1,813
3	Income tax	Medical expenses eligible for medical expenses deduction	1,147
4	Income tax	Exemption for dependents	1,065
5	Income tax	When have built a new house or purchased a newly built house (special credit for loans relating to a dwelling)	975

Number of consultations at Phone Consultation Centers, by tax category

(Fiscal year 2012)

Number of consultations at Phone Consultation Centers, by tax category	Thousand cases
Income tax	2,650
Corporation tax	258
Property tax	874
Consumption tax	134
Other indirect taxes	164
General rules, collections	252
Other	674
Total	5,006

Taxpayer satisfaction

(Fiscal year 2011)

Items	Percentage of Responses Highly Rated
	%
Attitude of officials in providing services	85.2
Satisfaction with guidance display in Tax Office, and use of reception & service	78.3
Satisfaction with use of facilities in Tax Office	67.7
PR activities	75.2
Activities to collect public opinions	92.6
Satisfaction level at Phone Consultation Center	94.4

※ The percentage of responses highly rated shows responses rated as "good" and "somewhat good" on a five point scale from "good" to "bad" in the questionnaire survey.