

~ 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 and 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 easy-to-understand, useful information on tax filing and payments, etc.

More specifically, focused on the NTA website <http://www.nta.go.jp> (accessed 186,310,000 times in fiscal 2014), 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.

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.

(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 working to enhance its guidance functions according to user aims and pays attention to convenience for the visually disabled and the elderly by providing text enlargement, voice reading functions, etc.

The NTA also has a website for cellular phones, etc. (<http://www.nta.go.jp/m>), which you can access through a cellular phone or smart phone.

NTA Website (top page)

*The following diagram is as of April 2015.

- 1 Tax Answer System**
 - Portal to the FAQ where frequently asked inquiry and general answers are posted
- 2 Search for Regional Taxation Bureaus and Tax Offices**
 - Portal to the pages of each Regional Taxation Bureau
- 3 Filing assistance on the NTA website**
 - In this system, if a taxpayer follows the screen guidance and inputs monetary amounts etc., taxes are automatically calculated, and tax returns for income tax, consumption tax and gift tax can be prepared
 - Prepared tax returns can be submitted by e-Tax
 - Printouts can be submitted by postal mail
- 4 Online national tax return filing and tax payment system (e-Tax)**
 - Information to support filing tax returns and payment using e-Tax for "Prior preparation," "Advanced registration," "Flow of procedures," etc.
- 5 Road price rating map**
 - Road price rating information for 7 years throughout Japan

- 6 Auction information**
 - Provide information on properties for public auction (selling of seized properties by bidding, etc.) executed at Regional Taxation Bureaus and Tax Offices throughout Japan, information on auction procedure, etc.
- 7 See on video clip**

The tax information and the work of tax offices

 - Specific explanations of tax procedures, how to prepare tax returns, e-Tax use, etc.
 - Shows the NTA activities like tax examination and collection, in an easily understood drama format
- 8 Tax learning section**
 - Section to have fun learning about taxes, with games and quizzes for both children and adults
 - Provides tax education learning materials for school teachers
- 9 Text enlargement / voice readings**
 - Support functions for the elderly and those who have visual disorders
- 10 Introduction**

The role of taxes and the work of tax offices

 - Explain "the role of taxes and the work of tax offices" by using movie and illustration for easy understanding
- 11 Email magazine**
 - Registration of "What's new?" and Email magazine delivery service"

*1 Provide information on the Social Security and Tax Number System.

*2 The NTA website and the free video sharing site "YouTube" deliver videos with information on the NTA activities (including publicity activities of each Regional Taxation Bureau and Tax Office) and support for self-assessment procedures.

(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 Ministry of Internal Affairs and Communications, Ministry of Education, Culture, Sports, Science and Technology, the NTA, 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 relevant private organizations, mainly by councils for promoting tax education established in each prefecture (members comprised of government, local authorities, educational leaders, etc.).

Also, a "Tax learning section" is provided on the NTA website (<http://www.nta.go.jp/shiraberu/ippanjoho/gakushu> (in Japanese language)) as a page for site visitors 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 (<http://www.nta.go.jp/tokyo/shiraberu/gakushu/taiken/01.htm> (in Japanese language)).



Tax☆Space UENO



Tax learning section (top page)

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

Fiscal year	2012	2013
Officials	8,551	8,159
Non-officials	17,542	21,207
Total	26,093	29,366

■ Number of essays entered for Tax Essay Contest

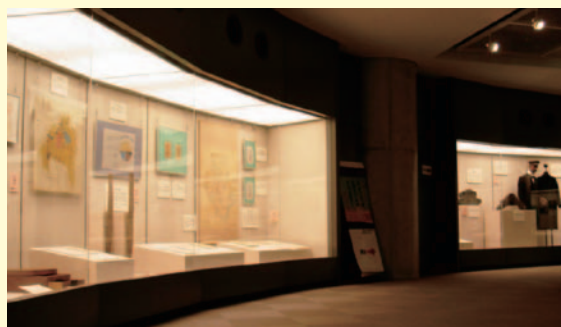
Fiscal year	2013	2014
Received from high-school students	181,500	193,393
Received from junior high-school students	583,142	615,230

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

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, from specialists on tax history to primary school children and other people.

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



Tax Museum

(3) 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	2012	2013
Frequency held	23,918 times	25,515 times
Number of participants	1,155 thousand people	1,166 thousand people

(4) 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 and provide answers. The inquiries and answers that can serve as reference for other taxpayers are disclosed as Q&As on the NTA website.

For some advance inquiries, a written answer may be provided under certain conditions, if so requested, and the NTA also discloses such inquiries and answers on the NTA website.

■ Number of Advance Inquiries received by written reply procedure

Fiscal year	2013	2014
Number of Advance Inquiries Received	160	131

■ Number of Q&A examples posted on website

Fiscal year	2013	2014
Number of Q&A posted	1,784	1,785

◎ Examples of answers provided in writing

- Regarding the tax treatment of cases in which creditors waive their claims in accordance with a restructuring plan based on the special conciliation scheme
- Regarding the corporation tax law treatment of a replacement investment to be implemented under an agreement on the implementation of management rights at public facilities based on the "Private Utilizing Airport Operation Act"

(5) Tax consultation

~ General tax consultations are handled at centralized telephone consultation centers ~

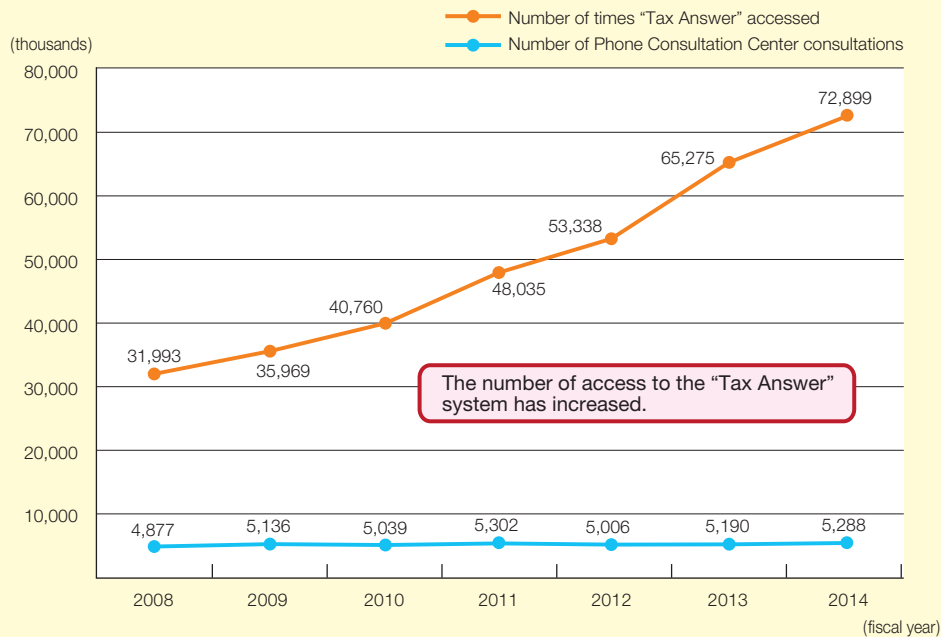
Phone Consultation Centers at Regional Taxation Bureaus provide centralized handling of general tax questions and consultations from taxpayers. Phone Consultation Centers at Regional Taxation Bureaus in Tokyo, Nagoya and Osaka also provide tax consultation in English.

Also, the NTA website provides information in its “Tax Answer” section (<http://www.nta.go.jp/taxanswer> (in Japanese Language)), 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, there is an appointment system 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.

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

～ Strongly promote various measures in order to encourage and stabilize the use of e-Tax ～

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 instead of submitting paper-based documents. Tax payment can be made via direct payment, the Internet, Pay-easy¹ 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.

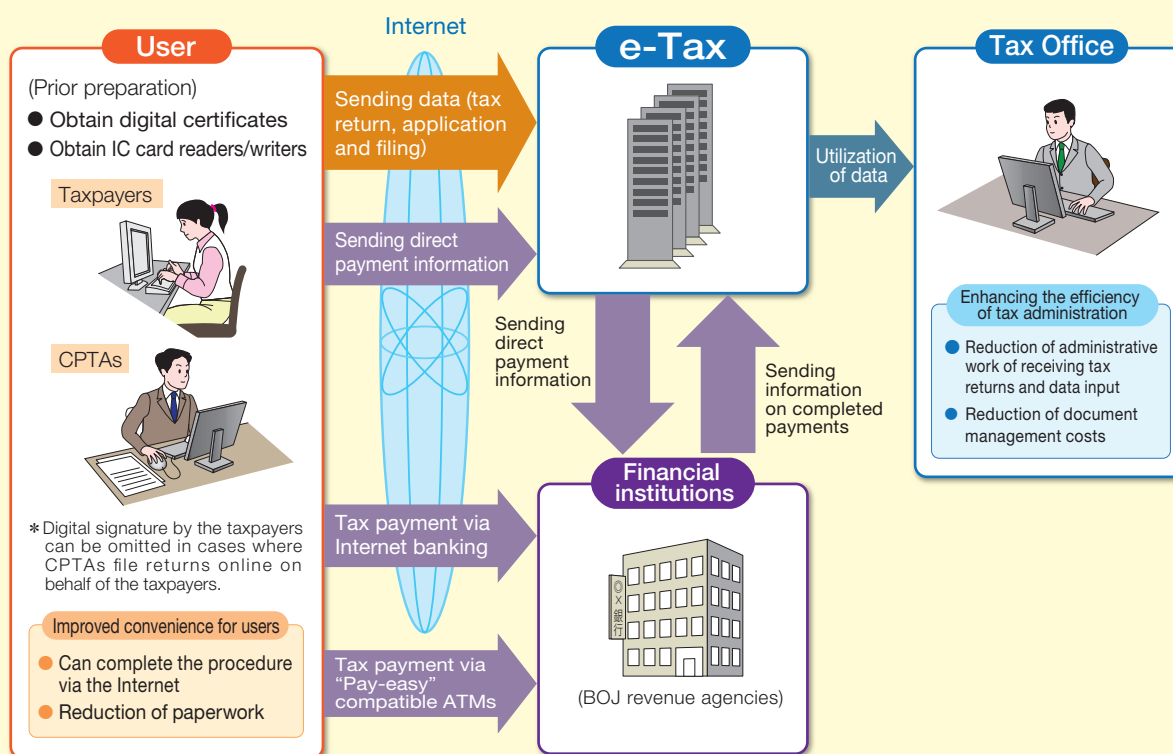
e-Tax also reduces administration work, such as receiving tax returns at the counter or by postal mail and data input, as well as reduces document management costs for tax authorities, thereby promoting the efficiency of tax administration.

In order to encourage and stabilize the use of e-Tax, the NTA has enabled the submission of attachment documents such as medical receipts by individuals to claim medical deduction to be omitted². Furthermore, for improved user convenience, we have started providing services for users of smartphones and tablets for certain types of procedure such as for tax payment, in response to the recent, rapid popularization of these devices.



Mascot character for e-Tax
"Mr.e-Ta"

■ Outline of e-Tax



1 "Pay-easy" is a service where taxpayers can pay taxes, public utility charges and other charges through PCs, cellular phones or ATMs without queuing at the counters of financial institutions or convenience stores.
2 In case submission of attachment documents are omitted, the entries of descriptions of the attachment documents are required to be inputted and transmitted together with tax returns.
In order to check on the entries of descriptions, if it is necessary, the Tax Offices may ask taxpayers to submit or present original copies during a five-year period from the legally required due date for filing.

～ Regarding the “Improvement Action Plan by the Ministry of Finance” for the improvement of convenience of online procedures ～

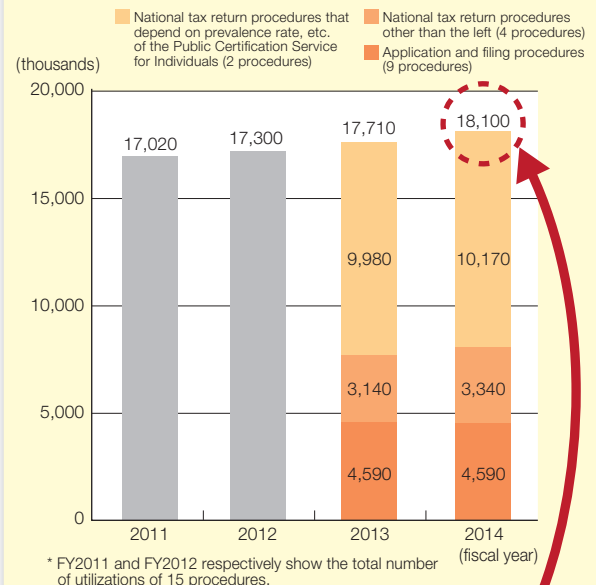
The NTA decided the “Improvement Action Plan by the Ministry of Finance” (hereinafter the “Improvement Action Plan”) in September 2014, based on the “Policy for the Improvement of Convenience of Online Procedures” decided in April 2014, as the policy of the entire government to address the issue of the online use of services in fiscal 2014 and thereafter.

The Improvement Action Plan establishes targets for e-Tax user satisfaction and its utilization rate as well as specifies future measures to improve convenience for users of e-Tax, which the NTA plans to develop and implement.

The NTA will work for the wider use and establishment of e-Tax, based on the Improvement Action Plan.

Please refer to Page 50 for measures to improve convenience for users of e-Tax aiming for its wider use and establishment.

■ The number of utilizations of e-Tax



The number of utilization of e-Tax increases steadily.

■ Outline of the Improvement Action Plan by the Ministry of Finance

Covered period

Three years from FY2014 to FY2016

Procedures for further improvements

- National tax return procedures that depend on prevalence rate, etc. of the Public Certification Service for Individuals (2 procedures)
 - Income tax return
 - Consumption tax return (individual)
- National tax return procedures other than the above (4 procedures)
 - Corporation tax return
 - Consumption tax return (corporation)
 - Liquor tax return
 - Stamp tax return
- Application and filing procedures (9 procedures)
 - Withholding record of employment income, etc. (and totaled table for the same) (6 procedures)
 - Payment record of interest, etc. (and totaled table for the same)
 - Request for issue of certificates of tax payment
 - Notification of start (changes etc.) of using e-Tax

Evaluation criteria

- e-Tax user satisfaction
 - Measure user satisfaction by conducting surveys. [Baseline : 73.3% Target : 75%]
- User satisfaction of the “filing assistance on the NTA website.”
 - Measure user satisfaction by conducting surveys. [Baseline : 83.1% Target : 85%]
- Percentage of online use
 - National tax return procedures that depend on prevalence rate, etc. of the Public Certification Service for Individuals (2 procedures) [Baseline : 51.9% Target : 58%]
 - National tax return procedures other than the above (4 procedures) [Baseline : 66.9% Target : 72%]
 - Application and filing procedures (9 procedures) [Baseline : 57.7% Target : 62%]
- Utilization rate of ICT
 - Establish targets for utilization rates of ICT for income tax returns and consumption tax returns (individuals). [Baseline : 68.8% Target : 72%]
- Cost per application received online
 - Calculate developmental, operational, and other costs per online application. [Baseline : 433yen Target : Decrease from the previous]
- (Reduction in) paperwork processing time
 - Calculate the reduction in paperwork processing time when using e-Tax compared with the time necessary when processing by paper. [Baseline : 106,456 hours Target : Increase from the previous year]

(Note 1) The baseline is the actual result in FY2013. The target was set as the result to be achieved in FY2016.

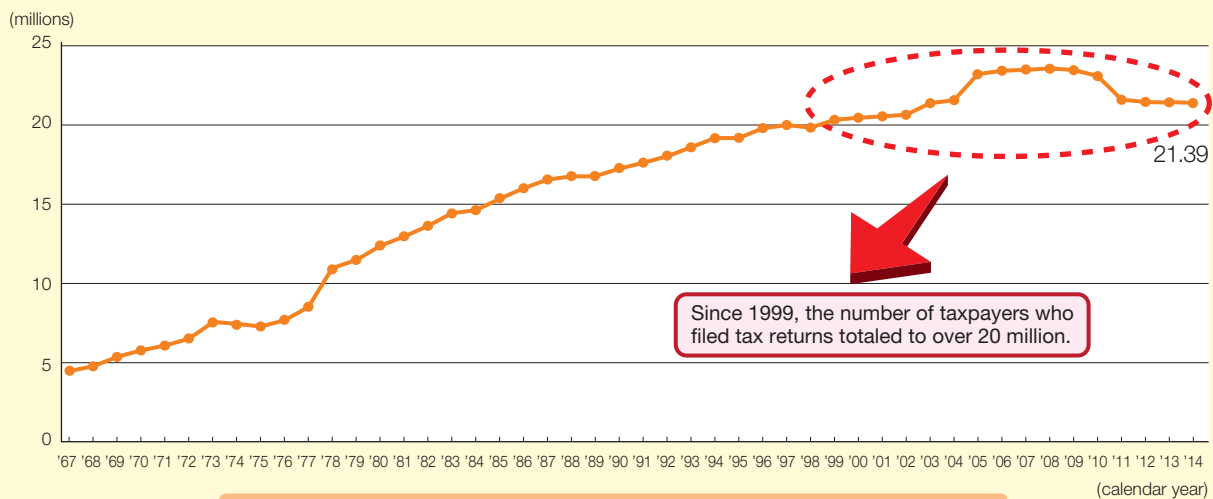
(Note 2) The utilization rate of ICT is the ratio of the number of returns filed with return forms prepared by using the Internet at home or other places (including filings by paper-based documents) relative to the total number of returns.

3 Filing for tax return

~ The number of taxpayers who filed tax returns totaled 21.39 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 bills. 21.39 million people filed their income taxes and special income taxes for reconstruction for 2014; thus, one out of six residents filed taxes. Of these, over 12.49 million people filed for refunds, comprising over half of the people filing tax returns.

■ Trend of individual tax return filers



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

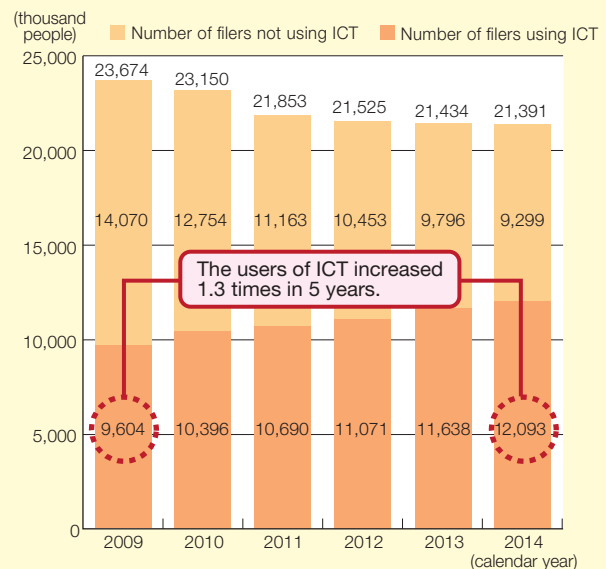
(1) Promotion of filing using ICT

~ Filing assistance on the NTA website and e-Tax ~

The NTA promotes filings using ICT, such as filing assistance on the NTA website and e-Tax, which enables taxpayers anytime to file tax returns conveniently without visiting Tax Offices and calculation errors.

Also, 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



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

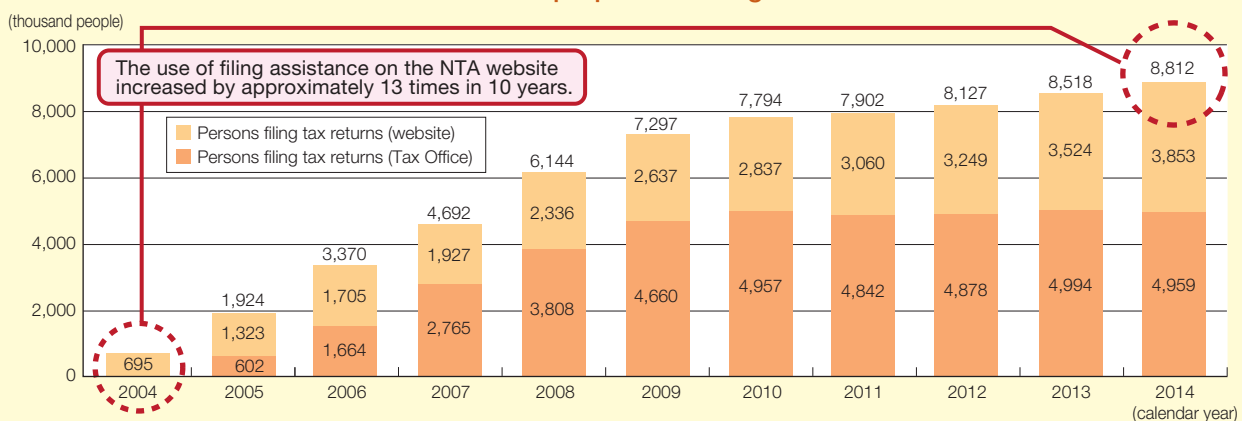
With the filing assistance on the NTA website, if a taxpayer enters the amounts and other necessary information according to the guidance on the PC screen, income amounts and tax amounts are automatically calculated, and it allows taxpayers to complete their tax returns for income tax and special income tax for reconstruction, consumption tax and local consumption tax for private business operators, 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 2014, the number of people who submitted income tax and special income tax for reconstruction returns prepared with filing assistance on the NTA website reached 8.81 million cases, including those prepared via PCs set up at consultation sites. This comprised about 41% of all people who submitted returns. About 58% of these submitted their returns via e-Tax.

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 government 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, inside the Tax Offices and at joint meeting sites outside the Tax Offices.

For the 2014 tax return filing period, the offices were open on February 22 and March 1, 2015, during which 281,000 income tax and special income tax for reconstruction returns were filed.

Cooperation with the local tax authorities

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

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

4 Proper withholding tax system operation

～ Providing more thorough 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 and salary 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.

5 Cooperation with private organizations

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

The NTA is implementing measures to convey information on taxes to taxpayers through various explanatory meetings held by relevant private organizations. These relevant private organizations are playing a large role in achieving a proper self-assessment system and in spreading knowledge about taxes.

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 and by holding various joint events in “Think About Tax Week.”

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 3,100 associations nationwide, and the total number of members is about 820,000 (as of April 2015). 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 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 482 corporations associations as incorporated associations, and membership stands at about 820,000 corporations (as of December 2014). Corporations associations organize tax education, tax awareness campaign, seminars on tax and management, etc. For further details, please visit the website of the National General Federation of Corporations Associations at <http://www.zenkokuhojinkai.or.jp>

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 518 associations nationwide with about 90,000 members (as of March 2014). 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 the consumption tax and to prevent tax delinquency. For further details, please visit the website of the National Federation of Indirect Tax Associations at <http://www.kanzeikai.jp>

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 34,500 associations (as of March 2013). 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. For further details, please visit the website of the National Federation of Savings-for-Tax Associations at <http://www.zennoren.jp>

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 160,000 members belong to these associations (as of March 2015). 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>

Column 1 Response to the Great East Japan Earthquake (As of end of March, 2015)

1 Actions taken for the termination of extension of filing and payment deadlines for national taxes

After the Great East Japan Earthquake, the NTA notification dated March 15, 2011 announced the extension of filing and payment deadlines for national taxes that would arrive on or after 11th day of the same month in five prefectures, which are Aomori, Iwate, Miyagi, Fukushima and Ibaraki.

Subsequently, this measure to extend the deadlines was terminated gradually based on the conditions of each area. Regarding the last remaining 12 municipalities of Fukushima Prefecture, namely Tamura City, Minamisoma City, Kawamata Town, Hirono Town, Naraha Town, Tomioka Town, Kawauchi Village, Okuma Town, Futaba Town, Namie Town, Katsurao Village and Iitate Village, the NTA notification dated January 31, 2014, announced the termination of the extension of the deadlines on March 31, 2014, in consideration of the situation of voluntary filings and payments.

However, considering the fact that the termination of the extension of the deadlines requires taxpayers of 12 municipalities of Fukushima Prefecture to make filings and payments for a period of multiple years, the one-year procedure period was established, which requires the taxpayers to make filings and payments by March 31, 2015. For any taxpayer who continues having difficulty in filing or paying taxes by this date, a further extension of the deadline can be permitted on application. The NTA has been carefully taking proper action in consideration of each individual's circumstances.

The NTA has developed a system to provide appropriate consultations to the taxpayers taking refuge in all over Japan at their nearest Tax Office.

2 Consultation in filing period for final tax return

Anticipating that many victims of the Great East Japan Earthquake would continue to visit Tax Offices, the Sendai Regional Taxation Bureau dispatched backup staff from the Bureau and the Tax Offices in its jurisdiction (about 5,500 staff in total) to Tax Offices in charge of 12 municipalities of Fukushima Prefecture and disaster stricken areas, in order to ensure taxpayer services during the filing period.

In addition, each Taxation Bureau dispatched their staff (about 1,500 staff in total) to the Tax Offices in Sendai City, Ishinomaki Tax Office, Shiogama Tax Office, Fukushima Tax Office, Koriyama Tax Office, Iwaki Tax Office and Soma Tax Office for a period from Thursday, February 12, 2015, to Tuesday, March 17, 2015, as part of the support given by the entire NTA to the Sendai Regional Taxation Bureau.

3 Recovery support for liquor industry

In order to ensure safety of liquors against radiation and maintain the environment for export etc., the NTA continued conducting radioactive examinations in fiscal 2014 on liquors and brewing water (1,968 cases) in cooperation with National Research Institute of Brewing. Regarding the import restrictions introduced after the Great East Japan Earthquake, the NTA issued necessary certificates on liquors in accordance with the requirement by the countries of export destination (The NTA issued 5,872 certificates of place of manufacturing, and 824 certificates on radioactivity examinations.).

The NTA will actively support the recovery of liquor industry through the measures mentioned above.

<Special tax measures if damaged by the Great East Japan Earthquake>

In order to reduce the burdens of victims of the Great East Japan Earthquake, Earthquake Special Measures Act entered into force on April 27, 2011.

Besides, in order to reduce the burdens of victims of the Great East Japan Earthquake, and to promote policy measures to reconstruct from the Great East Japan Earthquake, necessary revisions were made to laws, including the revision of a part of Earthquake Special Measures Act which entered into force on December 14, 2011.

Under this Earthquake Special Measures Act, principal tax treatments applicable to those who suffered damage from the Great East Japan Earthquake are as follows (As of April 1, 2015):

Income tax	For ① casualty loss deduction methods determined in the Income Tax Act, and ② 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, people with housing and household assets damaged by the Great East Japan Earthquake can choose to receive these reduction measures etc. for either 2010 or 2011. Besides, in case of Method ①, for the casualty loss caused by the Great East Japan Earthquake, the period of carry-forward deduction concerning the casualty loss amount was changed to 5 years (the Income Tax Act: 3 years).
	For losses of inventory assets and business use assets etc. due to the Great East Japan Earthquake, such loss amounts can be included in necessary expenses when calculating amounts of business income for 2010. Besides, for a certain amount of net loss that was caused for inventory assets and business use assets etc., the period of carry-forward deduction concerning the net loss amount was changed to 5 years (the Income Tax Act: 3 years).
	① If a dwelling was receiving application of special credit for loans relating to a dwelling, but can no longer be lived in due to the Great East Japan Earthquake, application of the special credit for loans relating to a dwelling can continue to be received, during the remaining application period of special credit for loans relating to a dwelling, for that dwelling. ② In the case of a taxpayer who lost a dwelling as it was destroyed by the Great East Japan Earthquake subsequently reacquired an alternative dwelling, such a taxpayer may elect "special measures for credit relating to reacquisition of a dwelling," instead of normal special credits for loans relating to a dwelling. ③ The above ① and ② can be applied simultaneously.
Gift tax	Under certain conditions, a gift is exempt from taxes up to the maximum amount of exemption in the following cases: 1) a person who lived or intended to live in a house that was destroyed or damaged beyond repair by the Great East Japan Earthquake receives a gift as funds for acquiring a house from a lineal ascendant, including parents and grandparents, between January 1, 2015 and June 30, 2019 or 2) a person who lived in a house located in a designated evacuation zone, etc. as of the date the evacuation zone was designated as such receives a gift as funds for acquiring a house from a lineal ascendant, including parents and grandparents, between the date the evacuation zone was designated as such and the date one year after the designation as an evacuation zone is lifted.
Corporation tax	For corporations designated by an approved local government during the period December 26, 2011 through March 31, 2016, which were newly established in the industrial park zone for reconstruction, the following special measures defer the taxation of corporation tax in each business year from the designated date to the date 5 years after from the designated date: ① Tax deduction of reserves for re-investment allowed with the upper limit of income amount. ② Special depreciation is allowed with upper limit of reserve balance in the fiscal year when the corporation invests in equipment or buildings in the industrial park zone for reconstruction again.
Motor vehicle tonnage tax	If a vehicle or a motorcycle was damaged by the Great East Japan Earthquake and scrapped within the valid period of its motor vehicle inspection certificate, then the owner can do the procedure for Permanent Deletion Registration or for notice of demolishing or dismantling at a Transport Branch Office or Light Motor Vehicle Inspection Organization, and submit a request for refund of motor vehicle tonnage tax, and thereby obtain refund of motor vehicle tonnage tax.
	If a person who was a user of a motor vehicle or a motorcycle damaged by the disaster acquires a replacement vehicle and obtains a motor vehicle inspection certificate, etc. during the period until April 30, 2016, then by submitting a notification of tax exemption for motor vehicle tonnage tax to a Transport Branch Office or Light Motor Vehicle Inspection Organization, the motor vehicle tonnage tax which pertains to the initially obtained motor vehicle inspection certificate, etc. is exempted.
Stamp tax, etc.	Stamp tax on a "contract on consumer loan" is exempted for a money loan to a person victimized by the Great East Japan Earthquake, at conditions which compared to conditions of other money loans are specially advantageous, by a local government or government related financial institution, etc.
	For cases such as a building acquired to replace a building demolished and removed because it was destroyed or damaged by the Great East Japan Earthquake and a building located in the area subject to the designation of evacuation zone, etc. as of the date when such designation of evacuation zone, etc. was made, the stamp tax is exempted for "contracts on transfer of real estate" and "contracts on contracting of construction work" made by that victimized person. Also, registration and license tax in relation to the registration of transfer of ownership will be exempt.
Liquor tax	In cases where a liquor manufacturer whose manufacturing factory was seriously damaged by the Great East Japan Earthquake ships some specific type of liquors during a period from April 1, 2011 to March 31, 2016, if the taxable volume of the previous year was 1,300 kl or lower, the liquor tax on up to 200 kl of the taxable volume of the year is reduced.

* For other measures and details, see the NTA website <http://www.nta.go.jp> or visit a nearby Tax Office.

Column 2 Actions taken for the amended Consumption Tax Act

1 Background

In order to secure stable financial resources for social security and achieve fiscal consolidation at the same time, revisions were made to the Consumption Tax Act, including a rise of consumption tax rate in two phases. The date for raising consumption tax rate from 8% to 10% was also decided to be April 1, 2017.

■ Rise of consumption tax rate

Date of application	April 1, 2014	April 1, 2017
Consumption tax rate	8.0%	10.0%
(Breakdown: National + Local)	(6.3%+1.7%)	(7.8%+2.2%)

The Act on Special Measures for Shifting Consumption Taxes prohibits any act that refuses the shifting of consumption taxes and any labeling that interferes with the shifting of consumption taxes and sets forth exceptions from the obligation to indicate the total price with tax in order to ensure the smooth and appropriate shifting of consumption taxes.

Exceptions from the obligation to indicate the total price with tax

From October 1, 2013, to September 30, 2018, prices can be indicated without indicating prices with tax, if a measure to prevent the misrecognition that the indicated price includes tax is taken (misrecognition prevention measure); for example, by indicating “〇〇 yen (excluding tax)” or “〇〇 yen (item price only).”

2 Measures taken for the revised Consumption Tax Act

(1) Provision of information and consultation on the revised Consumption Tax Act

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 make their filings and payments with full understanding of the amended consumption tax system.

Major public relations and consultation activities

- Post a leaflet about the revision to the NTA website and also keep it at Tax Offices.
- Post Q&A about transitional measures, etc. to the NTA website.
- Explain the content of revision through various explanatory meetings, etc.
- Provide consultations on the revised Consumption Tax Act, etc. at the “revised consumption tax system consultation desk” at each Tax Office.

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

The NTA has created 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, and posted them to the NTA website, and has also provided information on the exceptions at explanatory meetings, etc. for business operators.

The “revised consumption tax system consultation desk” at Tax Offices appropriately provides consultation on the revised Consumption Tax Act, on price indication (exceptions from the obligation to indicate the total price with tax), as well as on the shifting of consumption taxes.

In addition, the NTA, as the government agency with jurisdiction over the liquor industry, 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 collects a report or conducts an on-site inspection to secure smooth and appropriate shifting of consumption taxes.

Column 3 Actions taken for the amended Inheritance Tax Act

1 Outline of revision

As a part of the FY2013 tax reform, the Inheritance Tax Act was amended covering the inheritance tax on properties to be acquired by inheritance or testamentary gift on or after January 1, 2015. The amendment includes such items as a reduction of the basic deductions.

2 Key Actions

(1) Enhancement of the NTA website

The NTA set up on its website a special section, "Inheritance Tax and Gift Tax," which integrates relevant information on inheritance tax, etc.

More specifically, we are posting a pamphlet for informing site visitors about items amended by this tax reform including and "Outline of Inheritance Tax" that explains the system of the inheritance tax in an easy-to-understand manner. In addition, the website has a section open to the public, "Tool for Judging If You Need to File Your Inheritance Tax Return" to help taxpayers to judge for themselves whether the value of their inherited properties exceeds the basic deduction amount.

■ Reduction of the basic deductions for the inheritance tax

[Before the Amendment]

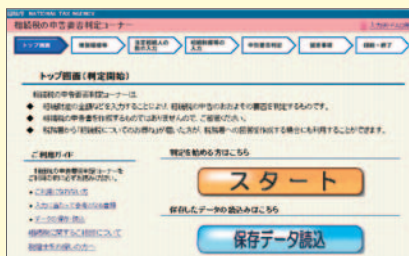
¥50 million+(¥10 million×the number of legal heirs)

[After the Amendment]

¥30 million+(¥6 million×the number of legal heirs)



[Tool for Judging If You Need to File Your Inheritance Tax Return] (<https://www.keisan.nta.go.jp/sozoku/yohihantei/top> (in Japanese Language))



In the section "Tool for Judging If You Need to File Your Inheritance Tax Return," users input figures such as the number of legal heirs and the amount of individual properties and debts. The system then automatically calculates the amount of the applicable basic deduction, etc. The output can be used to reasonably judge if the user needs to file an inheritance tax return.

(2) Improving the consultation system

Taxpayers who want an individual consultation by interview at a Tax Office about specific calculation methods for filing, etc. can receive consultation services by making a prior appointment by phone for more effective and efficient operations.

General consultations are handled in a centralized manner at Phone Consultation Centers.

Column 4 Review of requirements for "scanner storage" in Act on Book and Record Keeping through Electronic Methods

Tax laws require, in principle, that documents such as contracts be stored in the original form of paper documents. If an application is filed and approved, however, storing these documents in the form of electronic data scanned by scanner (hereinafter "scanner storage") is acceptable, instead of storing them in the form of paper documents, if several requirements are met.

These requirements have been reviewed and for example, one of them, the monetary standard on contracts, etc. (below ¥30,000), will be abolished, and under certain conditions, scanner storage of contracts, etc. of ¥30,000 and over will be possible.

This amendment will come into effect for approval applications submitted on or after September 30, 2015.

■ Approval status of storage using electronic records based on the Act on Book and Record Keeping through Electronic Methods

(case)

Operation year	2009	2010	2011	2012	2013
Cumulative number of approved cases at the end of operation year	113,105	123,045	133,012	143,417	154,006
Of which, number of approved scanner storages	54	61	103	120	133