

# If you cannot pay your national tax by the due date...

It is necessary that you pay each of your national taxes by their due date.

## ➔ You will be liable to pay delinquent tax.

\* If you pay your tax late, in principle, you will be liable to pay delinquent tax, which is calculated for the number of days starting from the day following the statutory due date for tax payment to the day on which the entire amount of the principal tax is paid.

## ➔ You may be subject to procedure for tax collection such as seizure of your assets.

\* If you still have not paid your tax after receiving a demand letter, you will be subject to procedure for enforced tax collection, such as seizure pursuant to the provision by law.

## ➔ Certificate of tax payment No. 3 cannot be issued.

\* Certificate of tax payment No. 3 proves that there are no unpaid taxes for a taxpayer.

## We provide grace systems for taxpayers who cannot pay their national tax in a lump sum.

### Grace of asset conversion upon application

If a taxpayer meets requirements, such that a taxpayer is likely to face difficulty continuing their business or maintaining their standard of living by paying the national tax in a lump sum, and the taxpayer has no other outstanding national taxes, the taxpayer may be granted grace of asset conversion for up to one year in principle upon application to the Director of the district tax office within six months from the due date for payment.

\* There is another “Grace of asset conversion by the Director of the tax office’s own authority”, in addition to “Grace of asset conversion upon application”.

### Grace of tax payment

If a taxpayer cannot pay their national tax in a lump sum for one of the following reasons, the taxpayer may be granted grace periods of tax payment for up to one year in principle upon application to the Director of the district tax office:

- 1 Reasons such as damage by natural disaster, illness, shutdown or discontinuance of business, or significant loss on business
- 2 Taxation is assessed by means such as an amended return after one year has passed since the original due date

## If a taxpayer is granted grace...

- The taxpayer will be exempted from delinquent tax in whole or in part during the grace period.
- The taxpayer will be granted grace of seizure of assets or conversion (sale) of assets into cash.

**For further information concerning such procedures as mentioned above, please contact the tax office (the Collection Group).**

