

V Proper Management of Liquor Administration

~Conducted various initiatives in order to secure liquor tax revenues and achieve sound development of the liquor industry~

Both the land tax and the liquor tax have been large revenue sources since the Meiji government was established. Liquor tax revenues even exceeded land tax revenues at one time, becoming the largest revenue source. Thereafter, there was an increase in the relative weight of direct taxes such as income tax and corporation tax, and in FY2010, liquor tax comprised only 3.2% (¥1,389.3 billion) of all tax revenues. However, it is not affected much by the economy, and is expected to provide stable tax revenues. Therefore, the liquor tax fulfills an important role even today.

In contrast to general food items, a high rate of liquor tax is imposed on liquor. In order to secure this revenue source and smoothly shift the tax burden onto consumers, there is a system of licensing for manufacture of liquor and sale of liquor. In line with the goals of this system, the NTA strives for proper operation and proper and fair taxation.

In addition, the NTA is the government agency with jurisdiction over the liquor industry. The NTA takes various actions in order to secure liquor tax revenues and work for sound development of the liquor industry, from a comprehensive perspective of development of the entire liquor industry, while considering changes in the environment faced by the liquor industry, such as the arrival of a decreasing population, the people's increasing awareness of health and safety, and diversifying lifestyles.

(1) Initiatives to ensure safety of liquor and enhance quality levels

~For the purpose of providing consumers with safe and good quality liquors~

Consumers are increasingly interested in "security and safety of food," not limited to liquor. The NTA works to ensure safety and enhance quality levels in all stages, from production through consumption. We are working to enable provision of safe and good quality liquor to consumers.

Specifically, the NTA examines safety, quality and labeling of commercially sold liquor, and the results are published for consumers on the NTA website. If not properly labeled, the NTA gives corrective guidance to the liquor business operator. Also the NTA gives guidance concerning safety of manufacturing processes.

Responding to the recent nuclear power plant accident, the NTA is also conducting measures to ensure the safety of liquors with regard to radioactive material in alliance with the National Research Institute of Brewing, in such ways as surveying radioactive material on liquors prior to shipment stored in liquor manufacturing site.

National Research Institute of Brewing (NRIB)

NRIB performs advanced analyses and appraisals of liquors, and provides research, studies and information on liquors and the liquor industry. It thereby aims to contribute to proper and fair application of the liquor tax, work for the sound development of the liquor industry, and raise people's understanding of liquor. For further details, please visit the NRIB website: www.nrib.go.jp/English/index.htm



Analysis being conducted

(2) Response to social demands

~To prevent underage drinking~

To respond to social demands such as prevention of underage drinking, the NTA is working for thorough compliance with duty in appointment of liquor sales managers, and with obligatory displays where liquor is exhibited. In cooperation with related ministries, agencies and the industry etc., the NTA is also working for development of proper sales management systems.

~Promoting effective use of resources such as liquor containers~

In order to ensure effective use of resources, the NTA also works to build awareness of systems, to support liquor business operator initiatives for liquor container recycling and reducing food waste generated in liquor manufacturing processes, etc.



(3) Initiatives to develop a fair trading environment in liquor

~Building awareness of “Guidelines on Fair Liquor Trade”~

In order to secure liquor tax revenues and stable trading in liquor, the NTA is working to build awareness and understanding of its Guidelines on Fair Liquor Trade established in August 2006, so that voluntary initiatives of liquor business operators ensuring fair trading are promoted.

The NTA also surveys actual trade practices according to these guidelines, and if it finds cases such as trading which is not according to the rules of these guidelines, it provides guidance for improvements, etc. If as a result of examination it seems there are violations of the Anti-monopoly Act, it takes actions such as reporting these facts to the Fair Trade Commission (FTC), and cooperates with the FTC to take appropriate action.

(4) Providing information to liquor business operators and development of the environment for export

~Support to stimulate the liquor industry by providing information~

The NTA objectively examines and analyzes industry trends, and provides these results as information on the NTA website. We provide support by describing examples of initiatives such as business innovation at training meetings by lecturers such as business guidance specialists, providing information on measures for small and medium companies, supporting the establishment of local brands, etc.

~Development of the environment for export of Japan’s liquors to stimulate the liquor industry~

As part of the NTA’s initiatives to stimulate the liquor industry, we are working to develop the environment for export of Japan’s liquors by EPA negotiations for removal of custom duties and other non-tariff barriers, issuance of certificate of exportation, etc.

Furthermore, the NTA post information regarding export statistics of liquors, etc. on the NTA website, as well as working on appropriate promotion of Japan’s liquors at various official events such as receptions at overseas diplomatic facilities and international conferences, in cooperation with relevant institutions.



"Japan Night" at annual World Economic Forum in Davos