

~ Missions of Certified Public Tax Accountants (CPTAs) ~

Certified Public Tax Accountants (CPTAs) and CPTAs Corporations (hereinafter referred to as “CPTAs etc.”) are professional specialists on taxes. Their public mission is to respond to the trust of a taxpayer in line with the principles of the self-assessment system, and to achieve proper tax compliance as provided for in the tax laws and regulations, based on their independent and fair standpoint.

As of the end of March 2020, 78,795 persons are registered as CPTAs, and 4,197 CPTAs corporations are established.

1 Services and roles of CPTAs

~ Support taxpayers and boost self-assessment system ~

CPTA services are ① tax proxy, ② preparation of tax documents and ③ tax consultation service. These operations must not be performed by persons other than CPTAs etc.¹, even at no charge. At the same time, CPTAs etc. are required to fulfill various obligations and responsibilities. For example, they are prohibited from providing tax evasion consultation and engaging in conduct which harms the credibility or dignity of CPTAs.

Taxpayers are able to use services of CPTAs etc. to properly file returns and pay taxes. In addition, because corporations and sole proprietors often ask CPTAs etc. to process accounting books or seek advice on accounting, they also play important roles in promoting correct bookkeeping that constitutes the basis for filing tax returns.

2 Coordination and cooperation with CPTAs' Associations, etc.

~ Conduct consultations and exchange opinions about a wide range of issues ~

To achieve the proper and smooth administration of the self-assessment system, CPTAs etc. undertaking the public mission play extremely important roles. Therefore, we are endeavoring to coordinate and cooperate with the Certified Public Tax Accountants' Associations and Japan Federation of Certified Public Tax Accountants' Associations (hereinafter referred to as “CPTAs' Associations etc.”), for example, by conducting consultations and exchanging opinions with CPTAs' Associations etc. about a wide range of issues.

Specific activities are (1) and (2) below.

(1) Promotion of the document attached by CPTAs etc.

~ Further promoting and establishing the attached document regarding the calculation and consultation ~

The documents attached by CPTAs etc. to tax returns as provided for in the Certified Public Tax Accountant Act contributes to achieving proper tax compliance by clarifying the specific roles played by CPTAs etc. in preparing tax returns. Also, this system was established, purporting the smooth operation of tax administration with NTA's respect for such roles played by CPTAs etc.

Specifically, this system allows CPTAs etc. to attach to tax returns the documents regarding the calculation or consultation service that they provided for the preparation of tax returns. If the Tax Office intends to provide notification of the date, time and place it will conduct a tax examination to a taxpayer who filed a tax return along with such documents, then the CPTAs etc. must be given by the tax officials in charge at the Tax Office, etc., the opportunity to state an opinion on the items written in the attached documents, before the taxpayer is notified.

Since this system contributes to the correct preparation and filing of tax returns, facilitation and simplification of tax administration, and eventually establishment of a trusted CPTA system, the NTA is

¹ In compliance with Article 51 of the Certified Public Tax Accountant Act, CPTA services can also be performed by lawyers and legal professional corporations that have notified their practice of CPTA services to the Regional Commissioner with jurisdiction over the district where CPTA services are to be provided, as well as CPTAs and CPTAs Corporations.

actively consulting with CPTAs' Associations etc. with an aim to enhance the content of attachments and raise the percentage of returns with attachments. The NTA is also respecting this system and is thereby further promoting and establishing it.

(2) Promotion of e-Tax usage

~ Collaboration and cooperation towards the realization of electronic tax return filing ~

Concerning promotion of usage of e-Tax, the role that CPTAs etc. play is significant, so the NTA is aiming to establish a collaborative and cooperative relationship with the CPTAs association, etc., towards realization of electronic tax return filing, such as through periodical exchange of opinion concerning e-Tax with the Japan Federation of Certified Public Tax Accountants' Associations in order to gain thoughts on ways to improve the system from the users' perspective, and to place NTA's requests for cooperation concerning promotion of e-Tax's utilization.

Furthermore, the NTA will deliver proactive cooperation towards the initiatives of the Japan Federation of Certified Public Tax Accountants' Associations with the aim to promote the use of online tax return filing by all CPTAs with the belief that the complete understanding of the merits of e-Tax usage by CPTAs etc. and further utilization of e-Tax will contribute to reduction in cost for the society as a whole.

3 Appropriate guidance for and supervision of CPTAs etc.

~ Prevent violation of the Certified Public Tax Accountant Act and take strict action against those who violated ~

In order to ensure proper operation in the CPTA system, the NTA utilizes every opportunity to alert people and prevent violation of the Certified Public Tax Accountant Act by CPTAs etc. Also, the NTA conducts appropriate examinations of CPTAs etc., and take strict action against CPTAs etc. who violate the Certified Public Tax Accountant Act and so called "fake CPTAs" who conducts CPTA services without licenses, by applying disciplinary actions and filing accusations seeking prosecution.

The NTA discloses the names of disciplined CPTAs etc. in the official gazette and via the NTA website.

■ Number of disciplinary actions against CPTAs etc.

fiscal year	2015	2016	2017	2018	2019
cases	41	39	38	51	43

(case)

CPTAs' Associations and Japan Federation of CPTAs' Associations

In order to improve the work of CPTAs, CPTAs' Associations are designated in the Certified Public Tax Accountant Act as organizations which provide guidance, liaison and supervision to CPTAs etc.. There are now 15 CPTAs' Associations throughout Japan. CPTAs' Associations engage in a wide range of activities, including ① Training to enhance the qualities of CPTAs, ② Dispatch of lecturers for tax workshops in elementary, junior and senior high schools, universities, etc. to fulfill the tax education and ③ Free tax consultation for small taxpayers.

The Japan Federation of Certified Public Tax Accountants' Associations is the only organization in Japan specified in the CPTA Act, consisting of member CPTAs' Associations. The Federation provides guidelines, liaison, and supervision for CPTAs' Associations and their members. It also handles the administration to register members, and conducts research on the CPTAs etc. system. For further details, please visit the website of the Federation at <https://www.nichizeiren.or.jp/eng/>.

