

## ~ 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 2022, 80,163 persons were registered as CPTAs, and there were 4,601 CPTAs Corporations.

## 1 Services and roles of CPTAs

### ~ Support taxpayers and boost self-assessment system ~

CPTA services are tax proxy, preparation of tax documents, and tax consultation service. These operations must not be performed by persons other than CPTAs<sup>1</sup>, even at no charge. At the same time, CPTAs 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.

If using services of CPTAs, taxpayers can properly file returns and pay taxes. In addition, because corporations and sole proprietors often ask CPTAs to process accounting books or to compile financial statement, they also play important roles in promoting tax return filings and correct bookkeeping that constitutes the basis for the filing.

## 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 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 include (1) and (2) below.

#### (1) Promotion of the document attached by CPTAs

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

With the document attachment system as provided for in the Certified Public Tax Accountant Act (<https://www.nta.go.jp/taxes/zeirishi/zeirishiseido/kentoukai/02.htm> [in Japanese], hereinafter referred to as “CPTA Act”) CPTAs may attach certain documents on the items calculated in preparing a tax return and the documents on the consultation subjects covered by the CPTAs (hereinafter the “attached documents.”)

This system requires that if a Tax Office intends to conduct a tax examination for a taxpayer having filed a tax return with the attached documents by notifying the taxpayer of the date, time and place of the examination in advance, the CPTAs of the taxpayer must be given an opportunity to state an opinion on the items described in the attached documents, before the taxpayer is notified.

Regarding the attached documents, the NTA is actively consulting with CPTAs' Associations, etc. with an aim to enhance the content of attached documents and raise the share of the returns with such attachments. Respecting this system, the NTA is striving to disseminate it and have it used by more taxpayers.

<sup>1</sup> 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.

## (2) Promotion of e-Tax usage

### ~ Collaboration and cooperation towards the realization of electronic filing ~

Concerning promotion of use of e-Tax, the roles played by CPTAs are significant, so the NTA is regularly exchanging opinions with the Japan Federation of Certified Tax Accountants' Associations and requesting it for cooperation to raise the use rate of e-Tax. As such, the NTA is eager to keep the collaboration and cooperation with CPTAs associations, etc., towards the realization of digitalized procedures for tax return filing.

## 3 Appropriate guidance for and supervision of CPTAs

### ~ Prevent violation of the CPTA Act and take strict action against those who violated ~

For ensuring the proper operation by CPTAs, the NTA utilizes every opportunity to alert people and prevent violation of the CPTA Act by CPTAs. Also, the NTA conducts appropriate examinations regarding the breach cases of the CPTA Act. We take strict disciplinary action against the CPTAs who violated the Act and publicly announce the names of such CPTAs. In addition, for the so-called “fake CPTAs” who conducts CPTA services without a license, we strictly deal with them including accusation to the prosecutor.

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

#### ■ Number of disciplinary actions against CPTAs

fiscal year	2017	2018	2019	2020	2021
cases	38	51	43	22	21

(cases)

## Revision of the CPTA Act

In the revision of tax laws in FY2022, the CPTA Act was also revised as part of the step to improve the environment for tax payment. With an eye on the society to come after the Covid-19 pandemic, this revision was to ensure reviews of the CPTA system, from the following viewpoints: adequately respond to the changes in the situation surrounding CPTAs (digitization of work environment for CPTAs and environment for tax payment); secure diverse personnel; and improve the trust of people and taxpayers in CPTAs as well as the taxpayer convenience. The revised points started to take effect from April 1, 2022, sequentially.

## CPTAs' Associations and Japan Federation of CPTAs' Associations

In order to improve the work of CPTAs, CPTAs' Associations are designated in the CPTA Act as organizations which provide guidance, liaison and supervision to CPTAs. 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 (<https://www.nichizeiren.or.jp/eng/>) is the only organization in Japan as certified by the CPTA Act. The Federation provides guidance for, communicates with, and supervises CPTAs' Associations and CPTAs. It also handles the operation to register members, and conducts institutional surveys on CPTAs.

