

Special exception for calculating the tax amount for small and medium business entities

Small and medium business entities that have difficulty in classifying sales or purchases into the reduced tax rate and the standard tax rate may use a special exception for calculating the sales tax amount or purchase tax amount in a certain period from October 1, 2019.

Small and medium business entities

Small and medium business entities are business entities whose taxable sales amount during a base period does not exceed 50 million yen.

Special exception for calculating the sales tax amount

Difficult to small and medium business entities is possible to separate the sales by the tax rate, of the taxable period, in insitutions from October 1, 2019 to September 30, 2023, a certain percentage of sales as a target sales of the reduced tax rate you can calculate the sales tax.

① Special method of the reduced tax rate purchase ratio of retail, etc.

Small and medium business entities engaged in wholesale or retail industry can manage the taxation purchahse for each tax rate multiplied by the proportion of taxable purchases required only to a sale is subject to the reduced tax rate as a percentage of taxable sales related to the business, to calculate the revenue to be reduced tax rate system, you can calculate the sales tax.

② Special method of the reduced tax rate sales ratio

By multiplying the percentage of the taxable sales are subject to the reduced rate of the tax same period as a percentage of taxable sales of 10 normal consecutive business days in taxable sales, to calculate the taxable sales that is the subject of the reduced tax rate, you can calculate the sales tax.

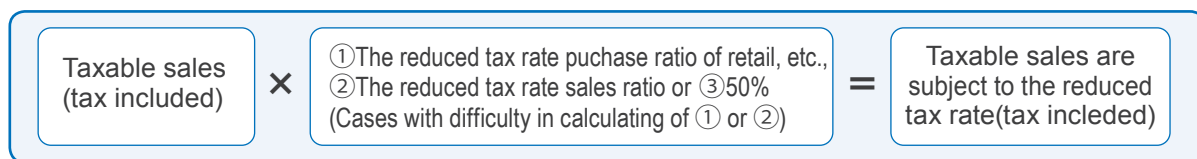
* 10 normal consecutive business days can be any given 10 consecutive business days when you conduct ordinary business within a period that you intend to adopt the relevant special exception.

③ Cases with difficulty in calculating the above ratio

Small and medium business entities that have difficulty in calculating the reduced sales rate and mainly transfer assets subject to the reduction may use a rate of 50/100.

* Business entities that mainly transfer assets subject to the reduction means business entities whose taxable sales subject to the reduced tax rate account is nearly 50% or more of taxable sales during the applicable period.

Taxable sales (tax included) subject to the reduced tax rate by calculation under the special exception.



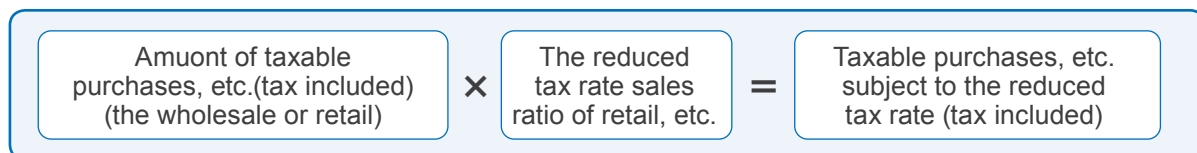
Special exception for calculating the purchases tax amount

Difficult to small and medium business entities is possible to separate the purchase by the tax rate in the taxable period, including the September 30, 2020 from October 1, 2019, it is special to calculate the purchase tax by the following method can be used.

① Special method of the reduced tax rate sales ratio of retail, etc.

Taxble purchase for this business performing the wholesale or retail manage taxation revenu by the tax rate, multiplied by the ratio of the taxable sales, object of the reduced rate to total taxable sales for the business, subject to the reduced rate to calculate the taxable purchase is, you can calculate the purchase tax. The period to which you can apply special case of the reduced tax rate sales ratio, of the tax period, is the period from October 1, 2019 until the last day of the taxable period belonging of September 30, 2020.

Calculate using the reduced tax rate sales ratio of retail etc.



② Special exception for notification of the simplified tax system

With respect to the application of the simplified tax system, by submitting the "Report on the Selection of the Simplified Tax System for Consumption Tax" during the taxable period in which you attempt to apply the simplified tax system, it is possible to apply the system.

Once they select the special exception for notification of the simplified tax system, they cannot stop adopting the simplified tax system unless having adopted for two consecutive years. The above case does not apply if they close their business.

* The Report on the Selection of the Simplified Tax System in which the special provision is applied for 2020 is required to be submitted by December 31, 2020.