

2021

Consumption and Local Consumption Taxes Final Return Guide

For Sole proprietors

- For Sole proprietors who are Taxable person under the Consumption Tax Law, this guide describes the final return (General Form) preparation process for consumption and local consumption taxes.
- This guide only explains general matters. Please inquire at your nearest Tax office on complicated cases or for further details.
- The deadline for filing the 2021 consumption and local consumption taxes return is [Thursday, March 31, 2022](#).
- The deadline for payment of 2021 consumption and local consumption taxes is [Thursday, March 31, 2022](#).
The date for 2021 consumption and local consumption taxes automatic transfers is [Tuesday, April 26, 2022](#).

◎ State your Individual Number, etc.

- You need to state your Individual Number in returns and to present your identification document or attach a copy of your identification document.
- Example of identification document
 - 《Example 1》 The individual number card
 - 《Example 2》 Notification card + Driver's license, etc.
- For details, please refer to page 8 of the guide.



How this guide is organized

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8 Filing and paying	P35	Explains how to submit your return form and how pay your consumption taxes
9 Income tax adjustment	P36	Explains how to adjust your income tax after calculating your amount of consumption and local consumption taxes payable or refundable
10 Rough draft return form, etc.	P37	Contains specimens of forms you need to submit. Please use them as rough drafts
○ Table for determining taxability of consumption tax transactions	P44	Contains a table that explains how to determine the taxability of each business activity described in the blue return financial statement and other forms
○ Reverse charge mechanism	P45	Explains the case declaration is required due to the Reverse charge mechanism
○ Restriction, etc. on purchase tax credit pertaining to acquisition of residential rental building	P45	Explains restriction, etc. on purchase tax credit pertaining to acquisition, etc. of residential rental building
○ Special exception for calculating the sales tax amount for small and medium business entities	P46	Information on special exception (transitional measure) for calculating the sales tax amount for small and medium business entities that have difficulty in classifying sales into the reduced tax rate and standard tax rate.
○ Process for registry and application for the qualified invoice-based method (the invoice system)	P46	Explanation of the process to register and apply for the qualified invoice-based method (the invoice system)
○ Outline of the invoice system	P47	Provides an overview of the invoice system and identifies points that require attention
○ Application (notification of change) for tax payment by transfer account	P48	Contains application (notification of change) for tax payment by transfer account

Cautionary items when filling in the return form

The OCR (Optical Character Recognition) input final return form is machine-readable. Note the following cautions when entering numbers in your form.

- Do not soil or perforate the return form
- Use a black, ballpoint pen
- Enter large, clear figures in the prescribed boxes

