

2023

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.
- The deadline for filing the 2023 consumption and local consumption taxes return is [Monday, April 1, 2024](#).
- The deadline for payment of 2023 consumption and local consumption taxes is [Monday, April 1, 2024](#).
The date for 2023 consumption and local consumption taxes automatic transfers is [Tuesday, April 30, 2024](#).
- Those business operators who have become business issuer of qualified invoice from Tax-exempt business, triggered by the introduction of the qualified invoice-based method (the invoice system), can use the application of special accommodation of 20%.

* With the special accommodation of 20%, tax amount to be paid can be calculated easily by aggregating sales amounts.

Please refer to the "Consumption and Local Consumption Taxes Final Return Guide (special accommodation of 20%)," when the special accommodation of 20% is applied.

◎ 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 10 of the guide.



This page explains the outline of this guide. Please read this page first.

How this guide is organized

1 Basic knowledge	P3	Explains basic knowledge pertaining to the consumption and local consumption taxes final return
○ Special exception for calculating the sales tax amount for small and medium business entities	P6	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.
○ About the qualified invoice-based method (the invoice system)	P7	Provides an overview of the qualified invoice-based method (the invoice system) and identifies points that require attention * Please refer to P8 for the overview of and attention points for the burden-alleviating measure for small-scale business operators that become business issuer of qualified invoice (special accommodation of 20%).
2 Preparing for your final return	P9	Explains about the documents required for completing the consumption and local consumption taxes final return
3 Final return procedures	P12	Explains the procedures from basic calculation methods to making your payment
4 Consumption tax calculation	P16	
5 Local consumption tax calculation	P28	Demonstrates how to calculate consumption and local consumption taxes
6 Enter the value in the return form (Page 1 and Page 2)	P30	
7 Other items	P34	Explains how to fill in the sections in the return form other than tax calculations
8 Filing and paying	P37	Explains how to submit your return form and how pay your consumption taxes
9 Income tax adjustment	P38	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.	P39	Contains specimens of forms you need to submit. Please use them as rough drafts
○ Table for determining taxability of consumption tax transactions	P46	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	P47	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	P47	Explains restriction, etc. on purchase tax credit pertaining to acquisition, etc. of residential rental building
○ 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 (Please do not use an erasable ball-pointed pen.)
- Enter large, clear figures in the prescribed boxes

