

3-8 Report of Assets and Liabilities / Report of Foreign Assets

◎ Report of Assets and Liabilities

- If anyone, required to file a final return (see page 11), has various incomes excluding retirement allowances for that year that exceed 20 million yen and owns properties whose total value is 300 million yen or more, or owns assets whose total value is 100 million yen or more of assets subject to special cases for exit from Japan (*1), as of December 31 of that year, it has been decided that he/she needs to submit his/her "report of assets and liabilities" that state the type, quantity and value of assets, the amount of liabilities and other necessary information to the Tax Office in the place for income tax payment (*2)(In the year of commencement of inheritance, assets or liabilities obtained by inheritance or as testamentary gifts are excluded upon calculation. Furthermore, those need not be described.) (The due date for submitting "report of assets and liabilities", as of December 31, 2020 is Monday, March 15, 2021.)

For details, please see "Notice on Report of Assets and Liabilities [財産債務調書制度に関するお知らせ]" on our website.

*1 Assets subject to special cases for exit from Japan are securities, etc. specified in Article 60-2, paragraph 1 of the Income Tax Act, unsettled margin transactions, etc. specified in paragraph 2 in the same article of the same law, and unsettled derivative transactions specified in paragraph 3 in the same article of the same law.

*2 Report of Assets and Liabilities for the year of commencement of inheritance can be submitted without describing assets or liabilities obtained by that inheritance or as testamentary gifts, and an obligation to submit the Report of Assets and Liabilities is determined by the amount of assets excluding the assets obtained by that inheritance or as testamentary gift.

◎ Report of Foreign Assets

- If residents, except for those classified as "non-permanent residents," have own assets in foreign countries that exceed 50 million yen, as of December 31 of that year, it has been decided that he/she need to submit his/her "report of foreign assets" that state the type, quantity, price, and other necessary information of the foreign assets to the Tax Office in the place for income tax payment or in the place for his/her domicile (In the year of commencement of inheritance, foreign assets obtained by inheritance or as testamentary gifts are excluded upon calculation. Furthermore, those need not be described. (The due date for submitting "report of foreign assets", as of December 31, 2020 is Monday, March 15, 2021).

For details, please see "Notice on Report of Foreign Assets[国外財産調書制度に関するお知らせ]" on our website.

* Report of Foreign Assets for the year of commencement of inheritance can be submitted without describing foreign assets (inherited assets) obtained by that inheritance or as testamentary gifts, and an obligation to submit the Report of Foreign Assets is determined by the amount of assets excluding the assets obtained by that inheritance or as testamentary gift.

3-9 Special measures provided by international tax treaties etc.

(70 treaties with applicable to 80 countries and regions as of October 1, 2020)

If you are a non-resident of Japan and a resident of any of the following countries you may be eligible for special measures provided in the tax treaties etc. between these countries and Japan:

Iceland, Ireland, Azerbaijan, the United States of America, United Arab Emirates, Armenia, the United Kingdom, Israel, Italy, India, Indonesia, Ukraine, Uzbekistan, Ecuador, Egypt, Estonia, Australia, Austria, Oman, Netherlands, Guernsey, Kazakhstan, Qatar, Canada, Korea, Kyrgyz Republic, Kuwait, Cayman Islands, Saudi Arabia, Zambia, Jersey, Jamaica, Georgia, Singapore, Switzerland, Sweden, Spain, Sri Lanka, Slovakia, Slovenia, Thailand, Taiwan, Tajikistan, Czech Republic, Chile, China, Croatia, Denmark, Germany, Turkmenistan, Turkey, New Zealand, Norway, Pakistan, Bahamas, Bermuda, Hungary, Bangladesh, Fiji, Philippines, Finland, Brazil, France, Bulgaria, Brunei, Vietnam, Belarus, Belgium, Poland, Portugal, Hong Kong, Malaysia, South Africa, Mexico, Moldova, Latvia, Lithuania, Romania, Luxembourg and Russia.

Note: 1. The old treaty with the former Soviet Union will be applied to Azerbaijan, Armenia, Ukraine, Uzbekistan, Kyrgyz, Georgia, Tajikistan, Turkmenistan, Belarus and Moldova.

Note: 2. The old tax treaty with former Czechoslovakia will be applied to Czech Republic and Slovakia.

Note: 3. The tax treaty with China will not be applied to Macao.

Note: 4. The treaty with Fiji is the continuation of the 1963 treaty with the United Kingdom.

Note: 5. With respect to Taiwan, a framework equivalent to a tax convention is established in combination of (1) a private-sector tax arrangement between the Japan-Taiwan Exchange Association (Japan) and the Taiwan-Japan Relations Association (Taiwan) and (2) Japanese domestic legislation to implement the provisions of that private-sector tax arrangement in Japan.

*With regard to procedures for being granted an exception under a tax treaty, when articles of a tax treaty that are applied to a non-resident who is required to file a final tax return result in a reduction or exemption from income tax, where such a non-resident is granted application of benefits of a tax treaty with Limitation on Benefits Article (as of October 2020, tax treaties with the United States of America, the United Kingdom, France, Australia, Netherlands, Switzerland, New Zealand, Sweden, Germany, Latvia, Lithuania, Estonia, Russia, Austria, Iceland, Denmark, Belgium and Croatia), he/she must attach "Application form for income tax convention," appended "Attachment form for limitation on benefits article," and a certificate of residency from his/her country of residence to the final tax return.