

## 2-11 STEP 6 Items about inhabitant taxes and enterprise taxes regarding the Page 2

Those who have filed final returns for income tax etc. are not required to submit returns for the inhabitant tax and the enterprise tax additionally because the data for said final returns for income tax etc. and other documents will be forwarded to local public entities. However, as for the following items, please fill out as appropriate in the “Items concerning inhabitant taxes and enterprise taxes [住民税・事業税に関する事項]” on the Page 2, since the treatment of those items is different between the inhabitant tax, the enterprise tax and income tax etc.

Please contact your local municipal government office for further details.

The prefectural or municipal authorities will calculate each individual's tax amount, based on the figures in the final return for income tax etc., and notify taxpayers directly.

Persons with no obligation to file final returns for income tax etc., are generally required to file returns for the inhabitant tax with the local municipality and to file returns for the enterprise tax with the prefectural government.

### 1 Names and addresses of a spouse, dependents and family employees not residing with the taxpayer

[別居の配偶者・親族・事業専従者の氏名・住所]

Write the names and addresses of any spouse, dependents and family employees not residing with the taxpayer among those who are listed on Page 2.

If the relative is a foreign resident, enter “○” in the “outside Japan[国外]” column.

\* If a person with salary who received year-end adjustment omits filling in the blocks of “Matters concerning a spouse and relatives (⑳ to ㉓) on Page 2, write the Individual Number (My-Number) of the person not residing with the taxpayer as well (entry of Individual Number [My-Number] is not required if you have marked 調整 [adjustment] with a circle for your spouse on page 35 and other relatives on page 37.)

### 2 Family employees treated as qualified spouses, etc. for income tax

[所得税で控除対象配偶者などとした専従者]

- In the case that a report of full-time family employees' salaries is not submitted to the Tax Office for certain reasons, and if they are not declared as a family employee for the income tax etc. return, they can be treated as a family employee of an employer filing a blue return for inhabitant and enterprise tax purposes even if they have been designated as eligible for the exemption for spouses or other dependents. The requirements for “exclusive family employee of blue return” for local tax purpose are same as income tax.
- If you have any such employees, you must write their name and amount of wages in the appropriate column on the Page 2.

### 3 Inhabitant taxes

#### a) Small dividends, etc. from unlisted stocks [非上場株式の少額配当等]

“Small dividends” etc., from unlisted stocks which you have chosen not to report in your tax return of income tax etc. (see page 58) are aggregated with other income and inhabitant tax is imposed on the aggregated income. Therefore, it is necessary to write them,

#### ◇ How to complete the form

If there is any amount corresponding to the box  on the right, post the amount entered in the box  in the calculation column to the field of “Small dividends, etc. from unlisted stocks.”

Amount of dividend income (block ⑤ on the Page 1)	_____ yen	A
Small dividends, etc., from unlisted stocks you opted not to report on your return.	_____ yen	B
Special provisions for computing dividend income (A + B)	_____ yen	C

\* Write the amount of inhabitant tax that is specially collected (the amount of tax imposed on dividend income) in the block of Deduction of allocated dividend amount.

#### b) Special treatment for non-residents [非居住者の特例]

As for those who have non-residents period during 2023, inhabitant tax is not charged on domestic-source income which accrued during the period. Write the amount of such domestic-source income subject to the separate taxation at source in the appropriate section on the Page 2.

**c) Deduction of allocated dividend amount [配当割額控除額]**

**Amount of deduction for income received from transfer of stocks, etc. [株式等譲渡所得割額控除額]**

Regarding the amount of the so-called “specific dividend etc.” from which the prefectural inhabitant tax dividend rate is specially withheld during 2023 (5% of the tax rate) and the amount of the so-called “specific income received from transfer of stocks etc.” from which the prefectural inhabitant tax for income received from transfer of stocks, etc. is specially withheld (5% of the tax rate), ① in the event that this amount was included in withholding at source without being reported as income tax etc., the amount for inhabitant tax will also be considered as being part of special withholding, and ② in the event that this amount was reported as income tax etc. and a deduction or refund of the amount withheld at source of income tax etc. is received, a deduction or refund for the amount specially withheld for inhabitants tax will also be receivable.

Thus, if you reported this amount as income tax etc., please write the amount of the dividend rate and amount of deduction for income received from transfer of stocks, etc. in the respective column of “deduction of allocated dividend amount” and “amount of deduction for income received from transfer of stocks, etc.” on the Page 2. Please note that if you omit the writing, you are not eligible to this deduction.

- Please note that in the case of ① above, the total amount of income determined for “exemption for spouses,” “exemption for dependents,” etc. does not include the income related to the specific dividend, etc. and related to the amount of income received from transfer of specific stocks, etc.
- In the case of ② above, if municipal authorities have decided on awarding a refund to you for specially withheld tax after calculating your amount of tax, you will be notified by your municipality concerning the decision and procedure for receiving your refund.

**d) Methods of collecting inhabitant tax on income other than employment income and income from public pensions, etc.**

**[給与、公的年金等以外の所得に係る住民税の徴収方法]**

You may choose a method of collecting inhabitant tax on income other than employment income and income from public pension, etc. (if you are under 65 years of age as of April 1, 2024, other than employment income). If you would like to choose deduction from your salary, mark “Special collection” with a circle on Page 2, and if you prefer to make a payment separately at a counter, etc. rather than deduction from your salary, mark “Self-payment” with a circle.

The inhabitant tax on employment income and income pertaining to public pensions, etc. for persons aged 65 years or older as of April 1, 2024 will be deducted from their salaries or public pensions, etc., respectively.

Please see “Notification from Local Governments” (see page 67) about inhabitant tax on income pertaining to public pensions, etc.

**e) Deduction for donations [寄附金税額控除]**

Write the total amount of the following donations respectively.

- Ⓐ Donations to prefectures or municipalities (hometown tax)
- Ⓑ Donations to the Japan Red Cross Society or local chapters of the community chest where you were a resident as of January 1, 2024
- Ⓒ Donations specified in ordinance of the prefecture where you were a resident as of January 1, 2024
- Ⓓ Donations specified in ordinance of the municipality where you were a resident as of January 1, 2024.

\* Even if you have applied for a special exception (one-stop special exception) for hometown tax filing, the application will be invalidated if you file a final tax return. If you file a final tax return, please enter the amount of donation including the amount for which you applied for the special exception. Donations to local governments that have not been designated by the Minister of Internal Affairs and Communications as hometown tax as of the date of donation are ineligible for the special exemption, and should be entered in the "Community chest, Japan Red Cross and other donations" column.

\* For a donation made as charity fund to a fundraising organization such as the Japanese Red Cross Society or Central Community Chest of Japan, which is finally distributed to the local governments which suffered disasters or charity fund distribution committee, please specify it in the field of "Donations to prefectures and municipalities (eligible to special deduction)."

For example, if you misplaced the amount of your donation made to the Japanese Red Cross Society as the support money in the field of "Donations to community chest, the Japanese Red Cross Society and others," instead of "Donations to prefectures and municipalities (eligible to special deduction)", please note that the amount of tax credit for donation cannot be correctly calculated.

\* Regarding Ⓒ and Ⓓ, if there is a donation specified by both prefecture and municipality, please write the amount in both fields. Please contact the prefecture or municipal government of the location of your domicile to find out which organization and event are specified under the ordinance.

\* Among donations made to NPO, etc., other than certified NPOs, etc., a certain donations specified by the ordinance of prefectural/city governments or local governments of the location of your address can be eligible for tax credit for individual inhabitants tax purposes, while not eligible for income tax deduction. In order to take such tax credit, separate filing should be made to local governments.

(Example) In the case that donations were paid to entities (1) through (6)

- |    |   |            |
|----|---|------------|
| 1) | ●● Prefecture (hometown tax)  | 80,000 yen |
| 2) | ▲▲ City (hometown tax)  | 40,000 yen |
| 3) | Local chapter of Japan Red Cross Society in area of domicile                                      | 90,000 yen |
| 4) | Community chest in prefecture of domicile(social welfare corporation)                             | 20,000 yen |
| 5) | Social welfare service corporation(specified by ordinance of the prefecture of domicile)          | 55,000 yen |
| 6) | Certified NPOs △△<br>(specified by ordinance by both the prefecture and municipality of domicile) | 15,000 yen |

Ⓐ In the field of "Donations to prefectures and municipalities (eligible to special deduction), enter (1) and (2). (1)+(2)= 120,000 yen

Ⓑ In the field of "Donations to community chest, the Japanese Red Cross Society and others," enter (3) and (4). (3)+(4)= 110,000 yen

Ⓒ In the field of "Donations specified by the prefectural ordinance," enter (5) and (6). (5)+(6)= 70,000 yen

Ⓓ In the field of "Donations specified by the municipal ordinance," enter (6). (6) = 15,000 yen

\*Enter donations to municipalities that are not designated by the Minister of Internal Affairs and Communications concerning hometown tax in [B] instead of [A].

Ⓐ	Ⓑ	Ⓒ	Ⓓ
Donations to prefectures and municipalities (eligible to special deduction)	Donations to the community chest, the Japan Red Cross Society, and others	Donations specified by the prefectural ordinance	Donations specified by the municipal ordinance
120,000	110,000	70,000	15,000

\* Because the amount of donations in (6) is included in the fields for both Prefecture and Municipality, the aggregate amount of (1) through (6) will not be the same as the aggregate amount of Ⓐ through Ⓓ.

**f) Names, etc. of the spouse or dependent with retirement income** [退職所得のある配偶者・親族の氏名]

For individual inhabitant tax purposes, the total amount of income, etc., which is considered a requirement for dependents, etc., doesn't include the amount of retirement income (limited to the income of which such taxes are withheld, hereafter the same shall apply).

If you are entitled to a spousal (special) exemption or an exemption for dependents for individual inhabitant tax purposes as a result of excluding the amount of retirement income from the total income of your spouse or relative who had retirement income during the year 2023, enter the name, My Number (individual number), relationship, date of birth, and total income excluding retirement income for the year 2023 of such spouse or dependents.

\* If you have any questions regarding the content to be entered in this column, please contact the municipality in which you reside.

● **Matters related to "person with a disability"**

Enter with reference to Page 2 of the application form, "how to enter in the Matters related to a spouse and relatives ㉔~㉖ columns"(page 35 or page 36).

● **Matters related to "others"**

If your spouse (limited to a special disabled and spouse of the same household for individual inhabitant tax purposes) or a dependent (limited to a special disabled and dependent for individual inhabitant tax purposes or a person under 23 years of age) who had retirement income during the year 2023 is ineligible to be your "spousal exemption," "dependent exemption," or "disability exemption", but eligible to be applied the income adjustment exception for your individual inhabitant tax applied (\*), enter "○" (For example, if your employment income, etc., exceeds 8.5 million yen and you have a special disabled spouse, and such spouse is a dependent with dependent exception of one of his/her parents living with you, this would be a relevant case.)

If this applies to you, you need not enter your My Number (individual number).

\* The individual inhabitant tax income adjustment deduction is a deduction of a certain amount from the employment income when calculating the total income of certain employment income recipients.

● **Matters related to "widows or single parents"**

Enter "○" in the appropriate box if one of the following conditions applies.

寡婦(Widows)	If you are a widow or widower due to having a dependent with retirement income during 2023
ひとり親(Single parents)	If you are a single parent due to you having a dependent with retirement income during 2023

## 4 Enterprise tax

**a) "Tax-exempt income, etc."**

The tax rate of enterprise tax varies according to the type of business. Some businesses are exempt from tax. Individuals with income applicable to sections (i) or (ii) below should tick the relevant number and write the amount on the Page 2, here: "tax - exempt income, etc." [非課税所得など].

Regarding enterprise tax, you can't claim the special credit for the blue returns. Please write the amount, prior to this credit.

(i) Individuals who run no less than two kinds of business have income from any of the following:

- 1) Income from livestock rearing (except when practiced in conjunction with agriculture)
- 2) Income from fisheries (excluding the small-scale picking or catching of marine flora and fauna)
- 3) Income from manufacturing of charcoal
- 4) Income from massage, acupuncture, acupressure therapy, moxocautery, judo-physiotherapy or any other variety of medical enterprise (However, enterprise taxes will not be imposed when business is conducted by persons whose combined vision has failed or whose combined vision(corrected eyesight) is 0.06 or less. In the case, please fill out "10.")
- 5) Income from blacksmithing.

(ii) Those with the following tax-exempt income

- 6) Income from forestry
- 7) Income from mining or mineral ores
- 8) Income from social insurance payments or reimbursements for medical expenses
- 9) Income from overseas enterprises (income derived from offices, etc. outside Japan)
- 10) Income derived from individual enterprises laid down in article 72-2 of the Local Tax Law (see page 57)

**b) Income from real property prior to aggregating profit and loss**

If you incurred the amount of interest on liabilities to acquire land (see page 19), etc., write the amount calculated with necessary expenses including such interest ("the amount used to acquire real estate prior to application of special treatments regarding aggregation of profit and loss (see page 25) as it pertains to income taxes.")

**c) Establishment or closure of a business in the previous year**

If you established or closed-down a business during 2023, circle the section on the Page 2 titled: "establishment or closure of business in the previous year [前年中の開(廃)業]," and write the day and month of establishment or closure.

#### d) Special exemption for blue returns subtracted from real estate income

If you have applied this reduction, you should write this amount on the Page 2, here: "special reduction for the blue returns subtracted from real estate income [不動産所得から差し引いた青色申告特別控除額]."

#### e) Losses from the sale of business assets etc.

Losses from the sale of business assets, such as machinery, vehicles (but not land, structures, buildings or intangible fixed assets) within one year of cessation of use for business upon which enterprise tax has been imposed, may be deducted when calculating your enterprise tax. The deduction applies only to those filing a blue return. On condition that a return is consecutively filed for the subsequent years, the amount of the losses may be carried over to the following three years for enterprise tax purposes. In the event of a loss caused by a specified emergency disaster (limited to disasters occurring on or after April 1, 2023), the carry forward period for a certain amount of loss will be 5 years.

Write the amount of the loss on the Page 2, here: "losses from the sale of business assets etc. [事業用資産の譲渡損失など]."

If your business income is in deficit as a result of losses from damage to inventory or business assets through natural disasters, you may carry over the amount of losses to the next three years, on condition that you file a return consecutively for the following years. Write the amount of the loss on the Page 2, here: "losses from the sale of business assets, etc. [事業用資産の譲渡損失など]."

#### f) Those with offices, etc. in other prefectures

Enterprise tax will be imposed by the office or business locates. If there are offices or businesses in several different prefectures prefecture where, the amount of income will be taxed proportionally according to the number of staffs in each office or business, etc. If you have an office or business in more than one prefecture, please enter "○" in the box "Offices, etc. in other prefectures [他都道府県の事務所等]" on the Page 2, here.

\* The businesses and professions laid down in article 72-2 of the Local Tax Law are as follows:

- |                       |                               |  |
|-----------------------|-------------------------------|--|
| ▪ Goods selling       | ▪ Money exchange              | ▪ Legal secretary                                  |
| ▪ Insurance           | ▪ Public bathes               | ▪ Administrative secretaries                       |
| ▪ Financial loans     | ▪ Impresarios                 | ▪ Notary public                                    |
| ▪ Goods lending       | ▪ Gaming houses               | ▪ Patent attorneys                                 |
| ▪ Real estate renting | ▪ Resort management           | ▪ Tax accountants                                  |
| ▪ Manufacturing       | ▪ Commodity dealers           | ▪ Certified public accountants                     |
| ▪ Electricity supply  | ▪ Real estate selling         | ▪ Public accountants                               |
| ▪ Quarrying           | ▪ Advertising                 | ▪ Public consultants on social and labor insurance |
| ▪ Telecommunications  | ▪ Private detectives          | ▪ Consultants                                      |
| ▪ Transport           | ▪ Guides                      | ▪ Site managers                                    |
| ▪ Transport (other)   | ▪ Wedding and funeral parlors | ▪ Real estate appraisers                           |
| ▪ Anchorage           | ▪ Livestock                   | ▪ Designers  |
| ▪ Storage             | ▪ Marine products             | ▪ Traditional crafts teachers                      |
| ▪ Parking             | ▪ Charcoal burning            | ▪ Hairdressers                                     |
| ▪ Service Contracting | ▪ Medicine                    | ▪ Beauticians                                      |
| ▪ Printing            | ▪ Dentistry                   | ▪ Dry cleaners                                     |
| ▪ Publishing          | ▪ Druggists                   | ▪ Dental hygienists                                |
| ▪ Photography         | ▪ Massage, acupuncture        | ▪ Dental technicians                               |
| ▪ Seat renting        | ▪ acupressure, therapy,       | ▪ Registered surveyors                             |
| ▪ Inn keeping         | ▪ moxacautery                 | ▪ Land and building surveying                      |
| ▪ Restaurants         | ▪ judo-physiotherapy          | ▪ Marine agents                                    |
| ▪ Eating-houses       | ▪ and other medical services  | ▪ Printing and platemaking                         |
| ▪ Middleman           | ▪ Veterinarians               |  |
| ▪ Agents              | ▪ Blacksmiths                 |  |
| ▪ Intermediaries      | ▪ Attorneys                   |  |
| ▪ Wholesaling         |                               |  |

If there is anything you do not understand about enterprise tax, please contact your local prefectural Tax Office. Please note that you may be contacted by your prefectural Tax Office and asked to provide information related to enterprise tax such as details of the locations of other offices, etc. and number of employees at the end of each month, etc.