

3-5 In Case of Mistakes on a Tax Return

- In the event of mistakes in the amount of tax declared or other details of a return, the following methods should be followed.
- Before the statutory tax return due date for filing tax returns, correct mistakes, prepare a new final return and submit it by the due date.
- After the statutory tax return due date, instead of submitting the tax return again, correct the declared contents according to the following methods.

	Method of Correction
When tax amount, etc. declared in return is less than what it should be	File "amended return" to correct amount. (*1)
When tax amount declared in return is greater than what it should be	Request a correction to the tax return in order to correct amounts. (*2)

*1 If an incorrect return amount is not voluntarily corrected, a District Director of Tax Office will correct it.

*2 In principle, a request for correction is allowed within 5 years from the statutory tax return due date.

- How to fill out an amended return

When filing an amended return, use Pages 1 and 2 of the tax return.

If there is income subject to separate taxation, Page 3 of the tax return (for separate taxation) is also to be used.

* Page 5 of the return is not used for amended returns for 2022 and thereafter.

- Page 1 of the tax returns

Enter the revised amount, etc. in Page 1 of the tax return in the same manner as for the final return.

The differences from the final return are as follows.

- (1) "Income Tax and Special Reconstruction Income Tax Return for the Year 2024[令和06]年分の所得税及び復興特別所得税の__申告書"

Enter "Correction" in the space provided (the same should be entered in Page 2).

- (2) "Type[種類]" column

Enclose the word "Correction [修正]" with a circle.

- (3) "Amended return[修正申告]" column

Enter the amount of tax for the third period on the return, etc., immediately preceding the filing of the amended return in the column "Tax for third period prior to amendment ⑤⑤" (in the case of a refund, enter a minus sign at the beginning).

In the "Increase in tax for the third period ⑤⑥" column, enter the amount obtained by subtracting the amount in the "Amount of tax for the third period before correction ⑤⑤" column from the amount in the "Tax paid ⑤③" or "Tax refunded ⑤④" column (rounding down fractions less than 100 yen).

- Page 2 of the tax returns

Enter the items to be amended by the amended return and the reason in the "Special provisions, etc." column.

- If you have forgotten to file a return by the statutory tax return due date you are requested to file as soon as possible.

Furthermore, in cases where there is no final income tax return filed although it is necessary to file, a District Director of Tax Office will decide on the amount of income and tax.

- Please note that in cases where the District Director of Tax Office corrects or makes a determination on a return or cases where returns are filed after the filing deadline, in addition to the taxes to be paid through the tax return, etc., an additional tax may be levied. The concurrent payment of a delinquent tax will be required for the period from the day following the legal filing deadline through the date of actual payment.

3-6 Estimated income tax etc. prepayment and Application for reduction of estimated tax prepayment

Income tax etc. are to finally calculate income and tax amount for one year and a final return is filed during the filing period of the following year and the tax in question is paid.

Meanwhile, the Tax Office notifies the taxpayer of the amount of estimated income tax etc. prepayment in cases where the base amount for the estimated tax prepayment calculated based on the previous year's final tax return is 150,000 yen or more. The taxpayer is then requested to pay the tax liability in two installments, in July and November. This system is called estimated income tax prepayment.

Taxpayers may submit an application to have the amount of estimated tax prepayment reduced if their income tax etc. amounts of the following year are estimated to be less than the amount of the base amount for the estimated tax prepayment notified by the Tax Office. This may be approved for reasons such as: closing or suspension of the taxpayer's business, unemployment, losses resulting from natural disasters, embezzlement, theft, medical expenses, business depression, or an increase in the number of qualified dependents.

3-7 Obligation to file consumption tax return and necessary report

1. For sole business proprietors whose taxable sales exceed 10,000,000 yen for 2024
 - If your taxable sales for 2024 exceed 10,000,000 yen, **you will be categorized as a taxable person for the purpose of consumption tax in 2026**. If you newly become a taxable person, please submit “Notification of Taxable Enterprise Status for Consumption Tax (for base period) [消費税課税事業者届出書(基準期間用)]” to the Tax Office or Submission Processing Center with jurisdiction over the location of your address etc. without delay.
 - In general, the amount of consumption tax due is calculated by deducting the consumption tax imposed on taxable purchases from the consumption tax imposed on taxable sales. However, in case that the taxable sales in 2024 are 50,000,000 yen or less, with selecting the “simplified tax system [簡易課税制度]” by which the amount of tax is calculated based on the consumption tax imposed on taxable sales without calculating their actual consumption tax on taxable purchase. In case of selecting “simplified tax system [簡易課税制度]”, the amount of consumption tax due is calculated by to consider the amount calculated by multiplying the amount of consumption tax on taxable sales by certain “deemed purchase rates [みなし仕入率]” to be the amount of consumption tax imposed on taxable purchases.
 - Sole business proprietors who will select filing returns using the simplified tax system from 2026 must submit “Report on the Selection of the Simplified Tax System for Consumption Tax [消費税簡易課税制度選択届出書]” to the Tax Office with jurisdiction over the location of your address by December 31, 2025.

*1 Even if the sole business proprietor’s taxable sales for 2023 (the base period for 2025) do not exceed 10,000,000 yen, but the taxable sales for the specified period (the period from January 1, 2024 through June 30, 2024) exceed 10,000,000 yen, the sole business proprietor will be categorized as a taxable person for the purpose of consumption tax in 2025.

Meanwhile, unless you are a non-resident on the first day of the tax period, you can use the total amount of salaries etc. paid instead of taxable sales to determine if you are categorized as a taxable person or otherwise.

If you become a taxable person by this method, please file “Notification of Taxable Enterprise Status for Consumption Tax (for specified period) [消費税課税事業者届出書(特定期間用)]” to the Tax Office or Submission Processing Center with jurisdiction over the location of your address without delay.

*2 If a business is registered as an invoice issuer, it is a taxable business regardless of its taxable sales in the reference period.

*3 Taxable sales mean the sales from transactions subject to the imposition of consumption tax (including transactions conducted concomitantly with business activities, such as the sale of a building for business purposes). Sales from most of the transactions fall under taxable sales; however, income concerning transactions exempt from consumption tax is excluded, such as income from the sale of land and housing rent. Taxable sales also include manuscript fees, royalties, performance fees, lecturer’s fees, remuneration for lecturers, and income from the Internet.

(Note) If you are submitting by mail to a tax office subject to centralization of internal operations, please send the form to the Submission Processing Center.

2. For sole business proprietors whose taxable sales exceed 10,000,000 yen for 2022
 - If your taxable sales for 2022 exceed 10,000,000 yen, you will be categorized as a taxable person for the purpose of consumption tax in 2024.

In such a case, you are required to file your consumption tax return and make tax payment by March 31 (Mon.), 2025.

* Even if taxable sales are 10,000,000 yen or less for 2022, those whose taxable sales exceed 10,000,000 yen for the specified period (from January 1, through June 30, 2023) will be categorized as taxable person for the purpose of consumption tax in 2024.

Meanwhile, you can use the total amount of salaries, etc. paid instead of taxable sales to determine if you are categorized as a taxable enterprise or otherwise.

Please see “Outline for consumption tax [消費税のあらまし]” for general matters and procedures, “Consumption and Local Consumption Taxes Final Return Guide [消費税及び地方消費税の確定申告の手引き]” for necessary procedures for filing tax returns and paying taxes. The various manuals and report book places it in our website (<https://www.nta.go.jp>).

3. Invoice system

In principle, those who are subject to general taxation (those who are not subject to the simplified taxation system or the 20% special exception described below) cannot deduct the consumption tax portion of payment of purchases or expenses unless maintaining both books and invoices issued by the business subject to issue the invoice, describing the fact of taxable purchases, etc.

The business that intends to issue an invoice needs to submit an application for registration as an invoice issuer to the director of the Tax Office competent over the place of tax payment in advance, and be registered as an invoice issuer.

If a tax-exempt business takes advantage of the invoice system to become an invoice issuer, if certain requirements are met, it is entitled to 20% of the consumption tax payable on taxable sales (20% special exception) and to a special deadline of certain period for submitting a “Consumption Tax Simplified Taxation System Selection Notification [消費税簡易課税制度選択届出書]”.

For other details of the invoice system, please see the “Special Site for the Invoice System” on our website.