

3-12 Notification

○ Documents attached to forms

Regarding final tax returns and amended tax returns, the withholding tax statement and other documents in the following do not need to be presented or attached.

However, if you are planning on preparing a tax return at the Tax Office, please do not forget to bring the withholding tax statement and others with you.

(Documents not necessary to be attached.

- Withholding tax statements of salary, retirement income, public pensions, etc.
- Payment notice for distribution of revenues of open-type securities investment trusts.
- Payment notice concerning amounts considered to be dividends, etc.
- Payment notice for dividends on listed stocks, etc.
- Special account annual transaction report
- Annual transaction report on accounts of minors
- Payment notice of redemption money of specified discount bonds
- Documents that describe the amount of inheritance tax and details of each asset with taxable price related thereto when applying for "Special case for taxation of transfer income related to inheritance"

◎ Please make sure to declare hometown tax (deduction for donations).

Even though a taxpayer has submitted an application for the "hometown tax payment one-stop special procedure system," the taxpayer is required to include all hometown tax paid in the calculation of the deduction for donations and to report this when hometown tax is paid to more than five municipalities or when an income tax return is filed due to, for example, a deduction for medical expenses.

* Hometown tax payment one-stop special procedure system

If hometown tax is paid to not more than five municipalities, and an application is submitted for the special procedure system to each municipality receiving hometown tax, a taxpayer is eligible for a deduction for donations from inhabitant tax for the hometown tax without filing a final return.

3-13 Notification from Local Governments

For further details, please contact your local government office.

◎ **Regarding the necessity of individual inhabitant tax return filing accompanying non-requirement of tax return filing applicable to pension recipients.**

Pension recipients who are not required to file tax returns of income tax etc. (see page 12) are still required to file individual inhabitants tax returns if the below conditions are met:

- (1) Those who only have miscellaneous income relating to public pensions etc. and will take various deductions other than deductions indicated on “withholding tax statement for public pension payments etc.” (deduction for social insurance, exemption for spouse, exemption for dependents, basic exemption, etc.); or
- (2) Those who have any income other than the miscellaneous income from your public pensions.

◎ **Special collection (debit) of individual inhabitant tax on income from public pensions etc.**

In principle, for those who are already subject to special collection for fiscal year 2024 will continue to pay taxes under the special collection framework. For those reaching the age 65 at the dates of birth from April 3, 2024 through April 2, 2025 will be newly subject to the special collection framework from fiscal year 2025.

◎ **Selection of taxation method for reporting dividend income and transfer income related to listed stocks**

Effective from the individual inhabitant tax for the fiscal year 2024, the taxation methods for filing dividend income, etc. and transfer income, etc. with respect to listed shares, etc. will be the same as those for filing dividend income, etc. and transfer income, etc. with respect to listed shares, etc. for income tax purposes. With respect to dividend income from listed shares, etc., the taxation method selected in the tax return for income tax purposes, such as the aggregate taxation, the separate self-assessment taxation, or the system for no requirement to file a tax return (see page 58), will be the same for individual inhabitant tax. With respect to transfer income, etc. related to listed shares, etc., the taxation method of the separate self-assessment taxation or the system for no requirement to file a tax return (see page 58), which is selected in the income tax return, will be the same taxation method for individual inhabitant tax.

◎ **Special tax credit system for loans, etc. related to a dwelling in individual inhabitant tax**

If the full amount of special credit for loans, etc. related to a dwelling cannot be deducted from income tax (see page 44), the remaining amount may be deducted from individual inhabitant tax for the following year (for fiscal year 2025).

To claim the treatment of this system, please be careful that it is needed to submit a final return for receiving special credit for loans, etc. related to a dwelling to the Tax Office in the district where you stayed or resided. Anyone who received this deduction through the year-end adjustment is excluded from this system.

◎ **Payment of adjustment benefits**

If there is a flat-amount cut that cannot be deducted from the amount of income tax, the following benefits will be provided by the city, district, town or village.

- Initial payment: If it is expected that the flat-amount cut cannot be fully deducted from the income tax amount and the amount of individual inhabitant tax income split, an approximate amount that cannot be deducted will be paid based on the income situation in 2023.
- Shortfall payment: After the settlement of income tax and flat-amount cut for 2024 through the tax return, if it is discovered that there is a shortfall in the initial payment, a supplementary payment will be made.

For an overview of the various benefits and the flat-amount cut, please see the Cabinet Secretariat's website, "The Integrated Measures of Benefits and Flat-Amount Cut for a New Economy [新たな経済に向けた給付金・定額減税一体措置]".