

– To corporations that conduct Crypto-Asset Transactions –

When corporations conduct Crypto-Asset Transactions with Reporting Crypto-Asset Service Providers, they are required to confirm whether they fall under "Specified Corporations" or not!

In accordance with the tax reform of 2024 (effective January 1, 2026), natural persons, corporations or partnerships, etc., that conduct Crypto-Asset Transactions with Reporting Crypto-Asset Service Providers (hereinafter "RCASPs") located in Japan which include:

- Crypto-Asset Service Providers defined in Article 2, paragraph (16) of the Payment Services Act,
- Electronic Payment Instrument Exchange Service Providers defined in Article 2, paragraph (12) of the Payment Services Act,
- Financial Instruments Business Operators defined in Article 2, paragraph (9) of the Financial Instruments and Exchange Act

on or after January 1, 2026, or those who have already conducted Crypto-Asset Transactions with RCASPs as of December 31, 2025 are required to submit self-certifications indicating their jurisdictions of residence, etc., to the RCASPs (*1).

Furthermore, when a person who conducts Crypto-Asset Transactions is a corporation, it is required to confirm whether it falls under "Specified Corporation" or not. When it falls under "Specified Corporation," it is required to indicate the jurisdictions of residence, etc., regarding its "Controlling Persons" in the self-certifications.

(*1) They are required to indicate their names and addresses, their jurisdictions of residence and their foreign tax identification numbers, etc., in the self-certifications. For more information, please refer to the leaflet "– To persons who conduct Crypto-Asset Transactions –, When persons conduct Crypto-Asset Transactions with Reporting Crypto-Asset Service Providers, they are required to submit self-certifications indicating their jurisdictions of residence!".

[What is a Specified Corporation?]

When a corporation does not fall under any of the following corporations, it is a "Specified Corporation" (*2).

(*2) An individual who is an association without juridical personality or a partnership, etc., does not fall under a corporation, thus not included in a Specified Corporation.

- (1) A corporation the stock of which is listed on foreign financial instruments exchanges or Japanese financial instruments exchanges (a listed corporation)
 - (2) Where the following relationship is seen between a listed corporation and any other corporation, the said other corporation
 - (i) A relationship where either of the corporations directly or indirectly controls the other corporation (subsidiaries, sub-subsidiaries and third-generation subsidiaries)
 - (ii) A relationship where the same person directly or indirectly controls the listed corporation and the other corporation (fellow subsidiaries)
 - (3) The national government or a local government of Japan, the Bank of Japan, a foreign national government, a foreign local government, a foreign central bank, or an international organization which Japan joins
 - (4) A corporation of which full of the stated capital, funds or those equivalent thereto is owned by the corporations described in (3)
 - (5) A public corporation or a public interest corporation, etc., that does not operate a profit-making business
 - (6) Japanese Reporting Financial Institution (*3) (except investment corporation and trustee, etc.) (*4)
 - (7) Foreign Reporting Financial Institution, etc. (except entities equivalent to investment corporation and trustee, etc., established in compliance with laws and regulations of foreign jurisdictions) (*5)
 - (8) A holding company that shall not perform operations other than business management of its subsidiaries (except Reporting Financial Institutions) in accordance with laws and regulations or articles of incorporation
 - (9) A corporation that mainly engages in making transactions such as investments, loans, and those equivalent thereto with the corporations having the relationships described in (2)(i) or (ii) (except Reporting Financial Institutions)
 - (10) Where the business year of a corporation immediately prior to the current business year of the corporation (hereinafter referred to as "the most recent business year") satisfies all of the following requirements, the said corporation
 - (i) Income categorized as passive income (e.g., interest income and dividend income) for the most recent business year represents less than 50% of the gross income for the most recent business year.
 - (ii) The amount of the assets at the end of the most recent business year that could generate passive income represents less than 50% of the total amount of assets at the end of the most recent business year.
 - (11) A corporation that is not yet operating a business and with respect to which two years have not passed since the date of its incorporation (except entities equivalent to investment corporation and trustee, etc., established in compliance with laws and regulations of foreign jurisdictions) (*5)
- (*3) The term "Reporting Financial Institutions" as used in this leaflet means the Reporting Financial Institutions under the CRS. The same applies hereinafter.
- (*4) Different from the condition to fall under the Specified Corporation under the CRS (Under the CRS, investment corporation and trustee, etc., are not excluded).
- (*5) Different from the condition to fall under the Specified Corporation under the CRS (Under the CRS, "foreign jurisdictions" does not include "specified foreign jurisdictions" listed on "Ordinance for the Enforcement of the Act on Special Provisions of the Income Tax Act, the Corporation Tax Act and the Local Tax Act Incidental to Enforcement of Tax Treaties").

[What is a Controlling Person?]

A Controlling Person means a person who can substantially control the business management of a corporation. Who falls under a "Controlling Person" is determined by the nature of a corporation according to the Act on Prevention of Transfer of Criminal Proceeds. For example, a natural person who directly or indirectly owns over 25% of the total number of voting rights of a stock company, an investment corporation, or a special purpose company, etc., falls under a "Controlling Person."



[Flowchart to determine if your corporation is a “Specified Corporation”]

[Is your corporation a start-up? (please refer to (11) on the front side)]
 Is your corporation one that is not yet operating a business and with respect to which two years have not passed since the date of its incorporation (except entities equivalent to investment corporation and trustee, etc., established in compliance with laws and regulations of foreign jurisdictions) (*5)?
 (*5) Different from a condition to fall under the Specified Corporation under the CRS. Please refer to (*5) on the front side.

No ↓

Yes ↓

[The timing of its incorporation (please refer to (10) on the front side)]
 Has the first business year ended when your corporation conducts Crypto-Asset Transactions?

Yes ↓

No ↓

[The ratio of passive income to gross income for the most recent business year (please refer to (10) on the front side)]
 What is the percentage of the following ratios for the most recent business year?
 (i) Ratio of passive income (e.g., interest income and dividend income) to the gross income.
 (ii) Ratio of the amount of the assets at the end of the most recent business year that could generate passive income to the total amount of assets at the end of the most recent business year.

Both ratios of (i) and (ii) are less than 50%

One or both ratios of (i) and (ii) are 50% or more ↓

[Kind or Type of your corporation]
 Does your corporation fall under any of the following corporations (please refer to (1)-(9) on the front side)?
 (1) A listed corporation
 (2) A corporation related to a listed corporation (i.e., subsidiaries, sub-subsidiaries, third-generation subsidiaries and fellow subsidiaries)
 (3) The national government or a local government of Japan, the Bank of Japan, a foreign national government, a foreign local government, a foreign central bank, or an international organization which Japan joins
 (4) A corporation of which full of the stated capital, funds or those equivalent thereto is owned by the corporations described in (3)
 (5) A public corporation or a public interest corporation, etc., that does not operate a profit-making business
 (6) Japanese Reporting Financial Institution (except investment corporation and trustee, etc.) (*4)
 (7) Foreign Reporting Financial Institution, etc. (except entities equivalent to investment corporation and trustee, etc., established in compliance with laws and regulations of foreign jurisdictions) (*5)
 (8) A holding company that shall not perform operations other than business management of its subsidiaries (except Reporting Financial Institutions) in accordance with laws and regulations or articles of incorporation
 (9) A corporation that mainly engages in making transactions such as investments, loans, and those equivalent thereto with the corporations having the relationships described in (2) (except Reporting Financial Institutions)
 (*4) (*5) Different from the condition to fall under the Specified Corporation under the CRS.
 Please refer to (*4) and (*5) on the front side.

Yes ↓

No ↓

Specified Corporation

Not Specified Corporation