

– To persons who will open financial accounts etc. –

When persons open financial accounts etc. with reporting financial institutions, they are required to submit self-certifications indicating their jurisdictions of residence etc.!

In accordance with the tax reform of 2015 (effective January 1, 2017), on or after January 1, 2017, natural persons, corporations or partnerships, etc. that open financial accounts, etc. with reporting financial institutions (banks, securities companies, insurance companies, partnerships and trust companies, etc.) located in Japan **are required to submit self-certifications indicating their jurisdictions of residence etc. to the reporting financial institutions (*1).**

When persons open financial accounts etc., reporting financial institutions make sure whether the entries in the self-certifications conform to the contents of other documents (*2) submitted or shown at the time of opening financial accounts etc.

When a jurisdiction of residence of a person who opens a financial account etc. is a specified foreign jurisdiction, reporting financial institutions will report his/her financial account information to the district director by April 30 of each year after 2018. Furthermore, the financial account information is automatically exchanged with the foreign tax administrations in accordance with the provisions for exchange of information set forth in tax treaties etc. (*3).

[Outline of Cases which Require Submission of Self-Certification]

New Account Openings etc. with Reporting Financial Institutions in Japan on or after January 1, 2017 (Note)
In case of new financial account opening etc., submission of a self-certification (Self-Certification for New Accounts) indicating name, address, jurisdiction of residence, foreign tax identification number, etc. (*4) to the reporting financial institution will be required.
Accounts with Reporting Financial Institutions Already in Existence Prior to December 31, 2016 (Note)
Even if a financial account had already been opened, there may be cases in which the reporting financial institution will request for submission of a self-certification (Self-Certification for Preexisting Accounts) indicating name, address, jurisdiction of residence, foreign tax identification number, etc. (*4) for confirmation purpose.

(Note) In case there is a change in jurisdiction of residence etc., after any of these self-certifications have been submitted, a separate self-certification (Self-Certification for Changes in Circumstances) will be required.

[Type of Self-Certification]

Type	Self-Certification for New Accounts	Self-Certification for Changes in Circumstances
Submitter	A person who open a financial account, etc. with a reporting financial institution on or after January 1, 2017 (*5).	A person who has a change in the jurisdiction of residence etc., after a Self-Certification for New Accounts, Self-Certification for Preexisting Accounts, or Self-Certification for Changes in Circumstances has been submitted.
Due date	At the time of opening financial account, etc.	Up to 3 months after a change in the jurisdiction of residence etc., has taken effect etc.,
Entries	<ul style="list-style-type: none"> Name, address and date of birth, or name and location of head office or main business establishment. Jurisdiction of residence and, in case the jurisdiction of residence is a foreign jurisdiction, taxpayer identification number of jurisdiction of residence (*4). In case there is a discrepancy between the address and the jurisdiction of residence, detailed reason for the discrepancy. 	<ul style="list-style-type: none"> Jurisdiction of residence etc., after change. Jurisdiction of residence etc., indicated in prior self-certification. Information indicated to the left, under Self-Certification for New Accounts.

(*1) When the corporations other than certain corporations such as listed corporations, governments, and local entities of those states (Specified Corporations) open financial accounts etc., they are required to indicate the jurisdictions of residence etc. regarding their "Controlling Persons" in the self-certifications. For more information, please refer to a leaflet "– To corporations that will open financial accounts etc. –, When corporations open financial accounts etc. with reporting financial institutions, they are required to make sure whether they fall under "Specified Corporations" or not!"

(*2) The examples include the identity confirmation documents (driver's license, Individual Number Card, etc.) submitted or shown at the time of opening financial accounts etc. according to the Act on Prevention of Transfer of Criminal Proceeds.

(*3) While Japan provides specified foreign jurisdictions with the financial account information, the foreign jurisdictions provide Japan with financial account information regarding Japanese residents held by reporting financial institutions of the foreign jurisdictions. When Japanese residents open financial accounts etc. with reporting financial institutions in specified foreign jurisdictions, the self-certifications indicating their jurisdiction of residence etc. can be required according to laws and regulations of the foreign jurisdictions.

(*4) Persons whose jurisdiction of residence is Japan are required to indicate their jurisdiction of residence as "Japan." In that case, "My Number (Personal Identity Number)" is not required.

(*5) Persons who opened financial accounts etc. with reporting financial institutions prior to December 31, 2016 can voluntarily submit "Self-Certification for Preexisting Accounts."

Explanations about Jurisdiction of Residence and Tax Identification Number to be stated on the back of this page



Determination of Jurisdiction of Residence

1 The case that a jurisdiction of residence is a foreign jurisdiction

(1) When a person who opens a financial account etc. falls under an individual (*6) or an entity (meaning a corporation or a legal arrangement such as a partnership or any similar arrangement, or a trust.) that is subject to tax corresponding to income tax or corporation tax of Japan based on any of the following criteria according to laws and regulations of a foreign jurisdiction, the jurisdiction of residence is the "foreign jurisdiction" (*7).

- (i) Having an address or has a residence for a certain period or more in a foreign jurisdiction (including having a place similar to them in a foreign jurisdiction)
- (ii) Having head office or main business establishment, or a place where its business is managed and controlled in a foreign jurisdiction (including having a place similar to them in a foreign jurisdiction)
- (iii) Having the foreign nationality or other similar criteria

(*6) A resident (meaning an individual domiciled in Japan or residing continuously in Japan for one year or more; the same applies in item 2 of this box) under the income tax law of Japan who is regarded as a non-resident of a partner jurisdiction of a tax convention according to the provisions of the tax convention is excluded. In this case, his/her jurisdiction of residence is "Japan."

(*7) It is required to determine whether the person falls under a resident based on the tax system of the foreign jurisdiction according to laws and regulations of the foreign jurisdiction. On the other hand, it is not required to determine whether the person falls under a non-resident or a foreign corporation based on the income tax law of Japan. Information on tax residency rules under the tax system of each jurisdiction is posted on OECD PORTAL SITE.

(2) When a person who opens a financial account etc. falls under an entity (excluding the one described in item (1), a domestic corporation and a trust) that has, in a jurisdiction other than Japan, a place where its key financial, commercial or business decisions are made in substance, the jurisdiction of residence is the "foreign jurisdiction".

2 The case that a jurisdiction of residence is Japan

When a person who opens a financial account etc. falls under a resident (*8) or an entity (excluding those described in items 1(1)(2) and a trust), the jurisdiction of residence is "Japan."

(*8) A resident under the income tax law of Japan who is regarded as a resident of a partner jurisdiction of a tax convention according to the provisions of the tax convention is excluded. In this case, the jurisdiction of residence is the "foreign jurisdiction."

Tax Identification Number (TIN)

1 What is TIN?

TIN is numbers, marks, and other codes to be used for returns, payments, and other procedures for taxes by which a person who takes the procedures can be specified.

2 Entries in self-certifications

When a jurisdiction of residence of a person who opens a financial account etc. is a foreign jurisdiction, he/she is required to indicate his/her foreign TIN in self-certifications. On the other hand, when a jurisdiction of residence is Japan, "My Number (Personal Identity Number)" is not required.

3 How to confirm foreign TINs (the case that foreign TINs are unknown)

The TIN system of each jurisdiction can be found in information on the TIN system of each jurisdiction on OECD PORTAL SITE and "information on the TIN system of each jurisdiction" of "CRS Corner" on the National Tax Agency of Japan home page. When TINs are not obtained from these information, please directly contact the tax administrations etc. of the jurisdiction of residence.

The latest information on CRS

1 "CRS Corner" of National Tax Agency home page

⇒ <https://www.nta.go.jp/taxes/shiraberu/kokusai/crs/index.htm>

国税庁 CRS

Search

2 OECD PORTAL SITE (*) This site can be connected from the above "CRS Corner."

(1) Information on tax residency rules under the tax system of each jurisdiction

⇒ <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#d.en.347760>

(2) Information on the TIN system of each jurisdiction

⇒ <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759>

– This leaflet is made for the purpose of reference to the CRS and legislation in Japan briefly. –

