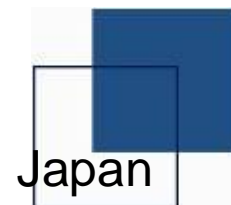


# PERSONAL TAX REPORTS 2014 EDITION

JAPAN

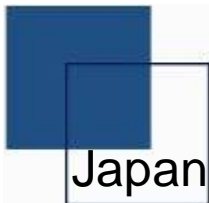




目次

Contents

1. Introduction .....	当該国（都市）税法の概要 .....	2
1.1. Highlighted Changes from Previous Year .....	前年からの主な変更点 .....	2
2. Tax Year .....	課税年度、確定申告の義務・期限・源泉徴収 .....	
3. Individual Tax Burden .....	個人にかかる税 .....	3
3.1. Residency Rule .....	居住者・非居住者の要件 .....	3
3.2. Personal Income Tax Rates .....	個人所得税率 .....	3
3.3. Other Personal Taxes .....	その他個人にかかる税金 .....	4
3.4. Tax Treaties .....	租税条約 .....	4
4. Expatriates Tax Concession .....	海外派遣者が受けられる減税・免税 .....	5
5. Taxable and Non-Taxable Income .....	課税所得・非課税所得の範囲 .....	5
5.1. Non Taxable .....	非課税のもの .....	5
5.2. Taxable .....	課税されるもの .....	5
6. Benefits .....	ベネフィットの課税範囲と計算方法 .....	6
7. Tax Deductible Amounts and/or Tax Credits .....	従業員が受けられる各種税額控除 .....	8
8. Social Security .....	事業主/従業員それぞれの社会保険取り扱い .....	9
8.1. Employee Social Security Contributions .....	従業員の社会保険取り扱い .....	9
8.2. Employer Social Security Contributions .....	事業主の社会保険取り扱い .....	11
8.3. Totalization Agreements .....	社会保障協定 .....	12
9. Family Allowances .....	家族手当・子ども手当 .....	12
Annexe I: Gross To Net Calculation .....	グロス給与額（額面）からネット給与額（手取り）を割り出す際の計算サンプル .....	12
Annexe II: Tax Tables .....	グロス給与額（額面）別の税金テーブル .....	16



# 1. Introduction

当該国（都市）税法の概要

Japan has a progressive tax structure, consisting of a National tax plus a Local Inhabitants tax.

## 1.1. Highlighted Changes from Previous Year

前年からの主な変更点

- The employment income deduction for inhabitants tax has been limited to a maximum deduction of JPY2,450,000. (see Section 7)
- The fixed per capita levy for the inhabitants tax has increased to JPY5,000 from JPY4,000 (see Section 3.3)
- The pension contribution rate for social security has increased from 8.383 percent to 8.560 percent. The nursing care contribution has increased to 0.86 percent from 0.775 percent. (see Section 8)

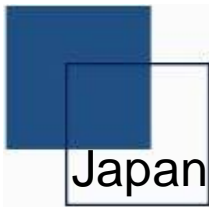
Comparison between previous and latest tax and social security results for an equivalent amount of USD 100,000:

Highlighted Changes from Previous Year				
	Single		Married + 2 CH	
Currency: JPY	2013	2014	2013	2014
Residence Status: Resident				
Gross Income	10,347,437	10,347,437	10,347,437	10,347,437
Total Tax (National + Local)	1,540,630	1,534,938	1,430,034	1,424,342
Total Employee Social Security Contributions	1,271,445	1,293,409	1,271,445	1,293,409
Net	7,535,362	7,519,090	7,645,958	7,629,686
Family Allowance	-	-	120,000	120,000
Net with Family Allowance	7,535,362	7,519,090	7,765,958	7,749,686
Net Change in % (including Family Allowance)		-0.22%		-0.21%
Total Employer Social Security Contributions	1,344,689	1,366,653	1,344,689	1,366,653

## 2. Tax Year

課税年度、確定申告の義務・期限・源泉徴収

The tax year is the calendar year. Taxpayers normally file a national tax return by 15 March of the following year. No extensions to this filing deadline are available. National and local taxes are withheld by the employer on salaries and bonuses paid in Japan. No withholding is required if the employee is both employed and paid by an offshore (non-Japanese) entity.



家族構成別のグロス給与額（額面）、ネット給与額（手取り）  
会社負担額の計算例 ※居住者の場合

COUNTRY: Japan REGIONAL: N/A CURRENCY: JPY					
TAX YEAR: 2014 RESIDENCE STATUS: RESIDENT					
Marital Status:	SINGLE	SINGLE 1 Ch	SINGLE 2 Ch	SINGLE 3 Ch	SINGLE 4 Ch
Gross Income	10,347,437	10,347,437	10,347,437	10,347,437	10,347,437
Federal Tax: Japanese National Income Tax (NIT)					
<b>Tax Deductions: Federal</b>					
Deduction 1: Earned Income	2,217,372	2,217,372	2,217,372	2,217,372	2,217,372
Deduction 2: Personal	380,000	380,000	380,000	380,000	380,000
Deduction 3: Spouse	N/A	N/A	N/A	N/A	N/A
SS (total amount may be deducted)	1,293,409	1,293,409	1,293,409	1,293,409	1,293,409
<b>Total Deductions</b>	<b>3,890,781</b>	<b>3,890,781</b>	<b>3,890,781</b>	<b>3,890,781</b>	<b>3,890,781</b>
<b>Taxable Income: Federal (rounded down)</b>	<b>6,456,000</b>	<b>6,456,000</b>	<b>6,456,000</b>	<b>6,456,000</b>	<b>6,456,000</b>
<b>Federal Tax</b>	<b>863,700</b>	<b>863,700</b>	<b>863,700</b>	<b>863,700</b>	<b>863,700</b>
<b>Surtax</b>	<b>18,138</b>	<b>18,138</b>	<b>18,138</b>	<b>18,138</b>	<b>18,138</b>
<b>Total Federal Tax</b>	<b>881,838</b>	<b>881,838</b>	<b>881,838</b>	<b>881,838</b>	<b>881,838</b>
<b>Local Income Tax (LIT)</b>					
<b>Tax Deductions: Local Income Tax (LIT)</b>					
Deduction 1: Earned Income	2,217,372	2,217,372	2,217,372	2,217,372	2,217,372
Deduction 2: Personal Deduction	330,000	330,000	330,000	330,000	330,000
Deduction 3: Spouse	N/A	N/A	N/A	N/A	N/A
SS (total amount may be deducted)	1,293,409	1,293,409	1,293,409	1,293,409	1,293,409
<b>Total LIT Deductions</b>	<b>3,840,781</b>	<b>3,840,781</b>	<b>3,840,781</b>	<b>3,840,781</b>	<b>3,840,781</b>
<b>Taxable Income: Local Income Tax (rounded down)</b>	<b>6,506,000</b>	<b>6,506,000</b>	<b>6,506,000</b>	<b>6,506,000</b>	<b>6,506,000</b>
<b>Local Income Tax (Variable and Fixed)</b>	<b>655,600</b>	<b>655,600</b>	<b>655,600</b>	<b>655,600</b>	<b>655,600</b>
Credit 1: LIT adjustment deduction	2,500	2,500	2,500	2,500	2,500
<b>Total Local Income Tax</b>	<b>653,100</b>	<b>653,100</b>	<b>653,100</b>	<b>653,100</b>	<b>653,100</b>
<b>Total Tax (Federal + Local)</b>	<b>1,534,938</b>	<b>1,534,938</b>	<b>1,534,938</b>	<b>1,534,938</b>	<b>1,534,938</b>
<b>Employee Social Security Contributions</b>					
SS1: Health Insurance	515,820	515,820	515,820	515,820	515,820
SS2: Pension	636,864	636,864	636,864	636,864	636,864
SS3: Long-term/Nursing insurance	88,988	88,988	88,988	88,988	88,988
SS4: Unemployment Insurance	51,737	51,737	51,737	51,737	51,737
<b>Total Employee Social Security</b>	<b>1,293,409</b>	<b>1,293,409</b>	<b>1,293,409</b>	<b>1,293,409</b>	<b>1,293,409</b>
<b>Total Tax and Social Security</b>	<b>2,828,347</b>	<b>2,828,347</b>	<b>2,828,347</b>	<b>2,828,347</b>	<b>2,828,347</b>
<b>NET INCOME (Excluding Family Allowances)</b>	<b>7,519,090</b>	<b>7,519,090</b>	<b>7,519,090</b>	<b>7,519,090</b>	<b>7,519,090</b>
Family Allowance	0	60,000	120,000	180,000	240,000
<b>NET INCOME (Including Family Allowances)</b>	<b>7,519,090</b>	<b>7,579,090</b>	<b>7,639,090</b>	<b>7,699,090</b>	<b>7,759,090</b>
<b>Employer Social Security Contributions</b>					
ERSS1: Pension	636,864	636,864	636,864	636,864	636,864
ERSS2: Health Insurance	515,820	515,820	515,820	515,820	515,820
ERSS3: Long-term/Nursing insurance	88,988	88,988	88,988	88,988	88,988
ERSS4: Employment Insurance	87,953	87,953	87,953	87,953	87,953
ERSS5: Workmans Compensation	25,869	25,869	25,869	25,869	25,869
ERSS6: Family Welfare	11,160	11,160	11,160	11,160	11,160
<b>Total ER SS</b>	<b>1,366,653</b>	<b>1,366,653</b>	<b>1,366,653</b>	<b>1,366,653</b>	<b>1,366,653</b>
<b>Total Employers' Cost</b>	<b>11,714,090</b>	<b>11,714,090</b>	<b>11,714,090</b>	<b>11,714,090</b>	<b>11,714,090</b>
<b>As % of Gross</b>					
Tax %	14.83%	14.83%	14.83%	14.83%	14.83%
Employee Social Security %	12.50%	12.50%	12.50%	12.50%	12.50%
Family Allowance %	0.00%	0.58%	1.16%	1.74%	2.32%
Employer Social Security %	13.21%	13.21%	13.21%	13.21%	13.21%
<b>Marginal Rate</b>					
Tax %	28.49%	28.49%	28.49%	28.49%	28.49%
Employee Social Security %	6.35%	6.35%	6.35%	6.35%	6.35%
Employer Social Security %	6.95%	6.95%	6.95%	6.95%	6.95%

Latest Update: April 2014

Comments: We will assume in our calculation that the spouse is not earning a salary. A foreign worker whose total stay in Japan is less than 1 year may be taxed as a non-residents (@ a flat rate of 20.42% rate for federal income with no deductions). However if the assignment is known to be longer than 1 year, the foreign worker will be taxed as a resident from day 1. Please see the tax report for more details.

SS Options: Calculation includes Employee and Employer Social Security Contributions

FA Options: Calculation includes Family Allowances