

**Fiscal 2019 Edition
Guide to Osaka
Prefectural Taxes**

English Version

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Work and Taxes



Prefectural Inhabitant Tax on Individuals

■ Tax Payers

There are two types of prefectural inhabitant taxes on individuals: a “per capita levy”, which is a fixed amount levied irrespective of income, and a “per income levy”, which is imposed in proportion to the total net income of the previous year. Depending on your circumstances on January 1 each year, you are required to pay these two prefectural inhabitant taxes if you are one of the following taxpayers.

Taxpayers	Tax paid
Individuals living within the prefecture	Per Capita Levy Amount Per Income Levy Amount
Individuals who have an office and/or house and land in the prefecture but do not have an address in the municipality where it is located	Per Capita Levy Amount

The following people are exempt from paying prefectural inhabitant taxes.

People exempt from paying the per capita levy and per income levy	<ul style="list-style-type: none"> People receiving livelihood assistance in accordance with the Public Assistance Act Handicapped persons, minors and widows or widowers whose total net income in the previous year was not more than ¥1,250,000 (the per income levy is taxed separately on retirement income, etc.)
People exempt from paying the per capita levy	<ul style="list-style-type: none"> People whose total net income for the previous year was not more than the amount established by the ordinances of the municipality. (The tax exemption amount varies according to the municipality.)
People exempt from paying the per income levy	<ul style="list-style-type: none"> Taxpayers whose total net income for the previous year is not more than [¥350,000 x (Total number of principal and spouse with shared living expenses, and/or other dependents qualified for deduction) + ¥320,000] When the taxpayer has no spouse with shared living expenses and/or other dependents qualified for deduction, then if their total net income for the previous year is not more than ¥350,000

■ Tax Amount

● Per Capita Levy ¥1,800 Annually

※ Rise in the per capita levy tax rate

Note 1 From fiscal 2014 to 2023, the per capita levy tax rate will be temporarily raised by ¥500 (on the annual amount of ¥1000), and the extra tax revenue collected will be used to cover expenses for the government’s disaster prevention measures. This rise is based on the laws related to the provisional exception on local government taxes to secure sufficient funds for disaster prevention measures implemented by local public authorities to aid in recovery from the Great East Japan Earthquake.

Note 2 From fiscal 2016 to 2019 (4 years in total), the per capita levy tax rate will be temporarily raised by ¥300 to help urgently and intensively fund new forest conservation measures.

● Per Income Levy This prefectural inhabitant tax on individuals is calculated based on the taxpayer’s net income of the previous year.

$$\left(\frac{\text{Income of previous year} - \text{income tax deduction}}{\text{Taxable income}} \right) \times \text{Tax rate} - \text{Adjustment deduction} - \text{Tax credit} = \text{Per income levy amount}$$

● Tax Rate 4% (or 2% if the tax payer’s address is in a designated city)

※ Tax rate if the tax payer’s address is in a designated city

In accordance with revisions of the tax system in fiscal year 2017, from fiscal year 2018 onwards the per income levy tax rate for inhabitant tax on individuals with an address in a designated city will be as follows: prefectural inhabitant tax rate of 2%, municipal inhabitant tax rate of 8%. (This excludes separate taxation on retirement income).

● Adjustment Deduction

Total Taxable Income	Deduction
¥2,000,000 or under	2% of the smaller amount of either "Total difference in personal exemptions (Note 1)" or "Total taxable income (Note 2)" (or 1% if the tax payer’s address is in a designated city)
Over ¥2,000,000	2% of {Total difference in personal exemptions - (Total taxable income - ¥2,000,000)} (or 1% if the tax payer’s address is in a designated city) or ¥1,000 if the amount is less than ¥1,000 (or ¥500 if the tax payer’s address is in a designated city)

(Note 1) "Total difference in personal exemptions" refers to the total amount of difference in the personal exemptions of income tax (deductions relating to people such as spouses and dependents) and personal exemptions of inhabitant tax.

(Note 2) Total taxable income is the total amount of general income, retirement income and forestry income that is taxable.

●Tax Credit

Category	Deduction
Tax credit for dividend	For dividend income from stocks, etc., the amount calculated by multiplying the dividend income amount by a specified percentage can be deducted.
Credit for foreign tax	The amount calculated by a set method if foreign income and inhabitant tax has been levied in that country on any income generated overseas
Special tax credit for mortgages, etc. (housing loan deduction)	<p>The smaller amount of either [The amount still deductible as a housing loan for income tax purposes] or [The amount calculated by multiplying the the total taxable general income, retirement income and forestry income by 5% (Max. ¥97,500*)] (=inhabitant tax housing loan deduction), of which 2/5 (Note 1) is deducted from prefectural tax and 3/5 (Note 1) is deducted from municipal tax.</p> <p>(Note 1) In the case of tax payers with an address in a designated city, the deduction rate is 1/5 of the prefectural inhabitant tax and 4/5 of the municipal inhabitant tax.</p> <p>(Note 2) Among the residents who started living in the prefecture from April 2014 to December 2021, for those who buy a house with a consumption tax rate of 8% or 10%, the deduction will be the amount calculated by multiplying the total taxable general income for income tax purposes by 7% (Max. ¥136,500).</p> <p>○ Applicable to:</p> <ul style="list-style-type: none"> · People who started living in the prefecture from 2009 to December 2021, and who are eligible for the special tax deduction for mortgages, etc. for income tax purposes · People who started living in the prefecture from 1999 to 2006, and who are eligible for the special tax deduction for mortgages, etc. for income tax purposes <p>※ The housing loan deduction for inhabitant tax purposes does not apply to residents who started living in the prefecture in 2007 and 2008.</p>
Tax credit for donations	<p>The total amounts of (1) and (2) are deductible.</p> <p>(1) Basic deduction (Note 1) Prefectural inhabitant tax (Total of donations as a prefectural inhabitant tax deduction (Note 1) - ¥2,000) x 4% (Note 2) Municipal inhabitant tax (Total of donations as a prefectural inhabitant tax deduction (Note 1) - ¥2,000) x 6% (Note 2) (Note 1) The maximum limit of the total of deductible donations is 30% of the general income amount. (Note 2) In the case of tax payers with an address in a designated city, the deduction rate is 2% of the prefectural inhabitant tax and 8% of the municipal inhabitant tax.</p> <p>(2) Special deduction (Note 3) Prefectural inhabitant tax (Donations relating to the prefecture or municipality - ¥2,000) x (90% - marginal income tax rate x 1.021(Note 4)) x 2/5 (Note 5) Municipal inhabitant tax (Donations relating to the prefecture or municipality - ¥2,000) x (90% - marginal income tax rate x 1.021(Note 4)) x 3/5 (Note 5)</p> <p>(Note 3) Only applicable to donations relating to the prefecture or municipality (home town tax payments), with the upper limit set at 20% of the per income levy amount of prefectural/municipal inhabitant tax. (Note 4) From fiscal 2014 to 2038, adjustments will be made to reduce the rate to be equivalent to the special reconstruction income tax. (Note 5) In the case of tax payers with an address in a designated city, the deduction rate is 1/5 of the prefectural inhabitant tax and 4/5 of the municipal inhabitant tax.</p>

●Deductions from Income

Category	Deduction from income on prefectural and municipal inhabitant tax (fiscal 2019 amount is based on 2018 income)	Reference
① Deduction for casualty losses	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Losses</div> <div style="margin: 0 10px;">-</div> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Compensation for insurance benefits, etc.</div> <div style="margin: 0 10px;">= A</div> <div style="margin-right: 10px;">The larger amount of either a or b</div> <div style="margin-right: 10px;">a A - (Total net income, etc. x 1/10)</div> <div style="margin-right: 10px;">b Expenses related to disasters within A - ¥50,000</div> <div style="margin-right: 10px;">A = (losses) - (compensation for insurance benefits, etc.)</div> </div>	
② Deduction for medical expenses	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Medical expenses paid</div> <div style="margin: 0 10px;">-</div> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Compensation for insurance benefits, etc.</div> <div style="margin: 0 10px;"><</div> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Total net income</div> <div style="margin: 0 5px;">X 5%</div> <div style="margin-right: 10px;">The smaller amount of either</div> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">¥100,000</div> <div style="margin: 0 10px;">></div> <div style="margin-right: 10px;">(Maximum amount is ¥2,000,000)</div> </div>	Compensation for insurance benefits, etc. includes benefits from health insurance and mutual aids, etc., and compensation based on vehicle liability insurance, damage insurance and life insurance policies.
Self-medication tax system (special medical expense deduction)	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">Amount spent on certain OTC drugs (excluding compensation for insurance benefits, etc.)</div> <div style="margin: 0 10px;">-</div> <div style="margin-right: 10px;">(¥12,000 = deductions (maximum amount is ¥88,000))</div> </div>	If this special deduction is received, the standard deduction for medical expenses cannot be received.
③ Deduction for social insurance premiums	Total amount of social insurance premiums paid	
④ Deduction for small enterprise mutual aid premiums	Total amount of small enterprise mutual aid premiums paid (excluding the former type 2 mutual aid premiums), corporate defined contribution pension plan premiums, individual defined contribution pension plan (iDeCo) premiums, and premiums of mutual aid systems for physically and mentally disabled dependents run by local public authorities.	

⑤	Deduction for life insurance premiums	<p>Total deductions calculated according to the following categories:</p> $\left[\begin{array}{l} \text{General life insurance premiums} \\ \text{(A. old policy + B. new policy)} \end{array} \right] + \left[\begin{array}{l} \text{C. Nursing care} \\ \text{insurance premiums} \end{array} \right] + \left[\begin{array}{l} \text{Personal pension insurance premiums} \\ \text{(D. old policy + E. new policy)} \end{array} \right]$ <p>(Total maximum deduction ¥70,000)</p> <table border="1"> <thead> <tr> <th></th> <th>Category</th> <th>Premiums paid</th> <th>Deduction</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Old policy</td> <td>A. General life insurance</td> <td>¥15,000 or under</td> <td>Full amount paid</td> </tr> <tr> <td rowspan="2">D. Personal pension insurance</td> <td>¥15,001 to ¥40,000</td> <td>Amount paid x 1/2 + ¥7,500</td> </tr> <tr> <td>¥40,001 to ¥70,000</td> <td>amount paid x 1/4 + ¥17,500</td> </tr> <tr> <td rowspan="4">New policy</td> <td rowspan="2">B. General life insurance</td> <td>¥70,001 or above</td> <td>¥35,000</td> </tr> <tr> <td>¥12,000 or under</td> <td>Full amount paid</td> </tr> <tr> <td>C. Nursing care insurance</td> <td>¥12,001 to ¥32,000</td> <td>Amount paid x 1/2 + ¥6,000</td> </tr> <tr> <td rowspan="2">E. Personal pension insurance</td> <td>¥32,001 to ¥56,000</td> <td>Amount paid x 1/4 + ¥14,000</td> </tr> <tr> <td>¥56,001 or above</td> <td>¥28,000</td> </tr> </tbody> </table>		Category	Premiums paid	Deduction	Old policy	A. General life insurance	¥15,000 or under	Full amount paid	D. Personal pension insurance	¥15,001 to ¥40,000	Amount paid x 1/2 + ¥7,500	¥40,001 to ¥70,000	amount paid x 1/4 + ¥17,500	New policy	B. General life insurance	¥70,001 or above	¥35,000	¥12,000 or under	Full amount paid	C. Nursing care insurance	¥12,001 to ¥32,000	Amount paid x 1/2 + ¥6,000	E. Personal pension insurance	¥32,001 to ¥56,000	Amount paid x 1/4 + ¥14,000	¥56,001 or above	¥28,000	<p>Premium amount paid = $\text{Premiums} - \text{Surplus, etc.}$</p> <p>Old policy: Enrollment in or before Dec. 31, 2011</p> <p>New policy: Enrollment in or after Jan. 1, 2012</p> <p>If there are premiums for both the old and new policy with the same content, then the overall deduction will be the total of the deduction for each policy, calculated according to the table on the left. The maximum deduction in this case is ¥28,000. However, if the deduction calculated for only the old policy is larger than the overall deduction, then the deduction calculated for only the old policy can be applied.</p>																
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⑥	Deduction for earthquake insurance premiums	<p>Total deductions calculated according to the following categories (Total maximum deduction ¥25,000)</p> $\left[\begin{array}{l} \text{A. Earthquake insurance} \\ \text{premiums} \end{array} \right] + \left[\begin{array}{l} \text{B. Old long-term casualty} \\ \text{insurance premiums} \end{array} \right]$ <table border="1"> <thead> <tr> <th></th> <th>Category</th> <th>Premiums paid</th> <th>Deduction</th> </tr> </thead> <tbody> <tr> <td rowspan="2">A. Earthquake insurance</td> <td rowspan="2">A. Earthquake insurance</td> <td>¥50,000 or under</td> <td>Amount paid x 1/2</td> </tr> <tr> <td>¥50,001 or above</td> <td>¥25,000</td> </tr> <tr> <td rowspan="3">B. Old long-term casualty insurance</td> <td rowspan="3">B. Old long-term casualty insurance</td> <td>¥5,000 or under</td> <td>Full amount paid</td> </tr> <tr> <td>¥5,001 to ¥15,000</td> <td>Amount paid x 1/2 + ¥2,500</td> </tr> <tr> <td>¥15,001 or above</td> <td>¥10,000</td> </tr> </tbody> </table>		Category	Premiums paid	Deduction	A. Earthquake insurance	A. Earthquake insurance	¥50,000 or under	Amount paid x 1/2	¥50,001 or above	¥25,000	B. Old long-term casualty insurance	B. Old long-term casualty insurance	¥5,000 or under	Full amount paid	¥5,001 to ¥15,000	Amount paid x 1/2 + ¥2,500	¥15,001 or above	¥10,000	<p>Old long-term casualty insurance policies refer to those entered into by or before December 31, 2006, and with a maturity return of 10 years or more.</p> <p>If a single casualty insurance policy falls into both categories of earthquake insurance and old long-term casualty insurance, apply only one category for the policy and calculate the deduction accordingly.</p>																									
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⑦	Deduction for handicapped persons	<p>Per person ¥260,000 (When the principal is a severely handicapped person ¥300,000; When the spouse or other dependent qualified for deduction is a severely handicapped person living together with the principal ¥530,000)</p>	<ul style="list-style-type: none"> · Applies when the principal, spouse with shared living expenses, or dependent qualified for deduction is a handicapped person. · Also applies to families with dependents under 16 years of age for which the dependent deduction does not apply. 																																											
⑧	Deduction for widows and widowers	<p>¥260,000 (If the widow satisfies a certain set of conditions: ¥300,000)</p>	<p>The certain set of conditions refer to a total net income of ¥5,000,000 or under, and if the widow has dependents.</p>																																											
⑨	Deduction for working students	<p>¥260,000</p>	<p>Applies only to students with a total net income of ¥650,000 or under, and if any income not derived from their work is ¥100,000 or under.</p>																																											
⑩	Deduction for spouses	<p>Deductions based on the taxpayer's total net income</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Taxpayer's total net income</th> </tr> <tr> <th>¥9,000,000 or under</th> <th>¥9,000,001 to ¥9,500,000</th> <th>¥9,500,001 to ¥10,000,000</th> </tr> </thead> <tbody> <tr> <td>General</td> <td>¥330,000</td> <td>¥220,000</td> <td>¥110,000</td> </tr> <tr> <td>Elderly (*)</td> <td>¥380,000</td> <td>¥260,000</td> <td>¥130,000</td> </tr> </tbody> </table> <p>(*) People who are 70 years or older</p>		Taxpayer's total net income			¥9,000,000 or under	¥9,000,001 to ¥9,500,000	¥9,500,001 to ¥10,000,000	General	¥330,000	¥220,000	¥110,000	Elderly (*)	¥380,000	¥260,000	¥130,000	<p>Applies to persons with a spouse qualified for deduction.</p>																												
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⑪	Special deduction for spouses	<p>Deductions based on the spouse's total net income</p> <table border="1"> <thead> <tr> <th rowspan="2">Spouse's total net income</th> <th colspan="3">Taxpayer's total net income</th> </tr> <tr> <th>¥9,000,000 or under</th> <th>¥9,000,001 to ¥9,500,000</th> <th>¥9,500,001 to ¥10,000,000</th> </tr> </thead> <tbody> <tr> <td>¥380,001 to ¥900,000</td> <td>¥330,000</td> <td>¥220,000</td> <td>¥110,000</td> </tr> <tr> <td>¥900,001 to ¥950,000</td> <td>¥310,000</td> <td>¥210,000</td> <td>¥110,000</td> </tr> <tr> <td>¥950,001 to ¥1,000,000</td> <td>¥260,000</td> <td>¥180,000</td> <td>¥90,000</td> </tr> <tr> <td>¥1,000,001 to ¥1,050,000</td> <td>¥210,000</td> <td>¥140,000</td> <td>¥70,000</td> </tr> <tr> <td>¥1,050,001 to ¥1,100,000</td> <td>¥160,000</td> <td>¥110,000</td> <td>¥60,000</td> </tr> <tr> <td>¥1,100,001 to ¥1,150,000</td> <td>¥110,000</td> <td>¥80,000</td> <td>¥40,000</td> </tr> <tr> <td>¥1,150,001 to ¥1,200,000</td> <td>¥60,000</td> <td>¥40,000</td> <td>¥20,000</td> </tr> <tr> <td>¥1,200,001 to ¥1,230,000</td> <td>¥30,000</td> <td>¥20,000</td> <td>¥10,000</td> </tr> <tr> <td>¥1,230,001 or above</td> <td>¥0</td> <td>¥0</td> <td>¥0</td> </tr> </tbody> </table>	Spouse's total net income	Taxpayer's total net income			¥9,000,000 or under	¥9,000,001 to ¥9,500,000	¥9,500,001 to ¥10,000,000	¥380,001 to ¥900,000	¥330,000	¥220,000	¥110,000	¥900,001 to ¥950,000	¥310,000	¥210,000	¥110,000	¥950,001 to ¥1,000,000	¥260,000	¥180,000	¥90,000	¥1,000,001 to ¥1,050,000	¥210,000	¥140,000	¥70,000	¥1,050,001 to ¥1,100,000	¥160,000	¥110,000	¥60,000	¥1,100,001 to ¥1,150,000	¥110,000	¥80,000	¥40,000	¥1,150,001 to ¥1,200,000	¥60,000	¥40,000	¥20,000	¥1,200,001 to ¥1,230,000	¥30,000	¥20,000	¥10,000	¥1,230,001 or above	¥0	¥0	¥0	<p>Limited to when the total net income of the principal is ¥10,000,000 or under. The following spouses who share living expenses with the principal are exempted.</p> <ol style="list-style-type: none"> ① Spouses that are a dependent of another taxpayer. ② Spouses that are family employees of blue return taxpayer and receive a worker's salary, or that are family employees of white return taxpayer. ③ Spouses that receive the deduction themselves.
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⑫	Deduction for dependents	<p>Deductions based on the following categories</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Deduction</th> <th>Applies to</th> </tr> </thead> <tbody> <tr> <td>General</td> <td>¥330,000</td> <td>Dependents aged 16 years or over and not in one of the other categories</td> </tr> <tr> <td>Specified</td> <td>¥450,000</td> <td>Dependents aged 19 years or over and under 23 years</td> </tr> <tr> <td>Elderly</td> <td>¥380,000</td> <td>Dependents aged 70 years or over</td> </tr> <tr> <td>Elderly dependents living with the principal</td> <td>¥450,000</td> <td>Elderly (grand) parents, etc., of the principal or spouse living together with the principal</td> </tr> </tbody> </table>	Category	Deduction	Applies to	General	¥330,000	Dependents aged 16 years or over and not in one of the other categories	Specified	¥450,000	Dependents aged 19 years or over and under 23 years	Elderly	¥380,000	Dependents aged 70 years or over	Elderly dependents living with the principal	¥450,000	Elderly (grand) parents, etc., of the principal or spouse living together with the principal	<ul style="list-style-type: none"> · Applies to person who have dependents · Dependents aged under 16 years are not qualified for deductions 																												
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⑬	Basic deduction	<p>¥330,000</p>																																												

- ※ The following people are exempted as a spouse or dependent qualified for deductions.
- 1 People whose total net income is over ¥380,000.
 - 2 People that are family employees of blue return taxpayer and receive a worker's salary, or that are family employees of white return taxpayer.

■ Procedures for Tax Payment

● Filing a return

In principle, people with an address in the prefecture and municipality must file a tax return (same form as for the municipal inhabitant tax) in the municipality of their address by March 15.

People who have already filed an income tax return and salaried workers only do not need to separately file an inhabitant tax return. However, if people who have filed an income tax return select a different taxation method for their income earned from listed share dividends and the transfer of special stocks, they must also separately file a prefectural and municipal inhabitant tax return.

● Tax Payment

You will pay the prefectural and municipal inhabitant tax in four instalments (usually June, August, October and January) (Note) throughout the year, based on the amount stated in the tax notice (statement of payment) sent by your municipality.

(Note) The payment periods may vary according to the ordinances of each municipality.

Salaried workers will have the payments automatically deducted from their salaries as a special tax collection each month, from June to the following May.

※ Special tax collection of inhabitant tax on individuals

The special collection of inhabitant tax on individuals (local taxes comprising the prefectural and municipal inhabitant tax on individuals) refers to a system whereby the business owner (payer of salary) deducts the employee's (taxpayer's) inhabitant tax on individuals from his/her monthly salary and pays the tax to the municipality the employee lives in on behalf of the employee. This is similar to the income tax withheld at source collection method.

In principle, the business owner (payer of salary), regardless of whether it is a corporation or an individual, is required to collect the inhabitant tax on individuals from all employees as the party responsible for the special tax collection system. (Local Tax Law Article 321-4)

Business Tax on Individuals

Tax Payers

Individuals who maintain offices and/or business establishments in the prefecture to conduct any type of legally designated industry sectors (category I, II or III)

Category I (37)			
Merchandising business	Insurance business	Money-lending	Movable property lending
Real estate leasing	Manufacturing	Electric power supply	Quarrying
Telecommunications Business (including broadcasting)		Transportation	Forwarding agency
Fixed moorage leasing	Warehousing	Parking	Contracting
Printing	Publishing	Photograph business	Room leasing
Lodging	Restaurant business	Food service	Employment agency
Agency business	Brokerage business	Wholesale business	Money exchange business
Public bath house (other than category III.)		Public entertainment for theatrical performance	Amusement and recreation facilities
Sightseeing place management	Commodity exchange	Real estate selling	Advertising
Inquiry agency	Guide	Ceremonial occasions	

Category II (3)			
Stock-raising	Fisheries	Firewood and charcoal manufacturing	
Category III (30)			
Medical practice	Dentistry	Pharmacist	Veterinary medicine
Lawyer	Judicial scrivener	Administrative scriveners	Notary public
Patent lawyer business	Tax accountant	Certified public accountant	Registered public accountant
Licensed social insurance consultant	Consulting	Design supervising	Real estate appraiser
Design	Accomplishments and art tutoring	Hairdressing business	Beauty salon business
Laundry	Public bath (bathhouse)	Dental hygienist	Dental technician
Surveyor	Land and house investigator	Marine procedure commission agent	Printing plate making
Massage treatment and massage, acupressure therapist, acupuncturist, moxibustion practitioner, judo hearing practitioner and other similar medical profession		Hoof-shoeing	

Tax Amount

$$\text{Total income of previous year} - \text{business deductions} \times \text{Tax rate} = \text{Tax amount}$$

- **Proprietor deductions** ¥2,900,000

Calculated on a monthly basis if the period of business is less than one year.

- **Tax rate**
 - Category I ...5%
 - Category II ...4%
 - Category III ...5%

Note that within Category III, the tax rate is 3% for massage treatment and massage, acupressure therapist, acupuncturist, moxibustion practitioner, judo hearing practitioner and other similar medical profession and hoof-shoeing.

- ※ In principle, total income is calculated to be the same as the calculation of the business income and/or real estate income for the income tax purposes.
- ※ In principle, the amount of salary of family employees of blue return taxpayer or deductions of family employees are the same as that for income tax purposes.
- ※ Special deductions for family employees of blue return taxpayer of income tax do not apply for business tax on individuals.

Procedures for Tax Payment

Filing a return

You must file a tax return for business tax on individuals at the relevant Osaka prefectural tax office by March 15.

The following people do not need to file a tax return for business tax on individuals.

- ① If you have filed a tax return for income tax and/or inhabitant tax on individuals.
- ② If your income after deducting all necessary expenses is ¥2,900,000 (proprietor deduction) or less.

Tax Payment

In principle, you will pay the business tax on individuals in two annual instalments in August and November, based on the amount stated in the tax notice (statement of payment) sent by the relevant Osaka prefectural tax office in August. If the (annual) tax amount is ¥10,000 or less, the full amount is to be paid in August.

※The statement of payment for November is sent with the August statement of payment.

The payment period will vary according to the month the notice of payment is sent.

Prefectural Inhabitant Tax on Corporations

■ Tax Payers

The following corporations are required to pay the per capita levy and corporation levy.

Taxpayers	Tax paid
Corporations that have or own offices and/or businesses establishments in the prefecture Includes public-interest corporations (chamber of commerce and industry, etc.) and non-juridical associations/foundations (youth organizations, parents and teachers association, prefectural associations, etc.) engaging in profit-making business.	Per capita levy Corporation levy
Not-for-profit public-interest corporations etc., that have or own offices and/or businesses establishments in the prefecture	Per capita levy
Public-service corporations etc.,(NHK, Japan Sewage Works Agency, etc.) that have or own offices and/or businesses establishments in the prefecture	
Corporations that have dormitories in the prefecture, but that don't have or own offices and/or businesses establishments in the prefecture	

■ Tax Amount

● Per capita levy

There are five tax rates set according to the amount of capital, etc. (Note) ※Calculated on a monthly basis if the corporation has or owns offices and/or businesses establishments in the prefecture for less than one year.

Categories for amount of capital	Tax rate
Public-interest corporations, etc., and corporations that have capital of ¥10,000,000 or less	¥20,000
Corporations that have capital of over ¥10,000,000 to ¥100,000,000	¥75,000
Corporations that have capital of over ¥100,000,000 to ¥1,000,000,000	¥260,000
Corporations that have capital of over ¥1,000,000,000 to ¥5,000,000,000	¥1,080,000
Corporations that have capital of over ¥5,000,000,000	¥1,600,000

(Note) Please refer to ■ Tax Amount (Note 2) under Business Tax on Corporations on page 7 for the amount of capital, etc.

● Corporation levy

$$\text{Corporate tax amount} \times \text{Tax rate} = \text{Corporation levy}$$

● Tax rate 4.2% (2% for fiscal years starting on or after October 1, 2019)

The tax rate is 3.2% for corporations with capital of ¥100,000,000 or less at the end of the fiscal year, and with an annual total corporate tax amount for calculating the corporation tax levy of ¥20,000,000 or less.

(1% for fiscal years starting on or after October 1, 2019)

Excessive taxation of prefectural inhabitant tax on corporations (per capita levy)

Osaka prefecture applies excessive taxation on prefectural inhabitant tax on corporations (per capita levy) to facilitate the growth of Osaka's economy, by promoting new industries and providing a safety net to support existing small-to-mid-sized companies.

Excessive taxation of prefectural inhabitant tax on corporations (corporation levy) and business tax on corporations

Osaka prefecture applies excessive taxation on prefectural inhabitant tax on corporations (corporation levy) and business tax on corporations, taking into account the tax burden on certain corporations and to meet the fiscal requirements of key metropolitan infrastructure (road network, public transport system, etc.) underpinning corporate economic activities.

■ Procedures for Tax Payment

Corporations must file a return at the relevant Osaka prefectural tax office by the next submission deadline.

Types of returns	Due date for filing and payment
1 Interim return (For corporations with a business accounting period of more than six months and that are required to file an interim return for corporation tax)	Within two months of the day that is six months after the business accounting period started
2 Final return	Within two months of the end of the business accounting period

Business Tax on Corporations

Tax Payers

Corporations that have or own offices or business establishments in the prefecture, for the purpose of conducting business.

Includes public-interest corporations (chamber of commerce and industry, etc.) and non-juridical associations/foundations (youth organizations, parents and teachers association, prefectural associations, etc.) engaging in profit-making business.

Tax Amount

- Corporations with a standard taxable income $\text{Income} \times \text{Tax rate} = \text{Tax amount}$
- Corporations engaging in gas and electricity supply, insurance, and/or trade insurance business. $\text{Revenue} \times \text{Tax rate} = \text{Tax amount}$
- Added value amount (Note 1), Amount of capital, etc. (Note 2) and/or corporations with a standard taxable income (Pro forma standard taxation)

$$\text{Value added amount} \times \text{Tax rate} + \frac{\text{Amount of capital, etc.}}{\text{Tax rate}} + \text{Income} \times \text{Tax rate} = \text{Tax amount}$$

(Note 1) Value added amount is the profit (loss) in a single fiscal year added to the amount of distributed earnings (remuneration amount + net interest paid + net rent paid).

(Note 2) Amount of capital, etc., is the amount stipulated in item 16, Article 2 of the Corporation Tax Law. For consolidated corporations, it is the amount stipulated in item 17-2, Article 2 of the Corporation Tax Law. (For a business accounting year that starts on or after April 1, 2015, it is the higher amount of either the [Amount of capital, etc. (amount of free capital increase or decrease added or subtracted to the aforementioned amount)] and [Total of capital and capital reserves, or amount of investment capital])

For mutual corporations stipulated in the Insurance Business Law, it is the amount calculated as net assets according to Article 6-25 of the Order for Enforcement of the Local Tax Act.

Tax rate

Category	Type of Corporation	Classification of Income	Tax Rate (%)					
			Business accounting year beginning on or after October 1, 2019		Business accounting year beginning on or after April 1, 2016 to September 31, 2019			
			Higher-than-standard tax rate	Tax rate for corporations subject to differential taxation (Note 4)/ Standard tax rate	Higher-than-standard tax rate	Tax rate for corporations subject to differential taxation (Note 4)/ Standard tax rate		
Corporations with a standard taxable income	Ordinary corporations (Note 1) public interest corporations, etc., association or foundation without juridical personality, etc.	Per income levy	Corporations entitled to reduced tax rate	Not more than ¥4 million in net income	3.75	3.5	3.65	3.4
				Over ¥4 million and not more than ¥8 million in net income	5.665	5.3	5.465	5.1
				Over ¥8 million in net income				
		Corporations not-entitled to reduced tax rate (Note 3)	7.48	7	7.18	6.7		
	Special corporations (Note 1)	Per income levy	Corporations entitled to reduced tax rate	Not more than ¥4 million in net income	3.75	3.5	3.65	3.4
				Over ¥4 million in net income	5.23	4.9	4.93	4.6
			Corporations not-entitled to reduced tax rate (Note 3)					
Corporations taxed on revenue	Corporations engaging in electricity, gas supply, insurance, and/or trade insurance business	Revenue based	Revenue amount	1.065	1	0.965	0.9	
Corporations subject to pro forma standard taxation (Note 2)		Per income levy	Corporations entitled to reduced tax rate	Not more than ¥4 million in net income	0.495	0.4 (Note 5)	0.395	0.3 (Note 5)
				Over ¥4 million and not more than ¥8 million in net income	0.835	0.7 (Note 5)	0.635	0.5 (Note 5)
				Over ¥8 million in net income	1.18	1 (Note 5)	0.88	0.7 (Note 5)
				Corporations not-entitled to reduced tax rate (Note 3)				
		Value added tax portion of business tax	1.26		1.26			
Capital tax portion of business tax	0.525		0.525					

- (Note 1) Special corporations include cooperatives, credit unions, medical corporations, etc. Ordinary corporations are those that are not special corporations, public-interest corporations, etc., or associations or foundations without juridical personality, etc.
- (Note 2) Corporations subject to pro forma standard taxation are ordinary corporations with capital and/or investment capital over ¥100,000,000 at the end of each business accounting period (excluding deemed taxable corporation, investment corporation, specific purpose corporation, general incorporated association and general incorporated foundation), and which are engaging in taxable business activities (excluding those supplying electricity and/or gas as well as insurance business and/or trade insurance business, which are taxed on revenue).
- (Note 3) Corporations not-entitled to reduced tax rate are those with capital of ¥10,000,000, and that have or own offices or business establishments in three or more prefectures. Corporations entitled to reduced tax rate are those other than corporations not-entitled to reduced tax rate.
- (Note 4) Corporations subject to differential taxation are those that meet the conditions outlined in the table below.

Corporations with a standard taxable income	Corporations with capital of ¥100,000,000 or less (including special corporations, public-interest corporations, etc., or associations or foundations without juridical personality) and with total income of ¥50,000,000 or less.
Corporations taxed on revenue	Corporations with capital of ¥100,000,000 or less, and with total revenue of ¥400,000,000 or less.

- (Note 5) Although business tax is not applied in Osaka prefecture, it is used to calculate the standard corporation per income levy for the special local corporation tax or business tax on special corporations.

■ Procedures for Tax Payment

Corporations must file a return at the relevant Osaka prefectural tax office by the same submission deadline as that for prefectural inhabitant tax on corporations (refer to page 6).

Mine Lot Tax

■ Tax Payers

Those who have a mining right (right for exploratory drilling and digging) in the mine located within the prefecture.

■ Tax Amount

Category		Tax rate
① Mine lot with the mining right not for placer mining	Mining lot for exploratory drilling	¥200 per 100are/year
	Mining lot for digging	¥400 per 100are/year
② Mine lot with the mining right for placer mining		¥200 per 100are/year
③ Mine lot for petrol/combustible natural gas		2/3 of the above tax rate for category ①

■ Procedures for Tax Payment

The mine lot tax is to be paid in May in accordance with the tax notice (statement of payment) sent from the Naniwa Kita Osaka Prefectural Tax Office.



Automobiles and Taxes



Motor Vehicle Tax

■ Tax Payers

Owners of a motor vehicle registered in the prefecture as its principal place of usage.

In the sale and purchase of a motor vehicle, when the seller reserves the proprietary right of a vehicle, for instance due to installment sales of the vehicle, the motor vehicle tax is levied on the purchaser, who for purposes of this tax is considered to have acquired the vehicle.

When the vehicle registration is transferred, the motor vehicle tax is levied on the former owner for that fiscal year, and is then levied on the new owner from the next fiscal year onwards.

A light motor vehicle tax (municipal tax) is levied on owners of light motor vehicles, etc.

■ Tax Amount

The tax rate (annual amount) is determined according to the type of vehicle, usage, and total emissions, etc.

For newly registered vehicles or deregistered (disposed) vehicles, the tax is levied or reduced by monthly calculation.

■ Change in the Motor Vehicle Tax due to Tax System Revisions!

Due to tax system revisions, in October of 2019, an "environmental performance discount" will be established for the "motor vehicle tax", and the current name of the "motor vehicle tax" will be changed to the "motor-vehicle-tax discount by type".

■ Motor-Vehicle-Tax Discount by Type Tax Rates

The tax rates of passenger vehicles for private use that are registered as new vehicles starting in October of 2019 will be changed as shown by the table below.

Note that the pre-revision tax rates will apply to motor vehicles that are newly registered in or before September of 2019.

(The tax rate will not be changed even if the owner changes.)

【Motor-vehicle-tax discount by type: tax rate table】

Total engine displacement	Before the revision	After the revision	Difference
No more than 1 liter	¥29,500	¥25,000	- ¥4,500
More than 1 liter but no more than 1.5 liters	¥34,500	¥30,500	- ¥4,000
More than 1.5 liters but no more than 2 liters	¥39,500	¥36,000	- ¥3,500
More than 2 liters but no more than 2.5 liters	¥45,000	¥43,500	- ¥1,500
More than 2.5 liters but no more than 3 liters	¥51,000	¥50,000	- ¥1,000
More than 3 liters but no more than 3.5 liters	¥58,000	¥57,000	- ¥1,000
More than 3.5 liters but no more than 4 liters	¥66,500	¥65,500	- ¥1,000
More than 4 liters but no more than 4.5 liters	¥76,500	¥75,500	- ¥1,000
More than 4.5 liters but no more than 6 liters	¥88,000	¥87,000	- ¥1,000
More than 6 liters	¥111,000	¥110,000	- ¥1,000

● Taxable amount based on monthly calculation

Annual tax amount ×

Number of months from the month after registration until March

12

=

Monthly tax amount

(Fraction amounts under 100 yen are rounded down)

● Refund based on monthly calculation

The amount remaining after subtracting the above taxable amount based on monthly calculation from the annual tax amount.

■ Greening of Motor Vehicle Tax

Under the system introduced in fiscal 2002, the motor vehicle tax varies according to the environmentally-friendly level of the vehicle.

● Low-pollution vehicles

Newly registered vehicles in the table below will receive reduction in the motor vehicle tax in the fiscal year after the new registration. The normal tax rate will be levied in all other fiscal years after the fiscal year with the reduced rate. (The reduced motor vehicle tax rate applies only for one fiscal year.)

Category	New registration of new car in fiscal 2018 (Motor vehicle tax is reduced for fiscal 2019)	
Fuel economy performance	Achieves +10% or above of the fuel efficiency standards of FY2020 ※	Achieves +30% or above of the fuel efficiency standards of FY2020 ※
Emissions gas performance		
Reduction of 75% or more from the emissions gas regulations of 2005	Reduction rate of generally 50%	Reduction rate of generally 75% ※
Reduction of 50% or more from the emissions gas regulations of 2018		

※ Electric cars, natural gas cars that are compliant with certain emissions gas regulations, plug-in hybrid vehicles, clean diesel passenger vehicles that are compliant with certain emissions gas regulations are subject to generally 75% reduction in the motor vehicle tax in the fiscal year following the new vehicle registration.

● High-pollution vehicles

Diesel vehicles that have been registered for over 11 years and gasoline vehicles (including LPG vehicles) that have been registered for over 13 years will be taxed at generally 15% higher motor vehicle tax rate (generally 10% for buses and trucks other than for use by general passengers).

Excludes electric/natural gas/methanol vehicles, hybrid vehicles (vehicles that are powered by gasoline), general passenger buses, and towed vehicles.

From fiscal 2019, the vehicles in the table on the right are subject to heavier motor vehicle taxation. Please check your vehicle inspection certificate for the initial registration.

Vehicles	Initial registration
Diesel vehicles	Before March 31, 2008
Gasoline / LPG vehicles	Before March 31, 2006

■ Procedures for Tax Payment

● Filing a return

New owners of a vehicle, and those who have transferred the registration or disposed of a vehicle, must file a motor vehicle tax return at the automobile tax office.

● Tax Payment

Owners of a vehicle as of a date of assessment (April 1 each year) must pay the (annual) tax amount for April to March of the following year listed on the motor vehicle tax notice from the prefecture in May.

For the taxable amount calculated on a monthly basis for newly registered vehicles, the motor vehicle tax return is filed and paid at the time of registering the vehicle.

● Issue of the statement of payment


When your statement of payment for motor vehicle tax is issued over the counter, the registration number and the last four digits of vehicle identification number will be checked.

Use the internet to change the mailing address for your motor vehicle tax notice!

You can use the internet to change the mailing address of your motor vehicle tax notice, etc., (府税あらかると [Prefectural Tax A La Carte] on the Osaka Prefectural Tax Homepage) when your address changes such as after moving, etc.

You will need your vehicle registration number and vehicle identification number (last 4 digits) to complete the change of address form, so please check your vehicle inspection certificate for this information. Please note that, to change the mailing address shown on the vehicle inspection certificate, you must register your new mailing address at the Transport Bureau Branch Office, etc.

大阪府 自動車税住所変更届

Search 

Automobile Acquisition Tax

Tax Payers

Those people who have acquired a motor vehicle, excluding special-purpose vehicles (road rollers, bulldozers, etc.) and two-wheel vehicles. In the sale and purchase of a motor vehicle, when the seller reserves the proprietary right of a vehicle, for instance due to installment sales of the vehicle, the vehicle acquisition tax is levied on the purchaser, who for purposes of this tax is considered to have acquired the vehicle.

Tax Amount

$$\text{Automobile acquisition value (standard taxable value)} \times \text{Tax rate} = \text{Tax amount}$$

Automobile Acquisition Value

Acquisition value refers to the transaction price of a vehicle. It includes the price of added fixtures to vehicle (such as a radio, stereo, car navigation, air conditioner, etc.), but it does not include the price of accessories such as a spare tyre, seat covers, mats, standard tools, etc. If a vehicle is acquired for free or at a cheaper price from a relative, etc., then the acquisition value is the normal transaction price. The automobile acquisition tax does not apply to vehicles with an acquisition price of ¥500,000 or less.

The tax can be reduced if you purchase a vehicle with good emissions gas performance and that meets certain fuel efficiency standards. (Please refer to the (府税あらかると [Prefectural Tax A La Carte] on the Osaka Prefectural Tax Homepage for further details.)

大阪府 自動車取得税 Search

Automobile acquisition tax rates

Cars for business and light motor vehicles 2%

Private cars 3%

Motor-vehicle-tax environmental performance discount tax rates

Due to tax system revisions, the "automobile acquisition tax" will be abolished at the end of September of 2019, and an "environmental performance discount" will be established for the "motor vehicle tax".

Note that, due to the motor-vehicle-tax environmental performance discount, the tax rate for each motor vehicle will be determined based on its impact on the environment, etc. In addition, as a demand-leveling countermeasure, the motor-vehicle-tax environmental performance discount tax rates of passenger vehicles for private use that are acquired from October 1, 2019, to September 30, 2020, will be decreased by 1%. (The bold-font tax rates shown in the table below will be applied.)

Category	Tax rate			
	For private use		Cars for business	
	Registered vehicles	Light motor vehicles		
Electric vehicles, fuel cell vehicles, natural gas vehicles (must comply with the 2018 regulations (Note 2) or achieve 10% less NOx than the 2009 regulations require), plug-in hybrid vehicles, and clean diesel passenger vehicles (must comply with the 2018 regulations or 2009 regulations)	Tax-exempt	Tax-exempt	Tax-exempt	
Gasoline-powered vehicles LPG vehicles	Achievement of the fiscal year 2020 fuel efficiency standards + 20%	Tax-exempt	Tax-exempt	
	Achievement of the fiscal year 2020 fuel efficiency standards +10%	Tax-exempt (1%)		
	Achievement of the fiscal year 2020 fuel efficiency standards	1% (2%)	Tax-exempt (1%)	0.5%
	Achievement of the fiscal year 2015 fuel efficiency standards +10%	2% (3%)	1% (2%)	1%
Other than the above			2%	

* The values in parentheses indicate the tax rates after the end of the period designated for the demand-leveling countermeasure (October 1, 2020, and later).

Procedures for Tax Payment

The automobile acquisition tax return is filed and paid at automobile tax office at the time of registration or notification of use of the vehicles.

※ The automobile acquisition tax will be abolished on September 30, 2019, as a part of revisions to the Local Tax Act.

Gas Oil Delivery Tax

Tax Payers

The following people are required to pay this tax.

1. Those who actually take delivery of gas oil from an exclusive agent or primary distributor
2. Those who sell gas oil that is manufactured by mixing it with other oils
3. Those other than an exclusive agent or primary distributor who consumes or transfers manufactured gas oil
4. Those who sell or consume fuel oil other than gas oil for use in motor vehicles
5. Those other than an exclusive agent or primary distributor who import gas oil ...and so on

Tax Amount

Per kilolitre (Special tax rate) ¥32,100 (Standard tax rate) ¥15,000

In principle, the special tax rate is applied; however, if the average retail price (Note) of gasoline is over ¥160/liter for three consecutive months, the standard tax rate will be applied upon a notice issued by the Minister of Finance.

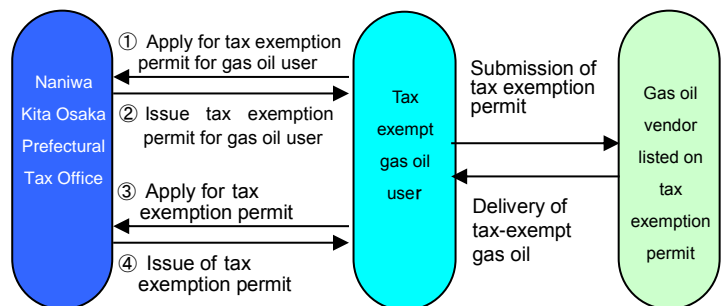
Subsequently, if the average retail price of gasoline is under ¥130/liter for three consecutive months, the special tax rate will be reapplied upon a notice issued by the Minister of Finance.

These regulations are considered in the context of the restoration and recovery status of the Great East Japan Earthquake; accordingly, the regulations will not be applied until the date designated in a separate law.

(Note) The average retail price of gasoline is the amount calculated by dividing the total of the metropolitan (city)-specific retail price (including consumption tax) for vehicle gasoline announced monthly, based on the Retail Price Survey stipulated in Article 1 of the Retail Price Survey Regulations (Ordinance of the Prime Minister's Office No. 6 of 1982) by the number of cities.
Please refer to the Ministry of Internal Affairs and Communications homepage for the results of the Retail Price Survey.

A tax exemption will apply if you have been issued a tax exemption permit, and are using gas oil for the following purposes.

- (1) As a raw material for manufacturing petrochemical products, such as ethylene, etc.
- (2) For powering ships, trains and track vehicle
- (3) For powering agriculture and forestry machinery
- (4) For use in supplying electricity, excavating mines and scaffolding/earthwork and construction, etc.



(Note) The tax exemption measures listed on (2) to (4) above apply until March 31, 2021.

Procedures for Tax Payment

The special tax collectors (listed in 1. above) will collect the tax (as primary distributors and/or exclusive agents) together with the payment of the gas oil upon actual delivery to the purchaser and, after having accumulated such tax over the period of one month, file a return and pay the required tax, by the end of the following month, to the Naniwa Kita Osaka Prefectural Tax Office.

Those listed in 2. to 4. above will accumulate the tax over the period of one month, and then file a return and pay the required tax, by the end of the following month, to the Naniwa Kita Osaka Prefectural Tax Office.

Those listed in 5. above will file a return and pay the required tax, by the time of importing the gas oil, to the Naniwa Kita Osaka Prefectural Tax Office.



Real Estate and Taxes



Real Estate Acquisition Tax

■ Tax Payers

Those who have acquired real estate (land or buildings) by purchase, exchange, gift or new construction, regardless of whether the acquisition was a paid or gratuitous acquisition, or whether or not it was registered, and regardless of the reason of acquisition. For example, tax is still applicable even if ownership transfer registration of land or buildings was omitted, or a newly built house is not registered.

■ Tax Amount


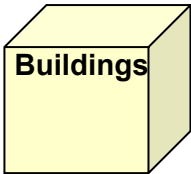
$$\text{Assessed value of acquired real estate (standard taxable value)} \times \text{Tax rate} = \text{Tax amount}$$

The standard taxable value of acquired real estate is, in principle, assessed and determined based on the registered prices in the municipality's fixed assets tax cadaster at the time of acquisition. Therefore, the value refers to neither the purchase prices of real estate nor construction work expenses, etc. (This is not the standard taxable value of the fixed assets tax.)

For housing land or evaluated housing land (Note) acquired on or before March 31, 2021, the standard taxable value is the registered price in the fixed assets tax cadaster × 1/2.

(Note) Evaluated housing land is land other than housing land with a standard taxable value at the time of acquisition that is evaluated based on a comparison with the standard taxable value of housing land similar to that land and its status.

Real estate acquisition tax is not assessed for the following standard taxable values (tax exemption limit).

 Land	Less than ¥100,000	 Buildings	<div style="border: 1px solid black; padding: 2px; display: inline-block;">New/expanded/renovated</div> Less than ¥230,000 per property <div style="border: 1px solid black; padding: 2px; display: inline-block;">Purchase, exchange, gift, etc.</div> Less than ¥120,000 per property
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● Tax rate 4% (Standard tax rate)

Depending on special measures and the date of acquisition, the following tax rates will apply.

Date of acquisition	Type	Buildings		
		Land	Residence	Non-residence
April 1, 2008 to March 31, 2021		3%	3%	4%

● Tax reduction measures

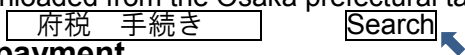
The real estate acquisition tax can be reduced in certain cases, such as for acquired residential buildings and land that meet certain conditions, substitute real estate acquired to replace real estate transferred for public services, and substitute real estate acquired to replace real estate lost in a natural disaster, etc.

■ Procedures for Tax Payment

● Filing a return

Please complete and submit the Real Estate Acquisition Form at your nearest Osaka prefectural tax office within 20 days of acquiring real estate.

The Real Estate Acquisition Form is available at the Osaka prefectural tax office, and it can also be downloaded from the Osaka prefectural tax homepage.



● Tax payment

Please pay the real estate acquisition tax by the due date (payment deadline) stated in the tax notice (statement of payment) sent by the prefecture.

FAQ on the Real Estate Acquisition Tax

Q : I inherited real estate from my parents after they passed away. Is this real estate subject to the real estate acquisition tax?

A : The real estate acquisition tax is not levied on inherited real estate (including comprehensive testamentary gift and/or specific testamentary gift given to the inheritor)

Q : I was gifted real estate from my spouse, but as I am a spouse qualified for deduction, the gift tax (national tax) was not levied. Will the real estate acquisition tax also not be levied on this gifted real estate?

A: The gift tax is not levied in certain cases, such as for residential real estate gifted between spouses that have been married for 20 years or more. However, there is no such a system for the real estate acquisition tax; therefore, it is levied on gifted real estate.

Prefectural Fixed Assets Tax

■ Tax Payers

Corporations, etc., that currently own large depreciable assets (Note 1) with a value over the municipality's taxable limit (Note 2) as of the date of taxation (January 1 each year).

(Note 1) Refers to depreciable assets owned by a single taxpayer with an address in a single municipality, and which have a total standard taxable value for the fixed assets tax that exceeds the fixed taxable value (set amount stipulated by population segments of the municipality).

(Note 2) Refers to the municipality's taxable limit. In principle, this is the fixed taxable value, but in some cases the fixed taxable value may be raised according to the municipality's finances. In that case, the municipality's taxable limit will be the fixed taxable value after any increase.

■ Tax Amount

Amount over the municipality's taxable limit (standard taxable value) x Tax rate = Tax amount

※ The municipal levies tax on the amount up to its taxable limit.

■ Procedures for Tax Payment

● Filing a return

Please submit a tax return to the Osaka prefectural tax office by January 31 each year.

● Tax payment

The prefectural fixed assets tax is paid in four instalments over one year, in April, July, December and February, based on the amount stated in the tax notice (statement of payment) sent by the prefecture.

※ The payment period may vary in special circumstances.



Life and Taxes



Local Government Consumption Tax

■ Tax Payers

Similar to consumption tax, local government consumption tax is imposed on domestic transactions and import transactions. The following are taxable transactions to be paid by those specified in the table on the right.
 Domestic transactions: transfer of assets, provision of services, etc. = Transfer levy
 Import transactions: receipt of foreign goods, etc. = Goods levy

Category	Taxpayers
Transfer levy	Individual business owners or corporations that transfer taxable assets
Goods levy	Individuals or corporations that receive foreign goods from bonded areas

Local consumption tax is an indirect tax imposed on domestic transactions, such as the provision of services and the sale of products and goods, etc. The tax is added to the price of products, and is ultimately borne by the consumer.

■ Tax Amount

Consumption tax (standard taxable amount) x Tax rate

=

Tax amount

● Tax rate

Applicable period	From April 1, 2014	From October 1, 2019	
		Standard tax rate	Reduced tax rate
Local consumption tax rate	1.7% (17/63 of consumption tax)	2.2%	1.76%
Consumption tax rate	6.3%	7.8%	6.24%
Total	8%	10%	8%

Starting on October 1, 2019, the local consumption tax rate will be 22/78 of the consumption tax.

■ Procedures for Tax Payment

Payment is made along with consumption tax as follows:
 For the transfer levy: payment is made to the tax office of jurisdiction in your residential area or location of the store. For the goods levy: payment is made to the customs office of jurisdiction. The local government consumption tax is paid by the government to the taxation office or prefecture with a bonded area.

※ Rise in the local consumption tax rate

Japan's population is aging rapidly and its birth rate is falling sharply. Against such a backdrop, in order to provide citizens with reassurance in their daily lives, on April 1, 2014, the government decided to gradually start raising the local consumption tax rate along with the national consumption tax rate. This is to secure sufficient local finances, along with national funds, to cover social security costs.

The revenue from this rise in the consumption tax rate will cover the four expenses of social security (Note) and for providing other such policies (social welfare, social insurance, and health and hygiene policies).

(Note) These expenses are: pension system, social security benefits for health care and nursing care, and policies to address the declining birth rate.

<Increase in local consumption tax revenue and social security-related expenses>

The entirety of the additional revenue collected as a result of increasing the local consumption tax rate (¥78.4 billion) will be used as a source of funds to cover social-security-related expenses (¥528.7 billion).

	Start of FY 2018	Start of FY 2019	Change
Income: additional revenue collected as a result of increasing the local consumption tax rate (excluding grants to municipalities)	675	784	109
Expenditure: social security-related expenses (based on general funding sources)	5,060	5,287	227

Tobacco Tax (Prefectural Tax, National Tax, Municipal Tax)

■ Tax Payers

Prefectural tobacco tax is imposed when wholesalers, etc. (Japan Tobacco Inc., importers and wholesalers of tobacco) sell manufactured tobacco to retailers in the prefecture.

■ Tax Amount

$$\text{Number of manufactured cigarettes sold (standard taxable value)} \times \text{Tax rate} = \text{Tax amount}$$

● Tax rate

【Tax rate on manufactured tobacco (excluding class 3 cigarettes)】

Category	Tax type	Tax rate (per 1,000 cigarettes)		
		Current	From October 1, 2020	From October 1, 2021
Prefectural tax	Prefectural tobacco tax	¥930	¥1,000	¥1,070
National tax	Tobacco tax	¥5,802	¥6,302	¥6,802
	Special tobacco surtax	¥820	¥820	¥820
Municipal tax	Municipal tobacco tax	¥5,692	¥6,122	¥6,552

【Tax rate on class 3 cigarettes】

Category	Tax type	Tax rate (per 1,000 cigarettes)			
		Current	From October 1, 2019	From October 1, 2020	From October 1, 2021
Prefectural tax	Prefectural tobacco tax	¥656	¥930	¥1,000	¥1,070
National tax	Tobacco tax	¥4,032	¥5,802	¥6,302	¥6,802
	Special tobacco surtax	¥624	¥820	¥820	¥820
Municipal tax	Municipal tobacco tax	¥4,000	¥5,692	¥6,122	¥6,552

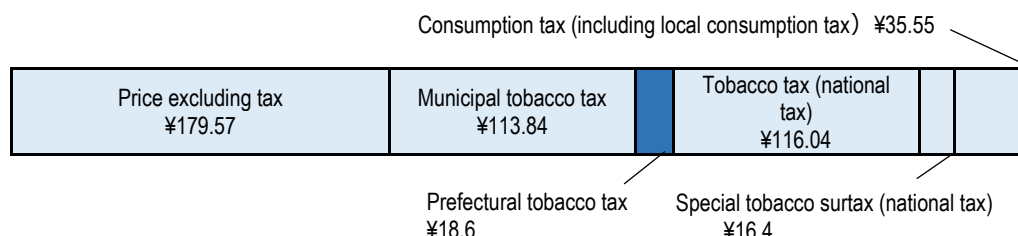
In accordance with revisions of the tax system, transitional measures have been taken due to considerations related to sudden change mitigation and predictability, and the tax rate will be increased in stages as shown in the above table.

- ※ Class 3 cigarettes are the following six brands.
Wakaba, Echo, Shinsei, Golden Bat, Uruma, and Violet

■ Procedures for Tax Payment

Wholesalers, etc. will accumulate the tax over the period of one month, and then file a return and pay the required tax, by the end of the following month.

Tax per cigarette (for one pack containing 20 cigarettes at ¥480 per pack)



Golf Course Utilization Tax

■ Tax Payers

People who use golf courses pay this tax. However, the following people are exempt from paying the golf course utilization tax.

- 1 People who are under 18 years old.
- 2 People who are 70 years or older.
- 3 People who have been issued a handbook for disabled persons, etc.
- 4 Athletes participating in the National Athletic Meet in the golf category.
- 5 Students and teachers of schools (excluding kindergartens) stipulated in Article 1 of the School Education Law, who use the golf facilities as part of educational activities at school.

※ You must show a certificate to prove you fall into one of the categories from 1 to 5 in order to receive an exemption.

※ Schools stipulated in Article 1 of the School Education Law include kindergartens, elementary schools, junior high schools, compulsory education schools, high schools, combined junior high and high schools, special-needs schools, universities (including junior colleges), and vocational colleges.

■ Tax Amount

● Tax rate

The tax is determined by grades such as the number of holes and usage fee of the golf course.

Grade of golf course	Tax rate
First	¥1,200 per person/per day
Second	¥1,150 per person/per day
Third	¥1,000 per person/per day
Fourth	¥800 per person/per day
Fifth	¥650 per person/per day
Sixth	¥450 per person/per day
Seventh	¥350 per person/per day

■ Procedures for Tax Payment

Owners or managers of golf courses (special tax collectors) collect the tax along with the usage fee from the users over one-month period, and file a return and pay the tax amount collected to the Naniwa Kita Osaka Prefectural Tax Office by the 15th of the following month.

Hunting Tax

■ Tax Payers

Hunting tax is levied on the registration of hunters, in accordance with the Protection and Control of Wild Birds and Mammals and Hunting Management Law.

※ The hunting tax is a special-purpose tax that is used to fund the protection of wild birds and mammals, and to help cover the costs for policies on hunting.

■ Tax Amount

Types of License	Category	Tax Rate
Hunting guns Category 1(Note 1)	① People required to pay the per income levy of the prefectural inhabitant tax ② Spouses with shared living expenses and/or dependents of ① who are qualified for deduction	¥16,500
	③ People not required to pay the per income levy of the prefectural inhabitant tax ④ Spouses with shared living expenses and/or dependents of ③ who are qualified for deduction ⑤ People in category ② who work in the agriculture, forestry or fisheries industry	¥11,000
	⑥ People required to pay the per income levy of the prefectural inhabitant tax ⑦ Spouses with shared living expenses and/or dependents of ⑥ who are qualified for deduction	¥8,200
Hunting with net/trap	⑧ People not required to pay the per income levy of the prefectural inhabitant tax ⑨ Spouses with shared living expenses and/or dependents of ⑧ who are qualified for deduction ⑩ People in category ⑦ who work in the agriculture, forestry or fisheries industry	¥5,500
	Hunting guns category 2 (Note 2)	¥5,500

(Note 1) Hunting guns Category 1...Guns charged with gunpowder

(Note 2) Hunting guns Category 2...Air guns

※ Individuals registered for a Category 1 license are not subject to hunting tax for air gun hunting under Category 2.

※ The following people are subject to an exemption or reduction in the hunting tax when registering as a hunter, through to March 31, 2024.

- Eligible wildlife wardens and those engaged in designated wildlife businesses are not subject to hunting tax.
- The amount calculated by multiplying the above listed hunting tax rate by 1/2 will be imposed, if the taxpayer has hunted wildlife, etc. with permission within one year prior to the day of submitting hunter registration form.

■ Procedures for Tax Payment

Hunters are required to pay hunting tax at the time of registration by submitting their payment with the hunter registration form.

Prefectural Inhabitant Tax on Interest Prefectural Inhabitant Tax Interest Levy

■ Tax Payers

Individuals who receive interest, etc. pay this tax through the branches, etc. of financial institutions, etc. in the prefecture.

(Note) Corporations have become exempted from taxation on interest, etc. received from financial institutions on or after January 1, 2016.

■ Tax Amount

$$\text{Interest to be paid (standard taxable amount)} \times \text{Tax rate} = \text{Tax amount}$$

● Interest to be paid

- ① Interest on deposits, etc. of banks and credit unions, etc.
- ② Interest on public and corporate bonds, other than specified bonds, etc. (Note 1)
- ③ Interest and gains, etc. on similar-financial products (term deposits, mortgage securities, lump-sum endowment (damage) insurance)

※ Interest etc. on specified bonds, etc. for payment to be received on or after January 1, 2016, has become exempt from prefectural inhabitant tax interest levy income, and has now become a taxable item for prefectural inhabitant tax dividend levy income.

The following interest, etc. is exempt from tax.

Interest, etc. on tax exemption for widows and widowers receiving the survivor pension, and disabled persons.	
· Tax exemption on small savings · Tax exemption on small bonds	} Principal of each is ¥3,500,000 or under
Interest, etc. on tax exemption for workers' property accumulation savings	
· Property accumulation housing savings · Property accumulation pension savings	} Total principal of each is ¥5,500,000 or under
Non-residents	
Any other interest, etc. that is tax exempt in income tax	

(Note 1) Specified bonds, etc. refer to specified bonds (government bonds, local bonds, foreign government bonds, foreign local bonds, publicly offered bonds, listed bonds, public bonds issued before December 31, 2015 (excluding bonds issued by a family company, etc.), beneficiary rights on publicly offered bond investment trusts, beneficiary rights on publicly offered bonds other than securities investment trusts, and corporate bond-like beneficiary rights in special purpose trusts (limited to publicly offered trusts)).

● Tax rate 5%

※ An income tax and special income tax for reconstruction rate of 15.315% also applies.

■ Procedures for Tax Payment

The financial institutions, etc. (special tax collectors) to pay the interest withhold the prefectural inhabitant tax on interest income (prefectural inhabitant tax interest levy) by special collection at the time of paying interest, and pay the total monthly tax to the prefecture by the 10th of the next month.

■ Tax Payers

Individuals who receive special dividends, etc. pay this tax through the listed companies, etc. to pay the special dividends.

■ Tax Amount

$$\text{Special dividends, etc. to be paid (standard taxable value)} \times \text{Tax rate} = \text{Tax amount}$$

● Special dividends, etc. to be paid

- ① Dividend income, etc. on listed stocks, etc.
- ② Distribution of profit from investment trusts for which an offering of beneficial rights upon establishment has been conducted through public offering
- ③ Dividend income, etc. on investments in special investment corporations
- ④ Publicly-offered portion of dividend income on the surplus of corporate bond-like beneficiary rights in special purpose trusts
- ⑤ Interest on specified bonds
- ⑥ Redemption money on discount bonds other than in specified accounts

※ Interest etc. on specified bonds, etc. for payment to be received on or after January 1, 2016, has become exempt from prefectural inhabitant tax on interest income, and has now become a taxable item for prefectural inhabitant tax on dividend income.

Also, when redeeming discount bonds (excluding those paid in specified accounts), the prefectural inhabitant tax dividend levy now applies to the marginal gain on the redemption money.

● Tax rate 5%

※ An income tax and special income tax for reconstruction rate of 15.315% also applies.

■ Procedures for Tax Payment

The listed companies, etc. (special tax collectors) to pay the special dividends withhold the prefectural inhabitant tax on special dividends (prefectural inhabitant tax dividend levy) by special collection at the time of paying the special dividends, and pay the total monthly tax to the prefecture by the 10th of the next month.

For dividends, etc. remitted into withholding selection accounts, the securities company, etc. (special tax collectors) handling the payment of special dividends, etc. withhold the prefectural inhabitant tax on special dividends, etc. (prefectural inhabitant tax dividend levy) by special collection at the time of paying the special dividends, and pay the total annual tax by January 10th of the following year.

Prefectural Inhabitant Tax on Capital Gain from Special Stocks

Prefectural Inhabitant Tax Special Stocks Capital Gain Levy

■ Tax Payers

Individuals who receive capital gain from special stocks, etc. pay this tax through the head office of securities company, etc. which handle the payment of the capital gain from special stocks, etc.

■ Tax Amount

$$\text{Capital gain to be paid from special stocks, etc. (Standard taxable value) x Tax rate} = \text{Tax amount}$$

● Capital gain to be paid from special stocks, etc.

- ① Equivalent value of the transfer of listed stocks, etc. held in a withholding selection account
- ② Marginal gain on the net settlement of credit transactions, etc. on listed stocks, etc. processed in a withholding selection account

● Tax rate 5%

※ An income tax and special income tax for reconstruction rate of 15.315% also applies.

■ Procedures for Tax Payment

The securities companies, etc. (special tax collectors) to pay the capital gain from special stocks, etc. withhold the prefectural inhabitant tax on capital gain from special stocks, etc. (prefectural inhabitant special stocks capital gain levy) by special collection at the time of paying the income, and pay the total annual tax by January 10th of the following year.

Accommodation Tax

Osaka prefecture introduced an accommodation tax in January 2017. The revenue from this discretionary special-purpose tax is allocated to cover expenses to develop Osaka as one of the world's leading international cities, and also to fund policies to boost its appeal and promote tourism.

■ Tax Payers

Those who stay at hotels, ryokan (Japanese inns), cheap lodgings (hostels), private residences temporarily taking in lodgers (minpaku) in the prefecture, and facilities related to such residences

■ Tax Amount

$$\text{Number of nights stayed} \times \text{Tax rate} = \text{Tax amount}$$

Room Charge (per person per night) (Note 1)	Tax rate
¥7,000 or more (Note 2) but less than ¥15,000	¥100
¥15,000 or more but less than ¥20,000	¥200
¥20,000 or more	¥300

(Note 1) Refers to the cost of an overnight stay and associated service fees, and does not include meals, etc.

(Note 2) On June 1, 2019, the tax exemption limit for the accommodation tax was decreased from less than ¥10,000 to less than ¥7,000.

※ Accommodation tax is not levied if the room charge (per person per night) is less than ¥10,000.

■ Procedures for Tax Payment

Special tax collectors (managers of hotels, ryokan (Japanese inn), cheap lodgings (hostels), private residences temporarily taking in lodgers (minpaku) in special wards, and facilities related to such residences) collect the tax from customers along with the room charge, and pay the deposited tax amount for each month by the end of next month by filing a return to the Naniwa Kita Osaka Prefectural Tax Office.



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