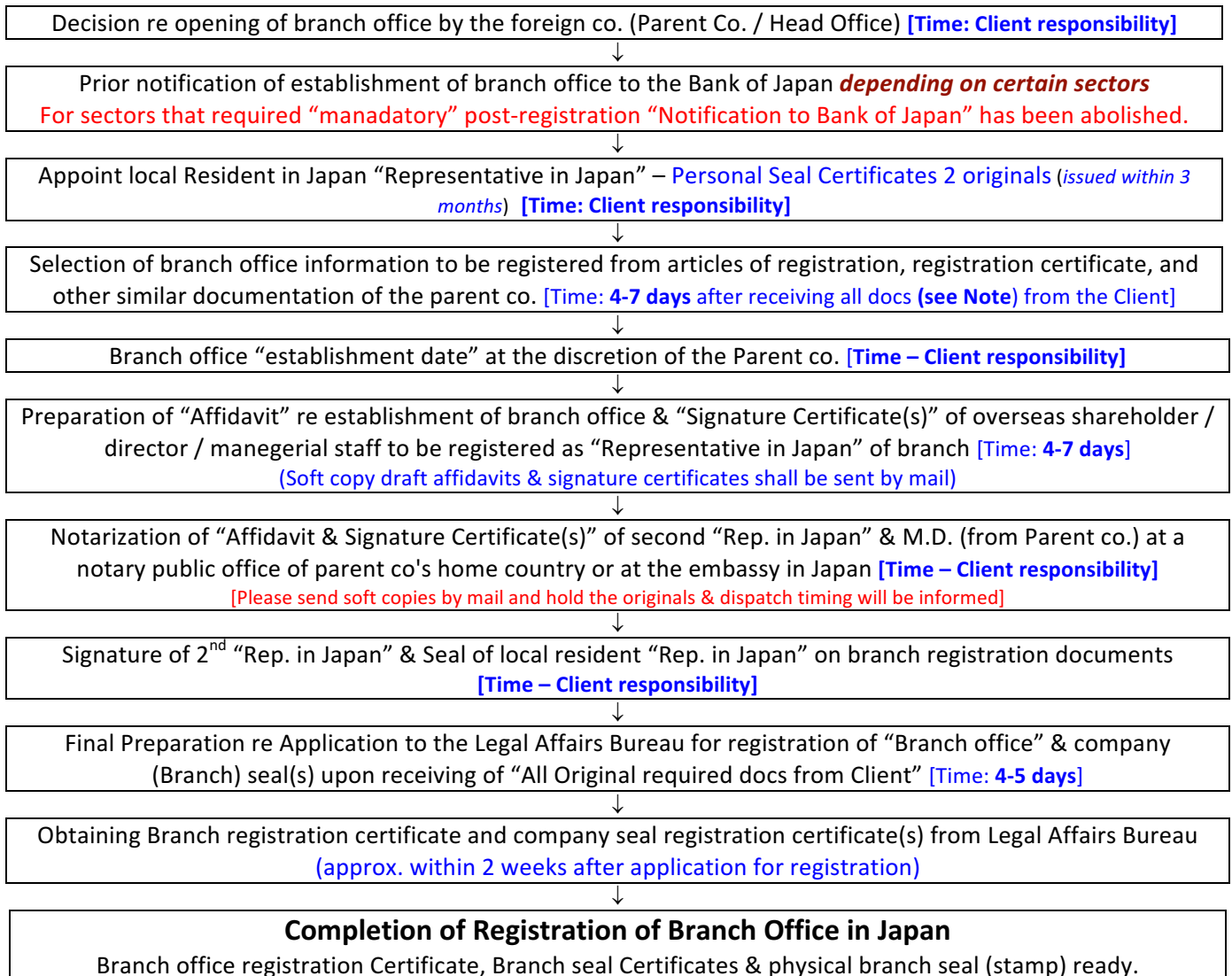


Opening of a Branch Office in Japan

The below-mentioned procedures need to be conducted in order to register a “Branch office” (a legal entity) of a foreign company in Japan.

Basic Flow of procedures for opening a Branch Office (legal entity) in Japan – Approx. Time frame



Note:

No of days refer to working days [we take approx. between 8 & 19 days] + time at Registration office and time re Client’s response at each level of the above flow-chart.]

List of documents from Client: Soft-copies of: Registration certificate of parent co.; Articles of Memorandum & Association; Latest statement of accounts; The Minutes of Meeting of the Shareholders / Executives relating to establishment of a branch in Japan(if any) and information on “Instruction form”, etc.

Branch Office Post-Registration mandatory procedures in Japan

Mandatory Notification to National & Local Tax authorities

Example: (Report for Commencement of Business, [Local Tax office]; Notification of a Foreign Company, Application for Blue Form Return, Notification of Establishment /Move /Closure of an Office, etc Salary payment, Application for withholding income tax notification & special case re time for payment etc.) [Time: 5-10 days after the Registration is completed]

Completion of Branch Office Post-Registration mandatory procedures in Japan

Office copy of all notifications with duly receipt endorsement stamp of the government authorities
All "Original docs, Co seal, Notification acknowledgement copy etc" will be sent to Client's Japan office

Note: # No of days refer to working days

Please note the followings:

Our task for the incorporation & above-mentioned post-incorporation completes at the above-mentioned last step. Please note that all documents will be provided in Japanese only. English translation ([optional](#)) & charged separately. Documents will be sent via courier to registered office address in Japan.

Re Opening of a Corporate Bank Account (Futsu Koza – Ordinary Account)

Upon completion of the Branch registration client will be in a position to apply for opening of a corporate bank a/c in Japan. Please note that with some changes in the banking system in Japan for opening of corporate bank account with major banks in Japan has become very stringent and the screening process and procedure varies bank to bank but as a general guideline it may take 2~4 weeks and the decision is at the discretion of the bank.

- ❖ If assistance re bank a/c opening is required that is provided & charged at a flat rate. ([Optional](#))
- ❖ If any other post-incorporation assistance is required please check with us in advance.

Re Japan's social security system:

Re Social Insurance: Generally, Health, Nursing Care and Employees' Pension Insurances are referred to collectively as "social insurance."

Re Labor insurance: Generally, Workers' Accident Compensation Insurance and Employment Insurance are known collectively as "labor insurance,"

A branch must enter "Social Security" systems at the time of hiring first staff or paying salary to local resident "Representative in Japan" by submitting labor and social insurance notification forms to the relevant authorities ([mandatory requirement](#)).

Re Individual / Personal Income Tax: It is mandatory for branch to deduct withholding income tax from salary / remuneration of staff and "Representative in Japan" and follow the procedure as per local regulation including making payments ([mandatory requirement](#)).

Corporate annual tax return and tax payment

Branch must file / submit annual tax return for corporate tax, corporate inhabitant tax and enterprise tax on their income within two months from the day following the last day of each financial year to tax authorities ([mandatory requirement](#)).

Consumption tax: Self assesment and payment as per the local regulation. Tax-exempt enterprises: Corporation whose taxable sales in a fiscal year is less than 10M yen. Current tax rate is 8% (changes to 10% in Oct-2019).

[For ongoing support re administrative services please check with us in advance and ask for estimation re our charges for any post-incorporation administrative matters.](#)

The above information & procedures re Branch office incorporation & post-incorporation is for illustration purpose

Disclaimer: This information is for illustration purpose, no warranty is given that it is free from error or omission, and Sarkar Office® cannot be held liable for any decision made based on this information only!.