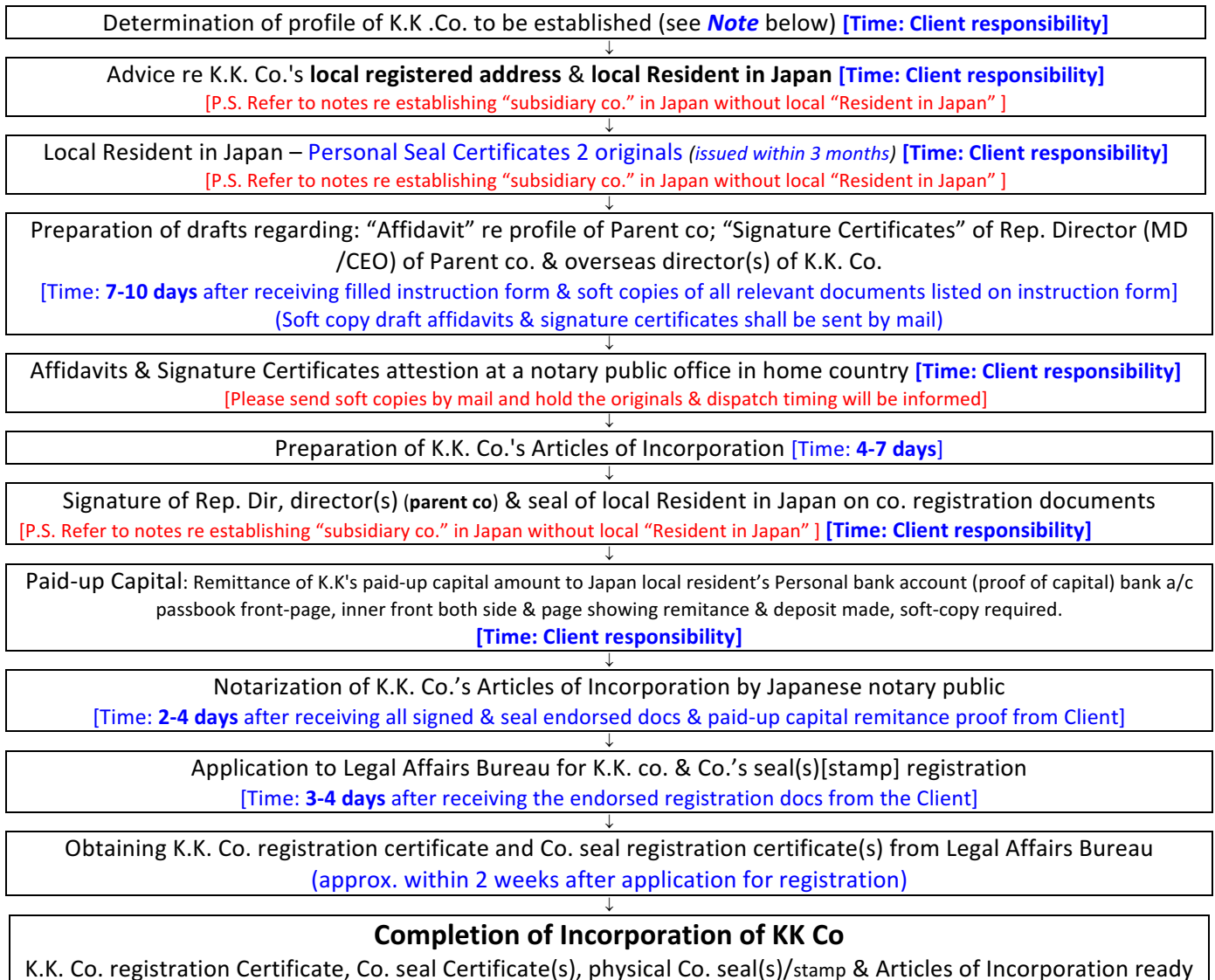


Opening of Kabushiki-Kaisha(KK) (joint-stock corporations) in Japan

K.K. Co. a subsidiary of a foreign co in Japan – [Corporate Shareholding](#)

The below-mentioned procedures need to be conducted in order to register a K.K. Co., [a legal-entity] subsidiary of a foreign co. in Japan.

Basic Flow of procedures for opening a K.K. co. (a legal-entity) in Japan – **Approx. Time frame**



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.]

Note: This profile should contain information including the following: trade name, location of parent co., business objectives, business year, amount of capital, issue price of shares, existence of provisions restricting transfer of shares, existence of board of directors, names of directors and representative directors, terms of directors, names of equity participants, and values of their investments & fill up the information on "Incorporation Instruction form" etc. (All info should be supported vide soft copy official documents).

For Individual shareholding: the procedure is almost same [except that the Affidavit etc. is not required.](#)

KK Co Post-Incorporation mandatory procedures in Japan

Mandatory Notification to the **Bank of Japan** for foreign subsidiary co.

(Prior notification re co. establishment may be required in certain sectors) [Time: **5-10 days** after the Registration is completed]

Mandatory Notification to **National & Local Tax authorities**

(Report for Commencement of Business,; Application for Blue Form Return, Notification re incorporation of a Japanese co.; Notification of Est /Move /Closure, etc Salary payment; Application for withholding income tax notification & special case re time for payment etc.)

[Time: **7-10 days** after the Registration is completed]

Completion of K.K. Co. Post-Registration mandatory procedures in Japan

Ready for client: Office copy of all notification with duly receipt endorsement stamp of the govt. authorities

All "Original docs, Co seal, Notification acknowledgement copy etc" will be sent to Japan registered 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 Co 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,"

The Co. must enter "Social Security" systems at the time of hiring first staff or paying salary to local resident "Executive Officer(s)" by submitting labor and social insurance notification forms to the relevant authorities (**mandatory requirement**).

Re Individual / Personal Income Tax: It is mandatory for the Co. to deduct withholding income tax from salary of staff & local "Executive Officer(s)" and follow the procedure as per local regulation including making payments (**mandatory requirement**).

Corporate Annual Tax return and tax payment

The Co. must file 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 (**mandatory requirement**).

Consumption tax: Self assesment and payment as per the local regulation. Tax-exempt enterprises: Corporation whose taxable sales in a fiscal year 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 legal matters.

The above information & procedures re subsidiary co. incorporation in Japan 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!