

1305: Case of Deficient of Declaration (Correction of Customs Declaration, Request for Correction, Additional Tax for Deficient Declaration)

If any mistake is found in the amount of duty (tax declaration), including customs duty and excise tax, due to miscalculation or other factors, which is presented at the time of the customs declaration for imported goods, take the following correction procedures.

(1) Overpayment of Customs Duty

A Request for Correction is required for overpaid customs duty. This procedure requires you to fill in the request form stating the incorrect and correct amount of the duty and submit it to the competent customs office to which the initial import declaration was presented.

The request can, in principle, be made within five years from the import permit. However, if cargoes obtain import permits before December 2, 2011, the request can be made within one year.

When the request form is submitted, the customs office reviews the content of the request. If an overpayment is discovered, the customs office shall reimburse the overpaid amount by making a correction for reduction (to inform the applicant about the correction of the said error).

(2) Underpayment of Customs Duty

It is necessary to file an amended return in this case.

Please note the following points when filing an amended return

- (a) Please file the form as soon as a mistake is found. If you make corrections after the customs inspection or after a correction for increase made by the customs office, additional tax for deficient declaration shall be levied besides the newly imposed tax.

The amount of additional tax is 10% of the newly imposed tax. However, if the newly imposed tax exceeds the amount of the principle tax or ¥500,000 (whichever larger), a special additional tax shall be collected at the rate of 15% of the excessive amount.

(Note) When an importer files an amended return voluntarily after finding errors in the original declaration and before the customs inspection, the additional tax for deficient declaration is not imposed.

- (b) A newly imposed tax, which is adjusted in the amended return, shall be due on the day of filing. An overdue tax is also levied when paying the newly imposed tax. Please pay the relevant amount. The overdue tax accrues at a rate of 7.3% per annum for the period from the statutory due date (normally the day of import permit) to the date of actual payment.

(Note) For the time being, the rate of overdue tax is either 7.3% per annum or the Basic Discount Rate and Basic Loan Rate set by the Bank of Japan as of November 30 of the previous year (Previously Indicated as “Official Discount Rates”) and +4%, whichever lower. (The overdue tax in 2011 is 4.3%).

However, this rate increases to 14.6% per annum when two months elapse after the due date.

Moreover, these procedures can be conducted by a customs broker specializing in there procedures who is licensed by the director of customs office.

(Article 7-14, Article 7-15, Article 7-16, Article 12 and Article 12-2 of the Customs Law)