1. Outline

(1) Image of simple declaration system (Attached sheet 1)

The importer who has approved by a chief of any customshouse previously can apply the simple declaration system that separates the import declaration and the tax return on the designated types of freight with the condition of securing the observation of laws and ordinances and makes it possible to take the freight back before the tax return. It can be decided by the selections of the approved importer whether the simple declaration is applied or the common import (tax payment) declaration is used on the designated freight.

(2) Merit for using the simple declaration system

The simple declaration system makes it possible to take the freight back before the tax return, and attempts the simplification and efficiency improvement of the declaration procedures simultaneously. Accordingly, it is considered that the facilities such as the realization of quick and smooth receipt of import freight and the reduction of cost for the importer can be improved.

(Note) The contents of simplification and efficiency improvement in the declaration procedure

① The declaration items at import declaration can be reduced.
② The import declaration or tax return can be paperless basically (Attached sheet 2).
③ The examination and inspection for the tax payment at import declaration are omitted, as the result, the required time for customs clearance can be calculated, and the inventory management can be much easier.
④ The tax return can be carried out collectively later.

(3) Freight not subject to the simple declaration system

The freight that is not comply with the simple declaration, such that the confirmation of actual article is required at the time of receiving, will not be an
object for the simple declaration.

a. Those which require the confirmation of actual article at the time of receiving of the freight for the object of reduction and exemption of tax and drawback. Freight to be the objects of Customs Tariff Law, Article 10, Section 1 (Reduction of tax in the case of the change in quality and damage), and Temporary Tariff Measures Law, Article 8 (Reduction of tax for the product made of the material exported for the processing and assembling).

b. The freight to be the object of the preferential tariff and special emergency tariff and so on, which are controlled at ceiling and of which tax rate to be applied is determined based on the total quantity or total amount to be imported until then

(a) [Specified and preferential mineral and industrial product] which is being controlled at ceiling of the freight subject to the application of provisions of Temporary Tariff Measures Law, Article 8-2, Section 1 (Preferential Tariff). However, the simple declaration system can be used when the preferential tax rate is not applied.)

(b) Freight to be the object of Temporary Tariff Measures Law, Article 7-3 (Specified emergency tariff when the import quantity exceeds the import standard quantity), Article 7-5 (Emergency measures of tariff on fresh beef and frozen beef) and Article 7-6 (Emergency measures of tariff on living pig and pork).

2. Business processing procedures

(1) Approval and designation

a. Approval of special importers:

Those who desire to use the simple declaration system must have the approval by the chief customs inspector in accordance with the provisions of the Tariff Law, Article 7-2.

b. Designation of freight:

The freight that uses the simple declaration system must be approved by the chief customs inspector in accordance with the provisions of the Tariff Law, Article 7-6.

c. Application:
Those who desire to use the simple declaration system must present an application for approval of special importers and an application for designation of freight to the customshouse (the customshouse to control the location of an office performing the principal trade business in principle). The importer who was approved can use the simple declaration system on the designated freight in customshouses all over the country.

(a) Application for approval of special importers

- The application can be made by presenting an application for approval and related documents to the customshouse (The simple declaration control officer is in charge).

- Items to be described in the application for approval:
  1. Name of applicant (in the case of a corporation, the name of the corporation and the name of the representative), address, telephone number, exporter / importer code (necessary from the technical reason to speed up the processing of customs procedures)
  2. Name and address of a customs broker when the customs broker performs the application in place of the applicant.
  3. Name of the freight to be designated.
  4. Any facts of violation of regulations or non-payment (When such facts are recognized, the approval can not be permitted in principle.)
  5. Preserving condition of books and documents relating to the import that are included in the requirements for approval.

- Related documents to be presented:
  1. Corporate summary (including income statement, balance sheet, and business report)
  2. Corporate organization chart
  3. Officers' personal histories
  4. List of persons in charge of trade
  5. Corporate administrative regulations or those corresponding to them
  6. List of customs brokers
  7. A certified copy or abridge copy of corporate register book in the case of a corporate, and a document to confirm the individual in the case of an individual (for example, a certificate of residence etc.)
The duty to protect privileged information prescribed in the Government Officials Act is imposed on the customs officials and so the documents to be presented will not be disclosed.

The examination on the approval is carried out on the conformity with the following requirements for an approval prescribed in the Tariff Law.

1. The freight to be the object of the simple declaration should be subject to the designation of the [Freight which is being imported continuously] (Refer to the application of designation).

2. The importer trying to obtain the approval shall not be given a punishment violating the provisions of the Tariff Law and other laws on the national tax or noticed disposition by the provisions of the Tariff Law or the National Tax Offenses Act for 3 years in the past (including the case that officials, agents, employees and other personnel were given a punishment violating the Tariff Law and the like on the business of the importer going to obtain the approval),

(i) shall not fall behind his payment of a tariff or inland consumption tax on the imported freight and so on for 3 years in the past.

(ii) shall not be the person who was revoked the approval of the simple declaration with such reasons that the tax return was not made within a certain period, the order of increase in collateral was not observed, the preservation of books and documents were not made, or the false description was made on the books and documents for 1 year in the past.

3. The filing and preservation of books and the preservation of documents shall be made on the freight imported for 1 year in the past that are subject to the designation in accordance with the following requirements. False description shall not be made in these books and documents.

a. Filing and preservation of books in which name and the like of the freight for simple declaration are described.

Items to be described include [Name of article], [Quantity], [Price], [Name of exporter], [Import permit date], and [Import permit number].
The preparation for a separate book for customs is not required, and the existing book adding the necessary items may be used. Also, the copy of the declaration or documents such as purchase book and the like in which the necessary items are added can be replaced for the book.

b. Preservation of documents prepared or received on the transaction of freight to be the object of simple declaration.

Actually, the following documents fall under this category. (They are those to which the preservation duty based on the corporation tax law is imposed or those which are preserved in place of the submission that was required before.)

- Phase books, articles of agreement etc.
- Documents such as certificates of the place of origin and so on necessary for the application of preferential tax rate etc.
- Component analysis table, specifications etc. (those that can clarify the belonging divisions in the tariff rate table)

c. For the preservation terms after the approval, 7 years are required for books described in a above and 5 years for documents described in b above. Also, these books and documents can be preserved in the form of electronic data after approved by the chief customs inspector separately.

- As a part of the customs examinations to applicants, an on-the-spot inspection of the applicants’ offices and the like shall be carried out in order to confirm the contents of the import declaration on the designated application freight, the state of the preservation of books and documents and the condition of internal administration system.

(b) Application for designation of freight

- The application can be made by presenting the application for designation of freight and related documents with the application for approval of special importers to the customshouse by the belonging divisions in the tariff rate table of the freight. However, when those who have approved already apply the additional designation of freight, only the designated application is made.

- Items to be described in the application for designation of freight
① Name of applicant (in the case of a corporation, the name of the corporation and the name of representative), address, telephone number, exporter / importer code, and approval number (in the case of additional designation)

② Name and address of a customs broker when the customs broker performs the application in place of the applicant.

③ Name of the freight to be designated (concrete name that can specify the belonging divisions in the tariff rate table) and properties.

④ Statistic item number and NACCS code to which the freight concerned belongs (By this, the belonging divisions in the tariff rate table can be clarified on the system.)

⑤ When the freight to be designated falls under the provisions of other laws and ordinances, the names of laws and ordinances and articles concerned.

⑥ Times of approval of import for 1 year in the past and the name of approved freight by belonging divisions in the tariff rate table of the freight to be designated.

⑦ When the correction or amended return and the like (limited only to the case in which additional tax is imposed) have been carried out for the past 1 year on the freight to be designated, the years, months and dates of them.

Ⅰ Related documents and the like to be submitted

The materials to be the reference on the properties of the freight to be designated for specifying the belonging divisions in the tariff rate table shall be submitted.

Actually,

① Answer paper to prior instruction

② Catalogue or specification

③ Component analysis table

④ Samples

Ⅱ The examination for designation is carried out on the conformity with the following requirements prescribed in the Tariff Law.

① The designated freight for application shall be the freight that has been
imported more than 24 times for 1 year prior to the submission date of this designated application by the belonging divisions in application of the tariff rate table.

There are no correction or amended return and the like (limited only to the case in which additional tax is imposed) of the tax return on the freight to be designated for 1 year concerned.

d. Standard processing term for approval and the like:

   The document for approval (or un-approval) shall be issued within 3 months after the application for approval was accepted in principle. When it exceeds 3 months, it shall be informed.

e. Cancellation of approval and designation:

   (a) It should be noticed that the approval on the simple declaration might be cancelled when those who are going to accept the approval fall under any of the following items.

      ① when the designated freight is removed from the subject
      ② when they are given a punishment or received the noticed disposition violating the Tariff Law and other laws on the national tax.
      ③ when they fall behind their payment of a tariff or inland consumption tax on the imported freight without proper reason.
      ④ when they do not complete the tax return within a certain period.
      ⑤ when they do not obey the order of increase in collateral.
      ⑥ when the required books and documents are not preserved, or when the false description is made.

   (b) When the correction or amended return and the like (limited only to the case in which additional tax is imposed) is made on the tax return on the designated freight, the designation may be cancelled.

(2) Offering of collateral

   The offering of collateral prescribed in the Tariff Law, Article 7-8 (referred to
“receiving collateral” hereinafter) is required when those who are approved as special importers try to utilize the simple declaration. (When the receiving collateral is not offered, the freight cannot be imported through the simple declaration.) The receiving collateral is released (restored) when the tax is paid or the time for tax payment is extended. The amounts, offering time, offering methods and matters to be noticed of the receiving collateral are as follows.

a. Amount of receiving collateral:

Any much amount in either of the total of expected amount to be paid at scheduled place of import on the tariff, inland consumption tax and local consumption tax (referred to “the tariff and the like” hereinafter) to be imposed on the designated freight which is going to be imported in a month (referred to “specified month” hereinafter) utilizing the simple declaration, or the amount equivalent to 1/12 of the amount of the tariff and the like which was paid or was decided to pay on the designated freight in the previous year of the specified month

b. Offering time:

Until the last day in the previous month of the specified month

c. Offering method:

To offer the collateral (a written guarantee and the like by guarantor) to the customhouse controlling the scheduled place of import

d. Matters to be noticed:

- The collateral can be left at the customhouse (when the collateral is left at the customhouse, the offering procedure for the collateral is not required every month.).
- The same collateral can be used for the [receiving collateral] and [collateral for the extension of due date in specified tax return] (described later) and [collateral for the extension of all-inclusive due date]. In this case, the amount of collateral equivalent to the total amounts of each collateral should be offered.
- Those who are required to offer the collateral to more than one customhouse (that is, those who try to utilize the simple declaration at more than one
customshouse) can offer the amounts of collateral equivalent to the total amounts of collaterals to be offered to each customshouse to one customshouse. For the addressee, the names of chief customshouses to offer them should be written. (When the names of chief customshouses all over the country are written, the collateral can be offered to the customshouses all over the country.)

- When the amount of the tariff and the like to be paid on the freight imported using the simple declaration in a specified month exceeds the amount of the receiving collateral, the chief customs inspector can order the increase in collateral to the offered receiving collateral to the limit to the amount equivalent to the difference in amount until the last day of the following month of the specified month.

(3) Individual declaration work
   a. Import declaration:

   - The import declaration should be made at the customshouse that controls the area to store the freight at each time the freight is imported as in the past. The documents such as an insurance premium schedule and the like shall be unnecessary to submit to the customshouse in principle.
     (Note) The documents relating to the procedures in accordance with other laws and ordinances are required to submit as in the past. Even when the importer judges that the procedures in accordance with other laws and ordinances are unnecessary, the purchase books and the like may be required to submit so that the customs can judge the requirements for the procedures concerned.

   - The declaration items on tax payment (for example, taxable income, amount of tax) are unnecessary at the time of the import declaration. On the declaration by the system, the maximum number of items for declaration is 123 (average number of input items is 60) at the time of normal import declaration, but the import declaration items in the simple declaration system are 60 (average number of input items is 27).

   - The examination and inspection for the tax payment at the import declaration can be omitted basically. But the examination and inspection on
those relating to other laws and ordinances and also on those commodities relating to social evil and those commodities infringing intellectual property rights and the like are carried out as in the past.

b. Tax return:
   - The tax return (referred to “specified tax return” hereinafter) is made for each import license received in a month. It should be submitted to the customshouse where the import declaration was made or customs headquarters until the last day of the following month. (The paperless declaration can be made in the same way as the import declaration.)
   - It should be noticed that the approval of special importer can be cancelled when the tax return is not made within the prescribed term without any proper reason.

(4) Extension of due date

On the imported freight utilizing the simple declaration, the tax must be paid until the last day of the month following the month when the import license was received after submitting the specified tax return. However, the extension of due date of the tariff and the like can be made by performing the required procedures when the specified tax return was submitted within the specified time for submission. The extension term of due date and the extension procedures of due date of each tax are as follows.

a. Extension term of due date:
   - Tariff, consumption tax (and local consumption tax), petroleum tax, gasoline tax, local road tax:
     - Within 2 months
   - Liquor and tobacco tax:
     - Within 1 month (however, limited only to the case when it is recognized to be remarkably difficult to pay tax within the time for payment)

b. Procedures for extension of due date:
   - (a) Offering of collateral
     - The collateral of the amount of the tariff and the like described in the specified
tax return shall be submitted to the customshouse to which the specified tax
return was submitted. In this case, the deferment of collateral to the
customshouse, the joint use of receiving collateral or the collateral of the
extension of total due date and the bulk offering by one collateral when the
collateral is offered to more than one customshouse can be carried out,
respectively.

(b) Application for approval of extension of due date

Those who desire to extend the due date should submit the application for
approval of extension of due date described necessary items to the
customshouse. Those who make the tax return by NACCS system can apply
by the system.

① Address or residence and name or nomenclature of applicant
② Submission year, month and day of the specified tax return on the
designated freight to be subject to the extension of due date and the number of
the specified tax return.
③ The last day of the term to be subject to the extension of due date
④ The amounts of the tariff and the like to be subject to the extension of due
date

(c) Approval of the extension of due date

The customhouse that accepts the application confirms the described
items, compares and examines the amount of tax concerning the extension
of due date and the appraisal value of the offered collateral and approves
the extension of due date when they are approved to be appropriate.

3. Ex post facto investigation

In the simple declaration, it is necessary to confirm after the fact that the
requirements examined at the approval of importers or designation of freight have
been satisfied continuously in order to secure the proper operation of the system.

Also, it is necessary to confirm after the fact that the contents of the individual
declaration are appropriate in the simple declaration, because the examination and
inspection for the tax payment are not executed basically at import declaration.
The ex post facto investigation to importers received the approval of the simple declaration can be carried out by the customs for the confirmation of above described facts.

4. Others

○ It is recommended that the prior instruction system should be utilized actively on the freight being questioned on the tariff classification in the individual declaration.

○ It is also recommended to ask the officials in charge of the simple declaration in the customshouse to which the application is submitted if you have any questions on the procedures of the change of the contents, succession of the approval and retraction of designation of the application on approval and designation and others.

A reference (Official in charge of the simple declaration)

<table>
<thead>
<tr>
<th>Customshouse</th>
<th>Phone Number</th>
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<tbody>
<tr>
<td>Tokyo Customshouse</td>
<td>03-3599-6421</td>
</tr>
<tr>
<td>Yokohama Customshouse</td>
<td>045-212-6165</td>
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<tr>
<td>Kobe Customshouse</td>
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<td>Osaka Customshouse</td>
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<td>Nagoya Customshouse</td>
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<td>Nagasaki Customshouse</td>
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<tr>
<td>Hakodate Customshouse</td>
<td>0138-40-4209</td>
</tr>
<tr>
<td>Okinawa Customshouse</td>
<td>098-862-8251</td>
</tr>
</tbody>
</table>
Image of simple declaration system

Normal declaration

Arrival in port → Import(tax) declaration → Examination and inspection → Tax payment → Permission of import → Receipt

- Requirements:
  - Continuous import
  - No violation of laws on tariff
  - Reduction of report items
  - Omission of tax examination and inspection

Simple declaration (Selective system with normal declaration)

Arrival in port → Import declaration → Permission → Receipt

- Approval of Importer
- Designation of cargo
- Continuous import
- No violation of laws on tariff
- Proper description and preservation method of account books on import
- Offering of receipt security (for 2 months)

- Requirements:
  - Reduction of report items
  - Omission of tax examination and inspection
  - Inspection of socially evil commodities
  - Possible to extend the due date for 2 months from the last day of the following month of the import

- Ex post facto survey including confirmation of approval requirements
### Documents to be presented in export (tax payment) report and simple report system (in case of NACCS report)

<table>
<thead>
<tr>
<th>Documents to be presented</th>
<th>Simplified report</th>
<th>Separate evaluation report</th>
<th>Purchase documents</th>
<th>Price table</th>
<th>Documents on transaction with dispatcher prepared by manufacturer or seller</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import report, copy [T67, T7-2]</td>
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<td>Import (receiving) report, copy [T67]</td>
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<td>Separate evaluation report</td>
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<td>Purchase documents [T68, T69]</td>
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<td>Documents on transaction with dispatcher prepared by manufacturer or seller [T68, TE61]</td>
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<td>Certificates by other laws (licence, approval) [T70]</td>
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<td>Detailed statements for application of tax reduction and exemption, and reduced tax rate [C, DE, TT, TTE]</td>
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<td>Certificates [C attached table, CE63, 64, 67, 69, TT attached table]</td>
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<td>Quota certificate (tariff quota) [Q3]</td>
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### Remarks
- ☐ To be presented, ☐ To be presented depending on the situation, ☐ To be preserved.
- T: Tariff Law (Law No. 61 in 1954)
- TE: Tariff Law Enforcement Ordinance (Government Ordinance No. 150 in 1954)
- C: Customs Tariff Law (Law No. 54 in 1910)
- CE: Customs Tariff Law Enforcement Ordinance (Government Ordinance No. 155 in 1954)
- TT: Temporary Tariff Measures (Law No. 36 in 1960)
- TTE: Temporary Tariff Measures Enforcement Ordinance (Government Ordinance NO.69 in 1960)
- Q: Government Ordinance on Tariff Quota System (Government Ordinance NO. 153 in 1961)