

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 can be required for overpaid customs duty. This procedure requires you to submit the request form stating the incorrect and correct amount of the duty 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.

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 to who submitted the request by making a correction for reduction (to inform the applicant about the correction of the said error).

(2) Underpayment of Customs Duty

You can make a correction of customs declaration in this case.

Please note the following points when making a correction.

- (a) Please file the form as soon as a mistake is found. If you make corrections on or after the following day you receive customs notification of 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 5% of the newly imposed tax if you make a correction of customs declaration on or after the following day you have received customs notification of inspection prior to foreknowledge of the correction. It is 10% of the newly imposed tax if you make a correction of customs declaration after foreknowledge of the correction or if the customs office makes a correction for increase. 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 5% of the excessive amount.

(Note 1) Customs notify importers of the tax items subject to inspection, the period of inspection and implementation of inspection.

(Note 2) When you make a correction of customs declaration 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 correction of customs declaration, shall be due on the day of making. 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 aggregate rate of both “the rate notified in Article 93-2 of the Act on Special Measures Concerning Taxation +1%” and 1%, whichever lower. (The rate of overdue tax in 2023 is 2.4%).

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

(Note) For the time being, the rate of overdue tax after the elapse of two months from the day following the due date is either 14.6% per annum or the aggregate rate of both “the rate notified in Article 93-2 of the Act on Special Measures Concerning Taxation +1%” and 1%, whichever lower. (The rate of overdue tax after the elapse of two months from the day following the due date in 2023 is 8.7%).

Moreover, these procedures can be conducted by a customs broker.

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