

## 1307: Outline of Additional Tax System and Heavy Additional Tax System

### (1) Additional Tax for Deficient Declaration

When an amended declaration or reassessment is made, in compliance with customs' instructions after a deficient declaration is found, an additional tax for deficient declaration shall be, in principle, collected at the rate of 10% of the tax increment. If an amended declaration is made, on or after the following day you have received customs notification of inspection prior to foreknowledge of the reassessment, an additional tax for deficient declaration shall be collected at the rate of 5% of the tax increment. No additional tax is due if there are reasonable grounds for the understated declaration. If an amended declaration is made voluntarily without foreknowledge of the reassessment by the inspection, no additional tax is imposed.

(Note1) If an incremental tax after the amended declaration or reassessment exceeds the amount of the principle tax or ¥500,000 (whichever larger), an additional tax for deficient declaration shall be collected at the rate of 5% of the excessive amount.

(Note2) If certain conditions are met, an additional tax for deficient declaration shall be reduced at the rate of 5% of the tax increment, in making an amended declaration or reassessment pertaining to the matters recorded in the electronic books. However, this reduction cannot be applied when the matters subjected to a heavy additional tax are found.

### (2) Additional Tax for No Declaration

When no tax declaration is made and when a determination is made accordingly by the director-general of the customs office or when an amended declaration or reassessment is made after the said determination, an additional tax for no declaration shall be collected at the rate of 15% of the tax amount payable under the said determination.

If a special declaration after maturity is submitted or an amended declaration is made on or after the following day you have received customs notification of inspection prior to foreknowledge of the reassessment, an additional tax for no declaration shall be collected at the rate of 10% of the newly tax increment.

However, no additional tax is due if there are reasonable grounds for no declaration.

(Note1) When the tax amount payable under the determination exceeds ¥500,000, an additional tax for no declaration shall be collected at the rate of 20% of the excessive amount.

(Note2) If an additional tax for no declaration or a heavy additional tax is levied for same tax items within five years from the previous day when a special declaration after maturity, an amended declaration, a reassessment or a determination is made, an additional tax for no declaration shall be added at the rate of 10% of the newly imposed tax.

(3) Heavy Additional Tax

When “additional tax for deficient declaration” mentioned above in (1) is imposed on an importer and when the importer files a deficient declaration by means of concealing or disguising the facts that it is basis for determining taxable values, etc., a heavy additional tax shall be imposed, instead of an additional tax for deficient declaration concerning tax amount that should be basis for calculating the additional tax for deficient declaration, at the rate of 35% of the basic tax amount.

When “additional tax for no declaration” mentioned above in (2) is imposed on an importer and when the importer files a tax declaration by means of concealing or disguising the facts that it is basis for determining taxable values, etc., a heavy additional tax shall be imposed, instead of an additional tax for no declaration concerning tax amount that should be basis for calculating the additional tax for no declaration, at the rate of 40% of the basic tax amount.

When part of the tax amount is based on the facts that it is not concealed or disguised, the amount shall be deducted from the tax amount that should be basis for calculating the heavy additional tax.

(Note1) If an additional tax for no declaration or a heavy additional tax is levied for same tax items within five years from the previous day when a special declaration after maturity, an amended declaration, a reassessment or a determination is made, a heavy additional tax shall be added at the rate of 10% of the newly imposed tax.

(Note2) Finding the concealed or disguised facts pertaining to the matters recorded in the electronic data of transaction information for electronic trading or in the electronic data of documents preserved by scanning, a heavy additional tax shall be added at the rate of 10% of the newly imposed tax.

(Article 12-2, 12-3 and 12-4 of the Customs Law)