

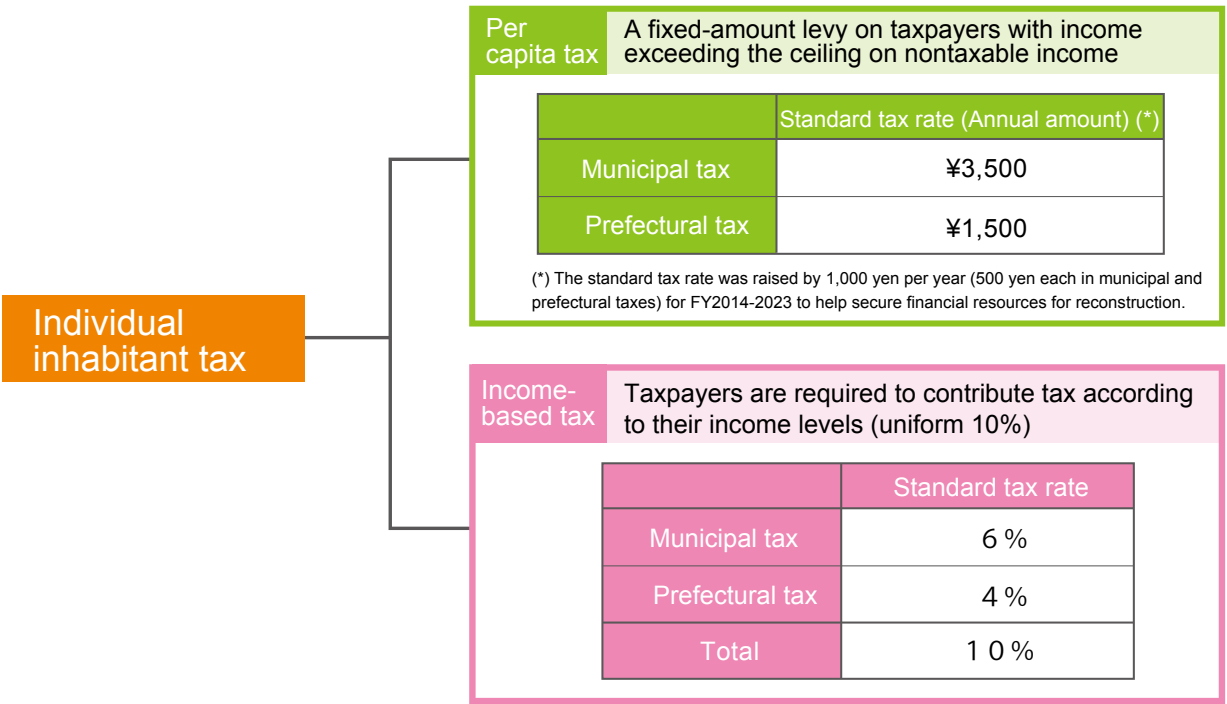
4 Learn about “Inhabitant Tax”

The national and local governments share provision of various public services. Public service costs are mainly covered by tax revenues for the national and local governments.

Many familiar administrative services such as education, welfare, fire prevention and ambulance, waste disposal are provided by municipal and prefectural governments. Local taxes cover these services and are widely and jointly contributed by local inhabitants (local society membership fees).

Among local taxes, inhabitant tax is as familiar to us as income tax (national tax). Inhabitant tax is for local society members to widely share society costs, consisting of municipal and prefectural portions. Inhabitant tax includes “individual inhabitant tax” and “corporate inhabitant tax.” The “individual inhabitant tax” is contributed by individuals with addresses in relevant municipalities (prefectures).

Individual Inhabitant Tax (per Capita and Income-based) Overview



(Note 1) Municipal governments collect both prefectural and municipal tax portions.
 (Note 2) The increase in the per capita tax to help secure financial resources for reconstruction was based on the Act on Special Local Tax Measures for Securing Financial Resources Necessary for Reconstruction from the Great East Japan Earthquake (2 December 2011; Law No. 118)