



# TAX GUIDE

## for the Olympic and Paralympic Games Tokyo 2020

March 2021

# Contents

<b>Glossary</b> .....	03
<b>Summary</b> .....	04
<b>1. General information</b> .....	05
<b>2. Special Tax Measures &amp; Consumption Tax Refund</b> .....	09
<b>3. Procedure to claim for the Consumption Tax Refund</b> .....	15
<b>4. Opening bank account (for Corporation)</b> .....	20
<b>5. FAQs</b> .....	22
<b>6. Templates</b> .....	25
<b>Annex</b> .....	33

# Glossary

Term	Definition
CAS	The Court of Arbitration for Sport
IF and IPSF	International (Sport) Federation and International Paralympic Sport Federation
IOC and IPC	International Olympic Committee and International Paralympic Committee
IOC TMS	IOC Television & Marketing Services SA
ITA	International Testing Agency
NOC and NPC	National Olympic Committees and National Paralympic Committees
OBS	Olympic Broadcasting Services: the organization established by the International Olympic Committee for the purpose of producing the ITVR Signals and generally providing the Rights Holding Broadcasters with facilities and services; also known as the Host Broadcaster
OCS	Olympic Channel Services
TOFCH	The Olympic Foundation for Culture and Heritage
Official Timekeeper	Games timing and scoring company (i.e. OMEGA and its affiliates)
Tokyo 2020	The Tokyo Organizing Committee of the Olympic and Paralympic Games
Games	Olympic and Paralympic Games Tokyo 2020
RHBs	Rights Holding Broadcasters: the television and radio networks, broadcasters and broadcast unions holding rights to broadcast the Games in designated geographic areas of the world under a contract with the IOC/IPC
TOP Partners	Entities that provide cash, goods or services to the IOC/IPC or Tokyo 2020 in return for the right to use the emblem of the IOC/IPC under a contract with the IOC/IPC
WADA	World Anti-Doping Agency

# Summary

This Tax Guide was created for the purpose of supporting a specific group of non-resident or foreign organizations, corporate bodies and individuals (hereinafter the “Games Stakeholders”) who will perform certain activities on a temporary basis in Japan during the pre-Games, Games time and post-Games periods.

This document has been prepared based on (i) the 2019 Tax Reform for Tokyo 2020 Games and (ii) the Consumption Tax Act, which allow the non-resident Games Stakeholders to operate on a temporary basis in Japan in a tax neutral environment, provided that they meet certain conditions. The non-resident Games Stakeholders who qualify under the Japanese tax legislation will in particular be entitled to take advantage of the following special tax measures<sup>1</sup> :

- Corporate income tax exemption;
- Withholding income tax exemption;
- Individual income tax exemption;
- Local tax exemption.

Also, the Japanese tax legislation allows the non-resident Games Stakeholders to recover the consumption tax charged on their expenses attributable to the Olympic and/or Paralympic Games, provided that they fulfil certain conditions and qualify for it.

The general guidance expressed in this Tax Guide is for the non-resident Games Stakeholders who will carry out Olympic and/or Paralympic Games related activities<sup>2</sup> in Japan. Should your on-site activities extend beyond the scope of the Games, we strongly recommend that you seek advice and assistance from a local tax specialist, in order to better understand how your operations will be treated under the Japanese tax law.

Please note this Tax Guide may be subject to change in case of a reform or revision of the Japanese tax law and regulatory requirement going forward. Updated version of the Tax Guide will be distributed to all the Games Stakeholders in such occurrence. This version has been already updated to reflect the changes resulting from the extension of the 2019 Tax Reform and that all relevant dates have been updated accordingly. This document contains information as general guidance only and should not in any way be considered legally binding. Any questions or clarifications should be directed to Tokyo 2020 at the following e-mail address:

[tax@tokyo2020.jp](mailto:tax@tokyo2020.jp).

---

<sup>1</sup> This document does not cover the customs and import tax treatment of the goods and services that will be imported into Japan, for use in connection with the Games. For more information on customs and import taxation, please refer to the TOKYO 2020 CUSTOMS & FREIGHT FORWARDING GUIDE.

<sup>2</sup> Activities that a non-resident entity is required to carry out, in order to fulfill its mission as Games Stakeholder within the framework of the participation, preparation and staging of the Olympic and/or Paralympic Games.

# 1 | General information

## 1.1 Legal framework

### A) Direct taxes

According to the Host City Contract (hereinafter the “HCC”), the Japanese tax authorities enacted the 2019 Tax Reform for Tokyo 2020 Games (hereinafter the “Tax Reform”—please refer to Annex 1) which establishes special tax measures, at national and local level, with regards to corporate income tax, withholding income tax and individual income tax.

The Tax Reform has been introduced on 1 April 2019 and is valid until 31 December 2020. It will be effective for FY2019 (from April to December) and FY2020 for foreign corporations whose fiscal year ends on 31 December. Further to the official announcement that the Tokyo 2020 Games will be rescheduled to 23 July – 8 August 2021 (Olympic) and 24 August – 5 September 2021 (Paralympic) due to the COVID-19 outbreak, the Tax Reform has been extended, under the same conditions, **up to 31 December 2021**. The areas of the Corporation Tax Act/Individual Income Tax Act/Local Tax Act which have been modified by the Tax Reform are the following:

Tax item	Relevant clause
Corporate income tax	Act on special measures concerning taxation article 67-16-2
	Cabinet order on the special measures concerning taxation article 39-33-3
	Regulation for Enforcement on special measures concerning taxation 22-19-3-2
Individual income tax	Act on special measures concerning taxation article 41-23
	Cabinet order on the special measures concerning taxation article 26-33
	Regulation for Enforcement on special measures concerning taxation 19-14-2
Local tax	Supplemental regulation to local tax act article 7-6 , 8-6
	Cabinet order on the supplemental regulation to local tax act article 5-2-2 and 6

### B) Indirect taxes (consumption tax)

In addition and as required under the HCC, the Consumption Tax Act (please refer to Annex 2 for details on relevant laws and regulations) grants certain rights to the non-resident Games Stakeholders, in order to mitigate the consumption tax attributable to their Games related expenses incurred in Japan.

Please note that the Consumption Tax Act is separate from the Corporation Tax Act. As a result, claiming the rights of the Consumption Tax Act should in principle not lead to any adverse implication from a Japanese direct tax standpoint. In this respect, a registration for consumption tax purposes should not constitute of Permanent Establishment in Japan from a corporation tax standpoint.

## 1.2 Who is eligible for the special tax measures & consumption tax refund?

The following non-resident entities and individuals<sup>3</sup> who are involved in the participation, preparation and staging of the Games are eligible for i) the special tax measures granted under the Tax Reform and ii) the tax refund granted by the Consumption Tax Act, provided that they follow the required procedures.

<b>(A) Non-resident entities</b>	<ul style="list-style-type: none"> <li>• IOC and IPC;</li> <li>• IOC affiliates (IOC TMS, OBS SA, OBS SL, OCS SA, OCS SL and TOFCH)</li> <li>• NOCs and NPCs</li> <li>• IFs and IPSFs</li> <li>• Atos Spain</li> <li>• Official Timekeeper</li> <li>• RHBs and their affiliates designated by the IOC/IPC (please refer to Annex 3)</li> <li>• TOP Partners and their affiliates appointed by the Minister of Education, Culture, Sports, Science and Technology (please refer to Annex 4)</li> <li>• Other recognized organizations (CAS, ITA and WADA)</li> </ul>
<b>(B) Non-resident individuals</b>	<ul style="list-style-type: none"> <li>• Athletes participating to the Games</li> <li>• Official members of the team supporting the athletes participating to the Games</li> <li>• Referees participating to the Games</li> <li>• Executives and employees<sup>4</sup> of the other non-resident entities listed under Section 1.2. (A)<sup>5</sup></li> </ul>
<b>Applicable periods</b>	<p>1.The special tax measures granted under the Tax Reform are applicable from 1 April 2019 until 31 December 2021<sup>6</sup></p> <p>2.The laws and regulations pertaining to consumption tax refund are in force and can be used at any time by the non-resident Games Stakeholders</p>

For more details on the conditions to qualify for the special tax measures and the consumption tax refund, please refer to Section 2.

<sup>3</sup> If you are acting as a sole proprietor, please note that the criteria and procedures to be observed by individuals for consumption tax purposes may differ from the ones presented in this Guide. Should you intend to obtain a consumption tax refund, we recommend that you seek advice and assistance from a local tax advisor.

<sup>4</sup> Including freelance photographers, cameramen, etc. contracted by OBS SL, OCS SL, RHB and their affiliates designated by the IOC/IPC (please refer to Annex3), TOP Partners and their affiliates appointed by the Minister of Education, Culture, Sports, Science and Technology (please refer to Annex4)

<sup>5</sup> Excluding OBS SA and OCS SA

<sup>6</sup> The non-resident Games Stakeholders whose fiscal year ends on 31 December are therefore authorized to take advantage of the special tax measure in FY2019 (but only from April to December), in FY2020 and FY2021.

## 1.3 How to operate in Japan?

After carefully analyzing the nature of the on-site activities to be conducted by the non-resident Games Stakeholders (as corporate bodies), the Japanese tax authorities came to the conclusion that most of them will constitute a PE in Japan as a result of their temporary presence in the country.

In practice, all the non-resident Games Stakeholders listed under Section 1.2. (A), apart from IOC TMS, TOFCH, OBS SA, OCS SA, WADA and ITA, will be considered as constituting a PE in Japan. However, the Games related income attributable to said PE will not trigger any corporate income tax exposure, in application of the Tax Reform. The non-resident Games Stakeholders whose temporary presence is deemed to create a PE in Japan will be authorized to carry out their on-site Games related activities<sup>7</sup> (including the sale of goods and/or services) without any corporate income tax exposure, provided that said activities are **indispensable to the organization and staging of the Games**.

On the other hand, the non-resident Games Stakeholders whose temporary presence in Japan is not deemed to constitute a PE in the country under the existing Japanese tax law (namely IOC TMS, TOFCH, OBS SA, OCS SA, WADA and ITA) will also be authorized to conduct their on-site Games related activities without any corporate income tax exposure, provided that they do not perform any sale of goods and/or services as part of said on-site activities.

As mentioned under Section 1.1. B), we underline that a PE recognition for direct tax purposes will not adversely impact the right granted to the non-resident Games Stakeholders to reclaim the consumption tax attributable to their Games related expenses (please also refer to Section 2.6).

Moreover, the non-resident Games Stakeholders should not directly hire a Japanese tax resident within their own payroll, as this may have other implications than taxes (e.g. social security). Should your on-site activities require you to work with Japanese tax residents, we recommend outsource to a staffing company through which local personnel can be recruited.

---

<sup>7</sup> Activities that a non-resident entity is required to carry out, in order to fulfill its mission as Games Stakeholder within the framework of the preparation and staging of the Olympic and/or Paralympic Games

The table below outlines the scope of activities that the Games stakeholders may conduct, if they want to avoid any adverse tax (or other) implications in Japan.

Operation in Japan	Non-resident entities with a PE in Japan <sup>8</sup>	Non-resident entities without a PE in Japan <sup>9</sup>
Importing and exporting Games related items	Yes	Yes
Purchasing goods and services from local vendors	Yes	Yes
Obtaining consumption tax refund	Yes	Yes
Opening a bank account	Yes	Yes
Selling Games related goods and services	Yes <sup>10</sup>	No
Selling non-Games related goods and services	No	No
Employing local personnel	No	No

<sup>8</sup> All the non-resident Games Stakeholders listed under Section 1.2. (A), apart from IOC TMS, TOFCH, OBS SA, OCS SA, WADA and ITA

<sup>9</sup> IOC TMS, TOFCH, OBS SA, OCS SA, WADA and ITA

<sup>10</sup> The non-resident Games Stakeholders whose temporary presence in Japan is deemed to create a PE in the country are only entitled to sell goods and/or services that are indispensable to the organization and staging of the Games



## 2 | Special Tax Measures & Consumption Tax Refund

This section provides an overview of i) the special tax measures introduced by the Tax Reform with regards to corporate income tax, withholding income tax, individual income tax and local tax, as well as ii) the rules to be observed in order to obtain a consumption tax refund.

### IMPORTANT:

This document focuses on the non-resident Games Stakeholders who will carry out Olympic and/or Paralympic Games related activities in Japan. Should your on-site activities extend beyond the scope of the Games, we strongly recommend that you seek advice and assistance from a local tax specialist, in order to better understand how your operations will be treated under the Japanese tax law.

### 2.1 Corporate income tax (levied at national level)

The on-site Games related activities conducted, during the period between 1 April 2019 and 31 December 2021, by the following non-resident Games Stakeholders, whose temporary presence in Japan is deemed to constitute a PE in the country, will be exempt from corporate income tax, pursuant to the Tax Reform. We underline that the corporate income tax exemption is limited to the Games related activities attributable to the PE constituted in Japan.

Category of Games Stakeholders	Covered entities <sup>11</sup>
Entities organizing the Games	IOC and IPC
Entities producing the graphics of the Games	OBS SL and OCS SL
Entities holding the broadcasting rights of the Games	RHBs and their affiliates designated by the IOC/IPC (please refer to Annex 3)
Entities displaying the scores and result of the Games	Atos Spain, OMEGA, Swiss Timing and ST sportservice
Entities performing other Games related activities	NOCs/NPCs, IFs/IPSFs, CAS, TOP Partners and their affiliates appointed by Minister of Education, Culture, Sports, Science and Technology (please refer to Annex 4)

The non-resident entities who are exempt from corporate income tax will not be required to file a corporate income tax return with the Japanese tax authorities. No specific compliance procedure needs to be completed, in order to qualify for the corporate income tax exemption.

Please note that the Games related activities of the non-resident Games Stakeholders, whose temporary presence in Japan is not deemed to constitute a PE in the country (i.e. IOC TMS, TOFCH, OBS SA, OCS SA, WADA and ITA—please refer to Section 1.3.), are out of the scope of corporate income tax.

<sup>11</sup> Based on the information available and after consulting the Japanese tax authorities, Tokyo 2020 have confirmed, that the Games related activities conducted in Japan by the IOC, the IPC, Atos Spain, OMEGA, Swiss Timing and ST sportservice prior to 1st April 2019 would not trigger any adverse corporate income tax implication.

## 2.2 Withholding income tax (levied at national level)

Royalties, generated from Games-related activities, to be conducted by the following non-resident Games Stakeholders during the period between 1 April 2019 and 31 December 2021 will be exempt from withholding income tax, pursuant to the Tax Reform:

Covered Games Stakeholders (Payee)	Entities/Individuals (Payer)
IOC	Entities conducting activities related to preparation and staging of Olympic Games Tokyo 2020 in Japan
IPC	Entities conducting activities related to preparation and staging of Tokyo 2020 Paralympic Games in Japan
Atos Spain	Entities conducting activities related to preparation and staging of Tokyo 2020 Games in Japan
TOP Partners and their affiliates appointed by the Minister of Education, Culture, Sports, Science and Technology (please refer to Annex4)	Entities/individuals conducting activities related to preparation and staging of Tokyo 2020 Games in Japan

No specific compliance procedure needs to be completed by either the payer and/or the payee, in order to qualify for the withholding income tax exemption.

## 2.3 Local tax (related to corporate income tax)

Pursuant to the Tax Reform, no local tax will be levied on the on-site Games related activities performed by the non-resident Games Stakeholders listed in Section 2.1. In particular, the on-site Games related activities conducted during the period between 1 April 2019 and 31 December 2021 will be exempt from corporate inhabitant tax, corporate enterprise tax and special local corporate tax.

No specific compliance procedure needs to be completed, in order to qualify for the local tax exemption.

## 2.4 Individual income tax (levied at national level)

Pursuant to the Tax Reform, the following categories of non-resident individuals will be granted an income tax exemption in relation to certain income generated as part of their Games related activities conducted during the period between 1 April 2019 and 31 December 2021.

Category of Games Stakeholders	Covered individuals	Covered income
Athletes of the Games	Athletes participating to the Games	Reward received upon the achievement of outstanding performance in the Games, grant and salaries/considerations to be trained in Japan post registration as an athlete
Official members of the team	Official members of the team supporting the athletes participating to the Games	Salaries/considerations received for coaching or supporting athletes (post registration as athletes) participating to the Games before and during the Games
Referees	Referees participating to the Games	Salaries/considerations received for officiating during the Games and to be trained in Japan post assignment as referee
Individuals performing other Games related activities	Executives and employees <sup>12</sup> of non-resident entities listed under Section 1.2. (A) <sup>13</sup>	Salaries/Considerations paid by non-resident entities listed under Section 1.2.(A) for conducting Games related activities

The non-resident individuals whose Japan source income is exempt from individual income tax will not be required to file an individual income tax return. No specific compliance procedure needs to be completed, in order to qualify for the individual income tax exemption.

## 2.5 Local tax (related to Individual income tax)

Pursuant to the Tax Reform, no local tax will be levied on the on-site Games related activities performed by the non-resident Games Stakeholders listed in Section 2.4. In particular, the covered income listed in section 2.4 deriving from Games related activities conducted during the period between 1 April 2019 and 31 December 2021 will be exempt from individual inhabitant tax.

No specific compliance procedure needs to be completed, in order to qualify for the local tax exemption.

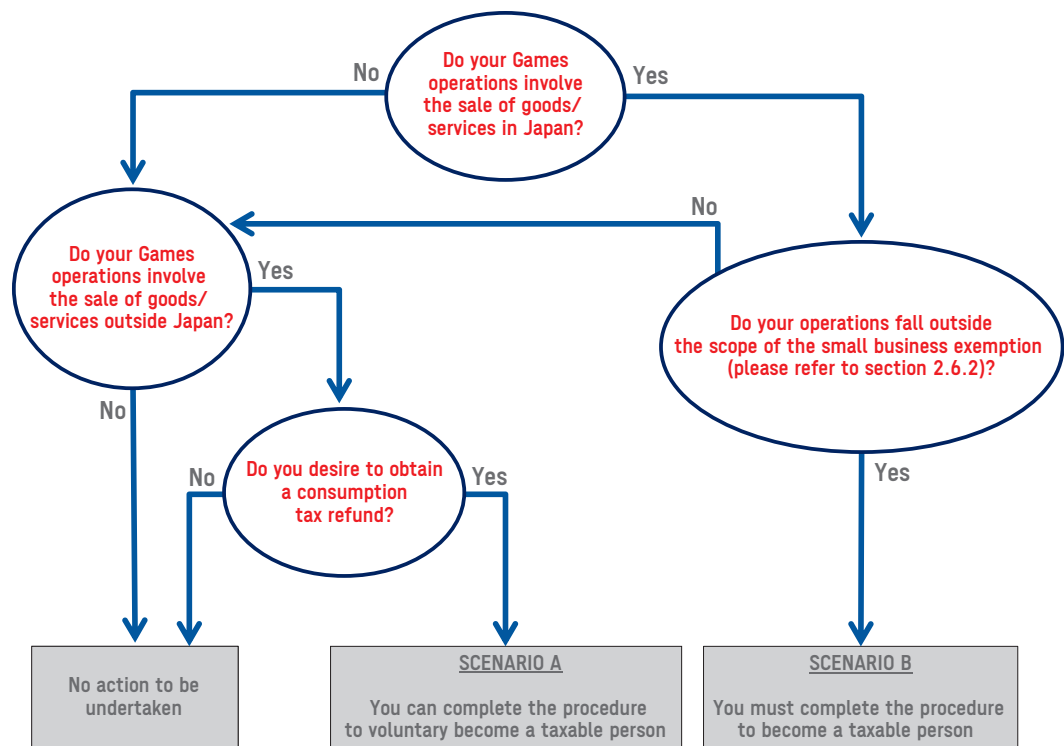
<sup>12</sup> Including freelance photographers, cameramen, etc. contracted by OBS SL, OCS SL, RHBs and their affiliates designated by the IOC/IPC (please refer to Annex 3), TOP Partners and their affiliates appointed by the Minister of Education, Culture, Sports, Science and Technology (please refer to Annex 4)

<sup>13</sup> Excluding OBS SA and OCS SA

## 2.6 Consumption tax refund

The consumption tax refund granted to the non-resident Games Stakeholders will depend on the nature of the activities they will perform and the duration of their presence in Japan.

If you fall in one of the categories of non-resident Games Stakeholders listed under Section 1.2. (A), the decision chart below will help you determine how you should be treated under the Consumption Tax Act. Please run this decision chart for every fiscal year you will operate in Japan.



### 2.6.1 Scenario A: No sales in Japan<sup>14</sup>

Under the Consumption Tax Act, non-resident entities who have no history of doing business in Japan and who do not intend to make any sale of goods or services in the country qualify as tax exempt entities. Please note that non-resident entities whose on-site operations fall within the scope of the small business exemption are also treated as tax exempt entities (please refer to Section 2.6.2 below). Tax exempt entities are not required to file a consumption tax return and they are not authorized to claim a refund for the consumption tax they paid on the purchase of goods and services in Japan.

<sup>14</sup> Scenario A is also applicable to tax exempt entities, as entities subject to small business exemption

However, the non-resident Games Stakeholders who are tax exempt entities can voluntarily elect to become a taxable entity<sup>15</sup> (or a taxpayer), in order to be entitled to claim a refund of the consumption tax they paid on the acquisition of goods/services in Japan for business purposes. If they elect for a taxable entity status, the non-resident Games Stakeholders whose on-site operations fall within the scope of the small business exemption are also required to collect consumption tax on their taxable sales and file relevant tax return.

In case you are not intending to make any sales in Japan (or if you qualify as a small business exempt from consumption tax—please refer to Section 2.6.2 below) and desire to obtain a refund of the consumption tax you will incur on your Games related expenses, you must complete the procedure to voluntarily become a taxable entity by complying with all the requirements stated in Section 3.1.

Should you not desire to obtain a consumption tax refund, no further action needs to be undertaken.

## 2.6.2 Scenario B: Taxable sales in Japan<sup>16</sup>

Under the Consumption Tax Act, a taxable entity (or a taxpayer) is any business entity or individual that makes taxable supplies of goods or services in the course of doing business in Japan.

The non-resident Games Stakeholders whose Games related activities will include the sale of goods or services in Japan<sup>17</sup> (excluding non-taxable sales<sup>18</sup>) and whose volume of sales of the base period or specified period will fall outside the scope of the small business exemption (see below) qualify as taxable entities. As such, they are subject to the same rules and procedures as the regular business entities located in Japan. In particular, they are required to collect and declare consumption tax on their taxable sales of goods and services and are authorized to claim a refund for the consumption tax they paid on the acquisition of goods and services in Japan for business purposes.

In case you are intending to make taxable sales in Japan, you must promptly declare yourself as a taxable entity to the Japanese tax authorities and you must file all the documents stated in Section 3.2.

---

<sup>15</sup> Defined as a “proprietor” in the Consumption Tax Act (please refer to Annex 2)

<sup>16</sup> Scenario B is applicable to taxable entities only.

<sup>17</sup> The criteria for determining whether a transaction is located in Japan depends on the type of asset or service involved. Generally speaking, if the location of the asset at the time of transfer or leasing, or the place where the service was provided, is in Japan, this will qualify as a transaction located in Japan.

<sup>18</sup> The term “non-taxable sales” refers to sales of goods and services which are not liable to consumption tax and which do not give rise to a right of input consumption tax recovery (i.e. (a) transfer of land or lease of land, (b) transfer of securities, (c) interest on savings, (d) transfer of gift voucher, (e) transfer or lease of goods for physically disabled and (f) lease of housing units)

### Small business exemption

Entities whose operations fall within the scope of the small business exemption are not considered as taxable entities. An entity falls within the scope of the small business exemption, and therefore qualifies as a tax exempt entity, if its operations meet both of the following conditions (also called the taxable sales criteria):

1. The taxable supplies (or sales) made by the entity in the “base period” (i.e. the fiscal year<sup>19</sup> two years prior to the current fiscal year) did not exceed JPY 10 million<sup>20</sup>; and
2. The taxable supplies (or sales) made by the entity in the “specified period” (i.e. the first six months of the previous fiscal year) did not exceed JPY 10 million.

The tax exempt status will generally apply in the first year to any entity who has never engaged in business activities in Japan, since such an entity will most probably meet the above two cumulative conditions.

#### **Example for the non-resident Games Stakeholders who close their accounting books end of December:**

If, during Games time (from 23 July to 8 August 2021), a non-resident Games Stakeholder sells or leases broadcasting equipment through its rate-card system in Japan for a total value of JPY 15 million, its operations will fall within the scope of the small business exemption; unless said non-resident Games Stakeholder had made other taxable supplies exceeding JPY 10 million during the fiscal year 2019 (the “based period”) or the period from 1 January to 30 June 2020 (the “specified period”).

If your Games related operations fulfill the above two conditions, then you fall within the scope of a tax exempt entity. As a result, you will not be required to register as a taxable entity, to the extent you do not desire to obtain a consumption tax refund (please go to Section 2.6.1).

---

<sup>19</sup> For the purposes of this Guide, we have assumed that the fiscal year corresponds to the calendar year (i.e. from 1 January to 31 December). Please seek advice and assistance from a local tax advisor if your fiscal year is different.

<sup>20</sup> Approximately USD 90,000

# 3 | Procedure to claim for the Consumption Tax Refund

## 3.1 Voluntary registration as taxable entity (Scenario A)

In order to recover the consumption tax incurred on their Games related expenses, the non-resident Games Stakeholders who qualify as tax exempt entities (please refer to Section 2.6.1) can elect to become a taxable entity by completing the procedure outlined below.

Eligible entities	<ul style="list-style-type: none"> <li>• Please refer to Section 1.2. (A)</li> </ul>						
Eligible goods and services	<ul style="list-style-type: none"> <li>• Transactions eligible for a refund of consumption tax in Japan are limited to those resulting from business activities. Therefore, consumption tax may not be recovered on purchases of goods and service that are not used for business purposes (for instance, goods acquired for private use)</li> </ul>						
	<table border="1"> <thead> <tr> <th data-bbox="644 815 1024 958">Examples of goods/ services eligible for consumption tax refund</th> <th data-bbox="1024 815 1404 958">Examples of goods/ services not eligible for consumption tax refund</th> </tr> </thead> <tbody> <tr> <td data-bbox="644 958 1024 1133"> <ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase for business-use equipment</li> <li>• Consumption tax paid on a taxi fare for business-use</li> </ul> </td> <td data-bbox="1024 958 1404 1133"> <ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase of gift for your family</li> <li>• Consumption tax paid at a restaurant for a meal with friends</li> </ul> </td> </tr> </tbody> </table>	Examples of goods/ services eligible for consumption tax refund	Examples of goods/ services not eligible for consumption tax refund	<ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase for business-use equipment</li> <li>• Consumption tax paid on a taxi fare for business-use</li> </ul>	<ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase of gift for your family</li> <li>• Consumption tax paid at a restaurant for a meal with friends</li> </ul>	<table border="1"> <thead> <tr> <th data-bbox="1024 815 1404 958">Examples of goods/ services not eligible for consumption tax refund</th> </tr> </thead> <tbody> <tr> <td data-bbox="1024 958 1404 1133"> <ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase of gift for your family</li> <li>• Consumption tax paid at a restaurant for a meal with friends</li> </ul> </td> </tr> </tbody> </table>	Examples of goods/ services not eligible for consumption tax refund
Examples of goods/ services eligible for consumption tax refund	Examples of goods/ services not eligible for consumption tax refund						
<ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase for business-use equipment</li> <li>• Consumption tax paid on a taxi fare for business-use</li> </ul>	<ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase of gift for your family</li> <li>• Consumption tax paid at a restaurant for a meal with friends</li> </ul>						
Examples of goods/ services not eligible for consumption tax refund							
<ul style="list-style-type: none"> <li>• Consumption tax paid on a purchase of gift for your family</li> <li>• Consumption tax paid at a restaurant for a meal with friends</li> </ul>							
Tax agent	<ul style="list-style-type: none"> <li>• The non-resident Games Stakeholders who do not have an office in Japan nor expect to have one must appoint a Japanese tax agent<sup>21</sup>, in order to deal with their consumption tax obligations</li> <li>• A tax agent is appointed through the filing of a “<b>Notification of Tax Agent for Consumption Tax</b>” (please refer to Template 6.1) with the district director of the regional tax bureau</li> <li>• Ernst &amp; Young Tax Co., a tax advisor contracted by Tokyo 2020, may serve as tax agent of the non-resident Games Stakeholders listed under Section 1.2.(A)</li> </ul>						

<sup>21</sup> Please note that any individual or corporation with an address in Japan can be appointed as tax agent.

### Required documents

- Complete and submit the “**Report on the Selection of Taxable Proprietor Status for Consumption Tax**” (please refer to Template 6.2) together with the “Notification of Tax Agent for Consumption Tax” to the district director of the regional tax bureau (Kojimachi tax office recommended<sup>22</sup>). The “Report on the Selection of Taxable Proprietor Status for Consumption Tax” must be submitted by the last day of the taxable period for which a business enterprise intends to select the taxable entity status, if the entity has had no business in Japan<sup>23</sup>. For instance, the non-resident Games Stakeholders whose accounting books close at the end of December and who desire to obtain a refund of the consumption tax they incurred during the period between 1 January and 31 December 2021 must file a “Report on the Selection of Taxable Proprietor Status for Consumption Tax” by 31 December 2021
- To claim the refund of consumption tax, complete and file an annual “**Consumption Tax Return**” (please refer to Template 6.3) with the district director of the regional tax bureau, even if you have not made any taxable supplies in Japan during the fiscal year. Please note that the consumption tax return can be filed within 5 years of the date following the last day of the corresponding taxable period
- The non-resident Games Stakeholders which will make taxable sales falling within the scope of the small business exemption (please refer to section 2.6.2) in the base period and the specified period cannot file a consumption tax return unless they submit a “Report on the Selection of Taxable Proprietor Status for Consumption tax”
- Other supporting documents, such as the **booked records / ledgers, tax invoices, delivery slip, purchase agreement**, must be preserved for 7 years and 2 months after the end of the fiscal year in which the transaction took place<sup>24</sup>. For convenience, we recommend storing copies/data of the supporting documents at the tax agent appointed in Japan
- In case the non-resident Games Stakeholders listed under Section 1.2.(A) appoint Ernst & Young Tax Co. as their tax agent, Ernst & Young Tax Co. will be submitting all the documents to the regional tax bureau on their behalf. Please refer to Section 3.3, for more details.

<sup>22</sup> Please note that another tax office may have to be selected, in case your organization has a place of central business operation in Japan (i.e. an office or any place similar to an office including but not limited to an affiliate, a subsidiary, or an agent).

<sup>23</sup> The entity must submit said report by the last day of the previous taxable period of the year to be treated as taxable proprietor if it operated business in Japan anytime during the two prior years.

<sup>24</sup> For instance, for the fiscal year ending on 31 December 2021, the supporting documents must be preserved until end of February 2029.



<p style="text-align: center;"><b>Items to be reported on booked records and valid tax invoice</b></p>	<ul style="list-style-type: none"> <li>• As mentioned under “Required documents” above, in order to recover consumption tax, the Games Stakeholders must retain booked records and invoices containing the following mandatory information. <ul style="list-style-type: none"> <li>- Name of the counterparty in the taxable purchase transaction</li> <li>- Date of the taxable purchase transaction</li> <li>- Description of asset or service relating to the taxable purchase (including a reference to the reduced tax rate, if applicable)</li> <li>- Amount paid for the taxable purchase</li> <li>- Name and title of party receiving invoice (only for invoices)</li> </ul> </li> </ul> <p>Please also note that the consumption tax balance does not need to be shown separately on the face of the invoice</p> <ul style="list-style-type: none"> <li>• Please note that rules apply to transactions under JPY 30,000, please refer to Q4 of Section 5.</li> </ul>
<p style="text-align: center;"><b>Refund</b></p>	<ul style="list-style-type: none"> <li>• Consumption tax refund for all Games Stakeholders will be paid in JPY all to existing single deposit account opened at a bank in Japan for refund as a sole purpose, which will then be transferred (in JPY or another currency – subject to negotiation with the tax agent) to the deposit account of the non-resident Games Stakeholders</li> <li>• In general, a refund will be received within approximately 2 to 3 months after filing a Consumption Tax Return (in some cases, it may be more than 3 months depending on the review status)</li> <li>• Please note that the frequency in claiming tax refund can be changed to quarterly or monthly, instead of the general annual basis, by filing a <b>“Notification of choosing Application for Special Provisions on Taxable Period”</b> (please refer to Template 6.4). If you would like to shorten your taxable period, we strongly recommend that you seek advice and assistance from a local tax advisor, as it will have an impact from a procedural perspective.</li> </ul>
<p style="text-align: center;"><b>Deregistration</b></p>	<ul style="list-style-type: none"> <li>• A taxable entity who made a voluntary selection of taxable proprietor status is not required to file a Consumption Tax Return, if it has no taxable sales and expenses during the taxable period.</li> <li>• A voluntary taxable entity can cancel its registration by filing a <b>“Report on the Rescission of Taxable Business entity Status”</b> (please refer to Template 6.5). However, a submission of “Report on the Rescission of Taxable Business entity Status” is only allowed on a day after the first day of the taxable period that would be counted as 2 years have elapsed from the first day of the first taxable period. Deregistration is acknowledged from the period following the taxable period in which the “Report on the Rescission of Taxable Business entity Status” is submitted.</li> <li>• For example, if an entity with the fiscal year end of 31 December that had no business in Japan submits the “Report on the Selection of Taxable Proprietor Status for Consumption Tax” in December 2021 for the first taxable period to begin from the 1 January 2021, the submission of “Report on the Rescission of Taxable Business entity Status” will be allowed from 1 January 2022 for the voluntary taxable proprietor status to be terminated from the 1 January 2023 and onwards.</li> </ul>

## 3.2 Mandatory registration as taxable entity (Scenario B)

The non-resident Games Stakeholders who qualify as taxable entity must promptly declare themselves to the Japanese tax authorities by completing the procedure outlined below.

Eligible entities	<ul style="list-style-type: none"> <li>• Please refer to Section 1.2. (A)</li> </ul>
Eligible goods and services	<ul style="list-style-type: none"> <li>• Please refer to Section 3.1.</li> </ul>
Tax agent	<ul style="list-style-type: none"> <li>• Please refer to Section 3.1.</li> </ul>
Required documents	<ul style="list-style-type: none"> <li>• You do not need to complete and submit the “Report on the Selection of Taxable Proprietor Status for Consumption Tax” (please refer to Section 3.1), but rather, the “<b>Notification of taxable entity status</b>” (please refer to Template 6.6.1 and 6.6.2) must be filed.</li> <li>• Complete and submit an annual “<b>Consumption Tax Return</b>” (please refer to Template 6.3) together with the “<b>Notification of Tax Agent for Consumption Tax</b>” (please refer to Section 3.1) to the district director of the regional tax bureau (Kojimachi tax office recommended<sup>25</sup>).</li> <li>• The non-resident Games Stakeholders must file an annual Consumption Tax Return and pay the consumption tax due (if any) within two months after the fiscal year end. The Japanese tax authorities do not grant an extension of filing/payment deadline</li> <li>• Other supporting documents, such as the <b>booked records / ledgers, tax invoices, delivery slip, purchase agreement</b>, must be preserved for 7 years and 2 months after the end of the fiscal year in which the transaction took place. For convenience, we recommend storing copies/data of the supporting documents at the tax agent appointed in Japan</li> <li>• In case the non-resident Games Stakeholders listed under Section 1.2.(A) appoint Ernst &amp; Young Tax Co. as their tax agent, Ernst &amp; Young Tax Co. will be submitting all the documents to the regional tax bureau on their behalf. Please refer to Section 3.3, for more details.</li> </ul>
Items to be reported on booked records and valid tax invoice	<ul style="list-style-type: none"> <li>• Please refer to Section 3.1.</li> </ul>
Refund	<ul style="list-style-type: none"> <li>• Please refer to Section 3.1.</li> </ul>
Deregistration	<ul style="list-style-type: none"> <li>• A taxable entity is not required to file a Consumption Tax Return, if it has no taxable sales and expenses during the taxable period</li> <li>• The taxable entity is required to promptly file a “<b>Notification of Tax-exempt entity</b>” (please refer to Template 6.7), in order to declare that it is no longer a taxable entity. Please note that the 2 years restriction for deregistration under Scenario A is not applicable under Scenario B.</li> </ul>

<sup>25</sup> Please note that another tax office may have to be selected, in case your organization has a place of central business operation in Japan (i.e. an office or any place similar to an office including but not limited to an affiliate, a subsidiary, or an agent).

### 3.3 Website for claiming consumption tax refund

The non-resident Games Stakeholders listed under Section 1.2.(A) who want to appoint Ernst & Young Tax Co. as tax agent, can access the EY Japanese Consumption Tax portal below and enter the relevant information in claiming refund for the consumption tax paid on their taxable purchases in Japan.

<https://eytaxrefunddesk.ey.com/>

Please follow the procedures below to access the EY Japanese Consumption Tax portal:

1. Click the link “Register here”
2. Read through the privacy notice, consent by checking the button and pressing “I agree”
3. Enter your registration information
4. “Registration reference number” will be assigned upon completion

Ernst & Young Tax Co. will then review the submitted information to confirm you are eligible to use this portal. Please note you will not be able to log in to the portal with “Registration reference number” until the review is completed by EY. The review process may take few days. Ernst & Young Tax Co. will issue the user ID and password once approved. You can then login as “Not an EY user” with your user ID and password to be sent to your registered email address through the separate email.

#### NOTES:

- As Tokyo 2020 Games are postponed until 2021, the new user registration to the portal is temporary suspended for the period between 15 October 2020 and 1 April 2021,
- As for the non-resident Games Stakeholders who have already registered as a portal user, you can still login to the portal and proceed with the refund process during the period of suspension of new user registration.

#### **IMPORTANT:**

Ernst & Young Tax Co., contracted by Tokyo 2020, is engaged in the support as handling the queries, preparation and submission of consumption tax returns, free of charge for the non-resident Games Stakeholders listed under Section 1.2.(A) through the portal above. However, we draw your attention to the fact that any service which goes beyond the above scope (e.g. queries concerning non-Games related activities) cannot be provided free of charge.

## 4 | Opening bank account (for Corporation)

Tokyo 2020 has the following two banking sponsors:

- Mizuho Bank, Ltd. which is going to open a temporary bank in IBC/MPC;
- Sumitomo Mitsui Banking Corporation which is going to open a temporary bank in Athletes' Village during Games-time.

Mizuho Bank has issued "BANKING SERVICE FOR IBC/MPC", which is available on OBS's portal site for RHBs and Sumitomo Mitsui Banking Corporation has issued the "Procedure Flow for A/C Open Sumitomo Mitsui Banking Corporation", which is available on Tokyo 2020 Connect for NOCs/NPCs. For detailed information on opening bank account procedure, please refer to these manuals.

The Games Stakeholders, except RHBs and NOCs/NPCs, who want to know how to open a bank account in Japan can contact the banking sponsors at the following address:

- Mizuho Bank: [bankaccount.tokyo@mizuho-bk.co.jp](mailto:bankaccount.tokyo@mizuho-bk.co.jp)
- Sumitomo Mitsui Banking Corporation:  
[Namekawa\\_Koji@vb.smbc.co.jp](mailto:Namekawa_Koji@vb.smbc.co.jp) [Saito\\_Yuki@ub.smbc.co.jp](mailto:Saito_Yuki@ub.smbc.co.jp)

If you have other general questions, please email to: [tax@tokyo2020.jp](mailto:tax@tokyo2020.jp)

The Service level of each bank are described in the following table.

		Mizuho Bank, Ltd. (IBC/MPC)	Sumitomo Mitsui Banking Corporation (Athletes' Village)
Service level	Openable bank account	Yen-base savings account (for non-resident)	Same as left
	Issuing cash card	Available Deposit and withdrawal under JPY 100,000 per day are available Transfer transactions is not available	Available Deposit and withdrawal are available Transfer transactions is not available
	Internet banking	Oversea remittance and domestic remittance are both available (Note that domestic remittance needs similar transfer fees and verification as overseas one)	Oversea remittance and domestic remittance are both available (Note that domestic remittance needs similar verification as overseas one) Also, various fees will be charged
	Foreign currency exchange	Available only for cash exchange (foreign currency exchange machine only) Supported currencies; Buying:US dollar, Euro, Korean won, Chinese yuan Selling:US dollar, British pound, Euro, Canadian dollar, Swiss franc, Australian dollar, Korean won, Chinese yuan, Hong Kong dollar, Taiwanese dollar, Singapore dollar, Swedish Krona, New Zealand Dollar	Available only for cash exchange Supported currencies; US Dollar, Canadian Dollar, Brazilian Reals, Euro, British Pound, Swiss Franc, China Renminbi, Korean Won, Taiwanese Dollar, Hong Kong Dollar, Thai Baht, Indonesia Rupiah, Malaysian Ringgit, Singapore Dollar, Australian Dollar, New Zealand Dollar, Swedish Krona, Danish Krone, Norwegian Kroner, Russian Ruble, Philippine Peso

# 5 | FAQs

## Special Tax Measures

### **Q1: Would test events hosted by IF/NF be subject to the special tax measures?**

A1: In case the game is hosted by the entity other than the main organizer of Tokyo 2020 Games, as IF/NF, the activity does not relate to “preparation and staging of Tokyo 2020 Games” to be qualified for the tax exemption, even if the games are classified as test event. As such, it would not be subject to the special tax measures.

### **Q2: Would a hospitality house operated by NOC/NPC be subject to the special tax measures?**

A2: The activity of a hospitality house is not directly related to the mission of a NOC/NPC for preparation and staging of Tokyo 2020 Games” (i.e. lead its delegation at the Olympic Games). Therefore, this type of activity does not qualify for the special tax measures and should be normally treated under the existing Japanese tax law.

### **Q3: Please provide us with the process to be undertaken by the non-resident TOP Partners (or its affiliates) in order to be appointed by Minister of Education, Culture, Sports, Science and Technology.**

A3: In order for them to be appointed by the Minister of Education, Culture, Sports, Science and Technology, the non-resident TOP Partners or their affiliates must conclude an agreement with Tokyo 2020 for the supply of goods and/or services that are indispensable to the preparation and staging of the Tokyo 2020 Games.

The appointment by Minister of Education, Culture, Sports, Science and Technology is granted through the discussion with Minister of Finance once the conditions are met and agreement is reached between Tokyo 2020 and Ministry of Education, Culture, Sports, Science and Technology.

The non-resident TOP Partners or their affiliates who wish to be appointed by Minister of Education, Culture, Sports, Science and Technology must contact Tokyo 2020 with the information regarding activities to be performed for the Tokyo 2020 Games (e-mail address: [tax@tokyo2020.jp](mailto:tax@tokyo2020.jp)).

# Consumption Tax

## Transactions subject to tax

### **Q1: How is a transaction determined as having occurred in Japan?**

A1: The criteria for determining whether a transaction occurred in Japan depends on the type of asset or service involved. However, generally speaking, if the location of the asset at the time of transfer or leasing, or the location where the service was provided, is in Japan, then this will be a transaction that occurred in Japan.

### **Q2: If the location where a service was provided is not limited to, or cannot be specified as being in Japan, then how is the transaction determined as having occurred in Japan?**

A2: As the location is established separately based on the details of the service, please inquire Tokyo 2020 or consult a tax advisor. If the location cannot be determined even through such separate provisions, it is determined as the location of the office or other place of business relating to the service provider.

### **Q3: Are gratis or free of charge asset transfers or leases, or provisions of services subject to consumption tax?**

A3: Generally, transactions where no consideration was paid or received do not correspond as transactions subject to consumption tax.

### **Q4: Please inform us on ledger and document preservation obligations regarding petty cash disbursements.**

A4: Please note that any transaction under JPY 30,000<sup>26</sup> may be deducted based only on the preserved ledger indicating statutory matters. If invoices, etc. are not obtainable due to unavoidable circumstances (e.g. vending machine purchases), the unavoidable circumstances and counterparty address and other statutory matters may be indicated in the ledger in lieu of preserving invoices, etc.

---

<sup>26</sup> Approximately USD 270

## Input consumption tax paid subject to deduction or refund

### **Q5: Regarding the paid input consumption tax amount, can the entire amount be deducted or refunded in the consumption tax declaration?**

A5: Business operators only engaged in taxable asset transfers or whose taxable sales are both equal to or under JPY 500 million<sup>27</sup> and the proportion of taxable sales is 95 per cent or more during the taxable period may deduct or be refunded the entire paid amount of input consumption tax. However, in case the business entity does not correspond to any of the foregoing, a certain amount of consumption tax relating to taxable purchases, etc. may be deducted based on certain calculation method (for details, please consult a tax advisor).

For example, if a business has taxable sales of JPY 90 million and non-taxable sales of JPY 10 million, its taxable sales ratio would be 90 per cent. Under the proportional allotment method, even if the business has taxable purchases of JPY 100 million and paid JPY 8 million as input consumption tax, the deducted/refunded input tax balance may be limited to JPY 7.2 million (JPY 8 million x 90 per cent).

## Import consumption tax

### **Q6: Would the import of the goods to be used for Games related activities be subject to the import consumption tax? If so, would the paid import consumption tax be refundable?**

A6: In general, the import of the goods to be used for Games related activities in Japan is exempt from customs duty/import consumption tax if it is conducted in accordance with the procedure for tax exemption under the TOKYO 2020 CUSTOMS & FREIGHT FORWARDING GUIDE. However, it may be subject to the customs duty/import consumption tax at the time of import into Japan, if the Olympic Stakeholders fail to take appropriate procedure etc. Even though, it may be refundable by the filing of Consumption Tax Return when the Olympic Stakeholders import the goods by themselves by taking the position as importer. To claim refund, please file and retain the import consumption tax return under the name of Olympic Stakeholders.

## Final returns and refund declarations

### **Q7: May the name of the taxpayer indicated in the declaration be written in the native language (katakana)?**

A7: Please include both the spelling in alphabet and katakana.

---

<sup>27</sup> Approximately USD 4.5 million



# 6 | Templates

Here is a free English translation of the following templates which must be filed using the official Japanese form.

## 6.1 Notification of Tax Agent for Consumption Tax

Form 9

### Notification of Tax Agent for Consumption Tax

Stamp			
Person making notification	(Kana reading) Place of tax payment	Postal code:	
	(Kana reading) Name or trade name and representative's name	Telephone:	
	Individual Number or Corporate number	↓ Leaving the leftmost cell empty, fill in your Individual Number beginning with the cell below this arrow.	
District Director of Tax Office			
I hereby give notification on the tax agent for consumption tax as follows.			
Tax Agent	(Kana reading) Address or place of residence (For corporations) Location of the head office or principal office	Postal code:	
	(Kana reading) Name or trade name and representative's name	Telephone:	
	Relation to taxpayer		Seal
	Occupation or details of business		
Addresses or place of residence outside Japan			
Reason for appointing the Tax Agent			
Matters for reference			
Certified public tax accountant's signature and seal		Telephone:	Seal

## 6.2 Report on the Selection of Taxable Proprietor Status for Consumption Tax

Form 1

### Report on the Selection of Taxable Proprietor for Consumption Tax

Stamp		Person making notification	(Kana reading) Place of tax payment	Postal code: Telephone:
District Director of Tax Office			(Kana reading) Address or place of residence (For corporation) Location of the head office or principal office	Postal code: Telephone:
			(Kana reading) Name (Trade name)	
			Individual Number or Corporate number	↓ Leaving the leftmost cell empty, fill in your Individual Number beginning with the cell below this arrow.
			(Kana reading) Name (For corporation) Representative's name	Seal
			(Kana reading) (For corporations) Representative's address	Telephone:
I hereby give notification under Paragraph 4 of Article 9 of the Consumption Tax Act that I choose not to be exempted from tax liabilities as follows.				
Taxable period of starting the application		From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY)		
Base period for the above period	From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY)		Total sales for the period mentioned on the left	Ye n
			Taxable sales for the period mentioned on the left	Ye n
Details of business, etc.	Date of birth (for sole proprietors or date of establishment (for corporations))	Required only for corporations	Business year	From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY) Ye n
	Details of business		Capital	
Matters for reference		:	Notification category	Commencement of business • Establishment • Inheritance • Merger • Split • Other
			Certified public tax accountant's signature and seal	Seal
				Telephone

## 6.3 Consumption Tax Return

### Consumption Tax Return

From Heisei       
To Reiwa

FINAL return form for consumption  
and local consumption taxes  
for the taxable period

Taxable  
period for  
interim return  
From Heisei       
To Reiwa

Calculation of the amount of national consumption tax			
Taxable basis		①	03
Consumption tax (3% or 4% or 6.3% of the above)		②	06
Tax adjustment for excess deduction		③	07
Deductible Tax	Deductible tax on purchases	④	08
	Tax on refunds and other charges	⑤	09
	Tax on bad debt loss	⑥	10
	subtotal of deductible tax (④+⑤+⑥)	⑦	
Balance of tax refundable (⑦-②-③)		⑧	13
Balance of tax payable (②+③-⑦)		⑨	15
National tax interim payments		⑩	16
Net balance of tax payable (⑨-⑩)		⑪	17
Refundable of interim payments (⑩-⑨)		⑫	18
If this is an amended return	Previously finalized tax	⑬	19
	Balance of tax payable	⑭	20
Taxable sales ratio	The amount of the transfer value of taxable assets, etc.	⑮	21
	The amount of the transfer value of assets, etc.	⑯	22
Calculation of the amount of local consumption tax			
Consumption tax as local consumption taxable basis	Balance of tax refundable	⑰	51
	Balance of tax payable	⑱	52
Local tax amount	Refundable amount	⑲	53
	Payable amount	⑳	54
Local tax interim payments		㉑	55
Payable amount		㉒	56
Refundable of local tax interim payments		㉓	57
If this is an amended return	Local tax amount previously finalized	㉔	58
	Balance of local tax payable	㉕	59
Total of national and local consumption taxes (payable or refundable)		㉖	60

## 6.4 Notification of Choosing Application for Special Provisions on Taxable Period

Form 13

### Notification of Choosing Application for Special Provisions on Taxable Period

Stamp of receipt _____ (DD/MM/YYYY)   District Director of Tax Office	Person making notification	(Kana reading)	Postal code: _____											
		Place of tax payment	Telephone: _____											
		(Kana reading)												
		Personal or corporate name and representative's name	Seal											
	Corporate number	<table border="1" style="width: 100%; height: 40px;"> <tr> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>												
I hereby give notification to shorten or change the taxable period to a period stipulated in Item 3, 3-2, 4 or 4-2 of Paragraph 1 of Article 19 of the Consumption Tax Act as follows.														
Business year	From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY)													
Date of application commencement or date of the change	___/___/___ (DD/MM/YYYY)													
Taxable period after application or change	Change to three-month period		Change to one-month period											
	From ___/___/(DD/MM) to ___/___/(DD/MM)		From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
	From ___/___/(DD/MM) to ___/___/(DD/MM)		From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
	From ___/___/(DD/MM) to ___/___/(DD/MM)		From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
			From ___/___/(DD/MM) to ___/___/(DD/MM)											
From ___/___/(DD/MM) to ___/___/(DD/MM)		From ___/___/(DD/MM) to ___/___/(DD/MM)												
		From ___/___/(DD/MM) to ___/___/(DD/MM)												
		From ___/___/(DD/MM) to ___/___/(DD/MM)												
Date of submission of the previous notification before the change	___/___/___ (DD/MM/YYYY)													
Application commencement date of the special provisions before the change	___/___/___ (DD/MM/YYYY)													
Matters for reference														
Certified public tax accountant's signature and seal	Telephone			Seal										


## 6.5 Report on the Rescission of Taxable Business entity Status

Form 2

### Report on the Rescission of Taxable Business entity Status

Stamp of

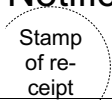
_____ (DD/MM/YYYY)	Petitioner	(Kana reading) Place of tax payment	Postal code:  Telephone:
		(Kana reading) Name or Title and Representative	_____ (印)
		Individual Number or Corporate number	↓ Leaving the leftmost cell empty, fill in your Individual Number beginning with the cell below this arrow. 
_____ Tax Office District Director			
As shown below, the petitioner intends to cease selection of taxable proprietor status, and therefore this notice is filed in accordance with the stipulations of Article 9-5 of the Consumption Tax Act.			
(1)	Taxable period in which the application of this report begins	From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY)	
(2)	Base period of (1)	From ___/___/___ (DD/MM/YYYY) to ___/___/___ (DD/MM/YYYY)	
(3)	Taxable net sales of (2)	JPY	
<small>*Even in cases wherein this report has been filed, in the event that taxable sales in the specified period (in principle, the six-month period beginning on 1 January of the year prior to the taxable period of (1) (for corporations, the six-month period beginning on the start date of the prior fiscal year)) exceeds JPY10 million, tax payment obligations with respect to the taxable period of (1) shall not be exempted.</small>			
Date on which the petitioner became a taxable proprietor		___/___/___ (DD/MM/YYYY)	
Date on which the business was ceased, if applicable		___/___/___ (DD/MM/YYYY)	
Confirmation of filing requirements		Petitioner has not conducted any taxable purchases, etc. of fixed assets subject to adjustment during each of the taxable periods which began during the period from the date on which the petitioner became a taxable proprietor to two years after said date.	Yes <input type="checkbox"/>
		<small>*In the event that the taxable period in which this report was submitted is a taxable period which began during the period from the date on which the petitioner became a taxable proprietor to two years after said date, and taxable purchases, etc. of adjustable fixed assets occur after the filing of this report during the taxable period in which this report was filed, in principle, this report will be deemed not to have been filed. For details, please see the reverse side of this document.</small>	
Reference matters			
Seal and signature of tax attorney		_____ Telephone:	

	Serial No.		Department No.	
---	------------	--	----------------	--

## 6.6.1 Notification of taxable entity status for consumption tax (for the “base period”)

Form 3-1

### Notification of taxable entity status for consumption tax (For base period)

		Person making notification	(Kana reading) Place of tax payment	Postal code: Telephone:
			(Kana reading) Address or place of residence (For corporation) Location of the head office or principal office	Postal code: Telephone:
(Kana reading) Name (Trade name)				
(Kana reading) Name (For corporation) Representative's name	Seal			
(Kana reading) (For corporations) Representative's address	Telephone:			
_____ District Director of Tax Office				
I hereby file this notification under the provisions of the Consumption Tax Law, Article 57, paragraph (1), item (i), because taxable sales exceed 10 million Yen for the base period.				
Taxable period of starting the application		From ___/___/____ (DD/MM/YYYY) to ___/___/____ (DD/MM/YYYY)		
Base period for the above period		From ___/___/____ (DD/MM/YYYY) to ___/___/____ (DD/MM/YYYY)		Total sales for the period mentioned on the left Yen
				Taxable sales for the period mentioned on the left Yen
Details of business, etc.	Date of birth (for sole proprietors or date of establishment (for corporations))		Required only for corporations	Business year From ___/___/____ (DD/MM/YYYY) to ___/___/____ (DD/MM/YYYY) Yen
	Capital			
	Details of business		Notification category	Commencement of business · Establishment · Inheritance · Merger · Split · Other
Matters for reference		:	Certified public tax accountant's signature and seal	Seal
				Telephone

## 6.6.2 Notification of taxable entity status for consumption tax (for the “specific period”)

Form 3-2


### Notification of taxable entity status for consumption tax (For specified period)

<p style="text-align: center;">Stamp of re- ceipt</p> <p style="text-align: center;">_____/_____/_____ (DD/MM/YYYY)</p> <p style="text-align: center;">District Director of Tax Office</p>		Person making notification	(Kana reading)	Postal code: _____	
			Place of tax payment	Telephone: _____	
			(Kana reading) Address or place of residence (For corporation) Location of the head office or principal office	Postal code: _____	
			(Kana reading) Name (Trade name)	Telephone: _____	
			(Kana reading) Name (For corporation) Representative's name	Seal	
			(Kana reading) (For corporations) Representative's address	Telephone: _____	
I hereby file this notification under the provisions of the Consumption Tax Law, Article 57, paragraph (1), item (i), because taxable sales exceed 10 million Yen for the specified period.					
Taxable period of starting the application		From ____/____/____ (DD/MM/YYYY) to ____/____/____ (DD/MM/YYYY)			
Specified period for the above period	From ____/____/____ (DD/MM/YYYY) to ____/____/____ (DD/MM/YYYY)	Total sales for the period mentioned on the left	Yen		
		Taxable sales for the period mentioned on the left	Yen		
		Amount of Salary Paid, etc. for the period to the left	Yen		
Details of business, etc.	Date of birth (for sole proprietors or date of establishment (for corporations))	Required only for corporations	Business year	From ____/____/____ (DD/MM/YYYY) to ____/____/____ (DD/MM/YYYY) Yen	
	Details of business		Capital		
		Notification category	Commencement of business · Establishment · Inheritance · Merger · SplitOther		
Matters for reference		:	Certified public tax accountant's signature and seal	Seal	
				Telephone	

## 6.7 Notification of Tax-exempt entity

Form 5

Notification of Tax-exempt entity



<p style="text-align: center;">____/____/____ (DD/MM/YYYY)</p>  <p style="text-align: center;">____ Tax Office District Director</p>	Petitioner	<p>(Kana reading)</p> <hr/> <p>Place of tax payment</p> <hr/> <p>(Kana reading) Name or Title and Representative</p> <div style="text-align: right;">(印)</div> <hr/> <p>Individual Number or Corporate number</p>	<p>Postal code: _____</p> <hr/> <p>Telephone: _____</p> <hr/> <p style="font-size: small;">↓ Leaving the leftmost cell empty, fill in your Individual Number beginning with the cell below this arrow.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> <td style="border: 1px solid black; width: 10%; height: 20px;"></td> </tr> </table>										
<p>As shown below, taxable entity status has been lost, and therefore this notice is filed in accordance with the stipulations of Article 57-1-2 of the Consumption Tax Act.</p>													
(1)	Taxable period in which the application of this report begins	<p>From ____/____/____ (DD/MM/YYYY) to ____/____/____ (DD/MM/YYYY)</p>											
(2)	Base period of (1)	<p>From ____/____/____ (DD/MM/YYYY) to ____/____/____ (DD/MM/YYYY)</p>											
(3)	Taxable net sales of (2)	JPY											
<p>*1 Even in cases wherein this report has been filed, in the event that taxable sales in the specified period (in principle, the six-month period beginning on 1 January of the year prior to the taxable period of (1) (for corporations, the six-month period beginning on the start date of the prior fiscal year)) exceeds JPY10 million, tax payment obligations with respect to the taxable period of (1) shall not be exempted.</p> <p>2. With respect to taxable periods to which Article 12-4-1 of the Consumption Tax Act applies, in the event that there are large amounts of purchases of specified assets, etc., even in cases in which the taxable net sales of the basis periods of said taxable periods is JPY10 million or less, tax payment obligations for said taxable periods shall not be exempted.</p>													
<p>Date on which the petitioner became a taxable proprietor</p>		<p>____/____/____ (DD/MM/YYYY)</p>											
<p>Reference matters</p>													
<p>Seal and signature of tax attorney</p>		<p>(印)</p>											
		<p>Telephone: _____</p>											



# Annex

## Annex 1

### IMPORTANT:

Please note that the following articles are a simplified non-official translation of the FY2019 Tax Reform. Please seek advice and assistance from a local tax specialist, in case you want to obtain the precise content of the FY2019 Tax reform (original written in Japanese).

### Corporate income tax (levied at national level)

Act on Special Measures Concerning Taxation (“ASMT”) Article 67-16-2, ASMT Cabinet Order 39-33-3 and ASMT Regulation for enforcement 22-19-3-2

1. Foreign entities meeting all of the following two criteria will be granted a corporate income tax exemption for the Japanese source Games related income attributable to their Japanese PE recognized during each of the fiscal years starting 1 April 2019 through 31 December 2021.

- Conduct Games related activities(\*), which are activities necessary for preparation and staging of Tokyo 2020 Olympic and Paralympic Summer Games (“Games”)
- Belong to one of following categories A-K

Category	Covered entities
A	IOC
B	OCS SL
C	IPC
D	OBS SL
E	Official Timekeeper
F	CAS
G	Atos Spain
H	NOC and NPC
I	IF and IPSF
J	RHB and its affiliates designated by the IOC/IPC (please refer to Annex 3)
K	TOP partners and its affiliates appointed by Minister of Education, Culture, Sports, Science and Technology (please refer to Annex 4)

The foreign entities subject to the tax exemption will not be required to file Corporate income tax return.

## Individual income tax / Withholding income tax (levied at national level)

ASMT Article 41-23, ASMT Cabinet Order 26-33-1 and ASMT Regulation for enforcement 19-14-2

1. The following non-resident individuals participating to the Games or conducting the Games related activities will be granted an Individual income tax exemption for the following Japanese source income earned from 1 April 2019 through 31 December 2021.

Covered individuals	Covered Japan source income
Athletes participating to the Games	Salaries/considerations/reward/medals received upon the participation (including training/preparation in Japan required for the participation) of the Games, as well as achievement of outstanding performance in the Games
Official members of the team supporting the athletes participating to the Games	Salaries / considerations received upon coaching or supporting in Japan for athletes participating the Games
Referees participating to the Games	Salaries / considerations received for the provision (including training/preparation in Japan required for the provision) of its calls during the Games
Non-resident individuals meeting either of the following <ul style="list-style-type: none"> <li>• Executives and employees of the foreign entities under Categories A through K</li> <li>• Proprietors remunerated by foreign entities under category B/D/J/K</li> <li>• Executives and employees of "IOC TMS", "TOFCH", "ITA", "WADA"</li> </ul>	Salaries/Considerations paid by each non-resident entities for each individual's work for the purpose of conducting Games related activities in Japan

2. Royalties, generated by Games related activities, to be received by the following non-resident entities during the period from 1 April 2019 through 31 December 2021 will be granted withholding tax exemption.

Non-resident entities receiving royalty (payee)	Payer
IOC	Entities conducting Games related activities for Tokyo Olympic Games in Japan
IPC	Entities conducting Games related activities for Tokyo Paralympic Games in Japan
Atos Spain	Entities conducting Games related activities for Tokyo Games in Japan
TOP partners and its affiliates appointed by the Minister of Education, Culture, Sports, Science and Technology	Entities/individual conducting Games related activities for Tokyo Games in Japan

## Local Tax

Supplemental Regulation to Local Tax Act Article 7-6 and 8-6, Cabinet order on the Supplemental Regulation to Local Tax Act 5-2-2 and 6<sup>28</sup>

Foreign entities subject to special tax measures of Corporate income tax for the Games related activities will be granted a Local tax (Corporation inhabitant tax and Corporation enterprise tax) exemption during each of fiscal years starting 1 April 2019 through 31 December 2021, excluding the non-Games related activities. Foreign entities subject to the tax exemption will not be required to file Local tax return with Local tax authorities for the period.

<sup>28</sup> Local tax Act Article (related to individual income tax) is not modified but Local tax (related to individual income tax) is not levied because of individual income tax exemption.

## Annex 2

### CONSUMPTION TAX ACT

**IMPORTANT:**

Please note that the following articles are a simplified non-official translation of the Consumption Tax Act (original written in Japanese). Please seek advice and assistance from a local tax specialist, in case you want to obtain the precise content of the Consumption Tax Act.

#### Article 9 – Determination of tax payment obligation

**Paragraph 1**

Proprietors whose taxable sales are JPY 10 million or less during a given base period (for corporations, in principle the fiscal year prior to the preceding fiscal year) shall be treated as tax exempt proprietors in their taxable period. However, notwithstanding cases otherwise provided for separately in this Act.

**Paragraph 4**

In cases where a tax exempt proprietor has filed a Report on the Selection of Taxable Proprietor Status for Consumption Tax with the district director of the tax office regarding a taxable period having taxable net sales of JPY 10 million or less generated during its base period, said proprietor will be treated as a taxable proprietor during taxable periods subsequent to the taxable period in which falls the filing date. However, in cases wherein the taxable period in which falls the filing date is the taxable period in which falls the date of the business first commences in Japan, said proprietor will be treated as a taxable proprietor starting from the taxable period in which falls the filing date.

**Paragraph 5**

When a proprietor who has filed a Report on the Selection of Taxable Proprietor Status for Consumption Tax wishes to end the application of such status, said proprietor must file a Report on the Rescission of Taxable Proprietor Status for Consumption Tax with the district director of the tax office.

#### Article 9-2 – Determination of tax payment obligation by specified period

Corporations whose taxable sales in the base period are JPY 10 million or less shall be treated as taxable proprietors when the taxable sales of said corporations in the specified period (the 6-month period beginning on the day in which the preceding fiscal year began) exceed JPY 10 million.

## **Article 19 – Taxable period**

### **Paragraph 1**

When the proprietor is a corporation, the fiscal year of said corporation shall in principle be the “taxable period” specified in the Consumption Tax Act. However, with regards to proprietors that have filed a Notification of Choosing Application for Special Provisions on Taxable Period for Consumption Tax with the district director of the tax office, each of the three-month periods (or one-month periods, at the discretion of the proprietor) into which the fiscal year has been divided shall be the taxable periods specified in the Consumption Tax Act.

### **Paragraph 2**

A Notification of Choosing Application for Special Provisions on Taxable Period for Consumption Tax shall be effective starting from the period subsequent to the period in which falls the filing date. However, in cases wherein the taxable period in which falls the filing date differs from the date of the business first commences in Japan, it will be valid starting from the taxable period in which falls that filing date.

## **Article 30 – Deduction of input consumption tax paid**

### **Paragraph 1**

In the event that a taxable proprietor makes taxable purchases etc. in Japan, the amount of input consumption tax paid incurred during the taxable period thereof shall be deducted from the amount of input consumption tax received occurring in said taxable period. The amount of nondeductible input consumption tax shall be refunded.

### **Paragraph 7**

In the event that a proprietor does not retain ledgers and invoices, etc. relating to input consumption tax paid occurring in the taxable period thereof, the deduction of input consumption tax paid shall not be allowed.

### **Paragraph 8**

“Ledger” refers to those indicating all of the following: Name or title of the counterparty in the purchase, purchase date (day, month, and year), description of purchased goods or services, and amount of compensation paid in relation to the purchase.

### **Paragraph 9**

“Invoices, etc.” refers to invoices and delivery slips, etc. delivered at the time of the purchase of goods or services and which indicate all of the following: Name or title of the preparer of the document, purchase date (day, month and year), description of purchased goods or services, amount of compensation paid in relation to the purchase, and name or title of the proprietor that received the invoices, etc.

## **Article 45 – Consumption Tax Returns**

Taxable proprietors must file Consumption Tax Returns for each taxable period with the district director of the tax office within two months of the day subsequent to the final day of each respective taxable period. However, with regards to taxable periods having no taxable sales in Japan and for which there is no obligation to pay consumption tax, there is no need to file a Consumption Tax Return.

## **Article 46 – Refund declarations**

Taxable proprietors may file a refund declaration<sup>29</sup> with the district director of the tax office to receive a refund in cases wherein there is a refundable amount in relation to consumption tax during said taxable period.

---

<sup>29</sup> Please note that a refund declaration is simply a Consumption Tax Return which presents a net input tax balance refundable to the tax payer.

## Annex 3

### RHB and its affiliates designated by the IOC<sup>31</sup>

IOC designated Rights Holding Broadcasters	Country	Comments
AMX Contenido S.A. DE C.V.	Mexico	
Asia-Pacific Broadcasting Union (ABU)	Malaysia	
BeIN Sports MENA LLC	Qatar	
Canadian Broadcasting Corporation/Societe Radio-Canada (CBC)	Canada	
Caracol Television SA	Colombia	
China Central Television (CCTV)	China	
Discovery Communications Benelux B.V.	Netherlands	Media subsidiary of Discovery Corporate Services Limited
Discovery Communications Deutschland GmbH & Co. KG	Germany	Media subsidiary of Discovery Corporate Services Limited
Discovery Communications Europe Limited	United Kingdom	Media subsidiary of Discovery Corporate Services Limited
Discovery Corporate Services Limited	United Kingdom	
Discovery Italia s.r.l.	Italy	Media subsidiary of Discovery Corporate Services Limited
Discovery Network Denmark APS	Denmark	Media subsidiary of Discovery Corporate Services Limited
Discovery Networks Finland OY	Finland	Media subsidiary of Discovery Corporate Services Limited
Discovery Networks Norge AS	Norway	Media subsidiary of Discovery Corporate Services Limited
Discovery Networks Sweden AB	Sweden	Media subsidiary of Discovery Corporate Services Limited
Discovery Networks, S.L.	Spain	Media subsidiary of Discovery Corporate Services Limited
Discovery Polska sp. Z o.o.	Poland	Media subsidiary of Discovery Corporate Services Limited
DNI Licensing Ltd	United Kingdom	Media subsidiary of Discovery Corporate Services Limited
Dplay Entertainment Limited	United Kingdom	Media subsidiary of Discovery Corporate Services Limited

<sup>31</sup> Please note these lists may be amended or extended in the future. We will distribute these lists to relevant entities if these lists are amended or extended.

IOC designated Rights Holding Broadcasters	Country	Comments
Eurosport SAS	France	Media subsidiary of Discovery Corporate Services Limited
France Télévisions	France	
Globo Comunicação e Participações S.A.	Brazil	
Globosat Programadora LTDA	Brazil	
Horizonte Conteudos LTDA	Brazil	
Infront Sports & Media AG	Switzerland	
Instituto Cubano de Radio y Television (ICRT)	Cuba	
International Media Content LTD (IMC)	St Lucia	
NBC Olympics LLC	United States	Media subsidiary of NBC Universal Media LLC
NBC Universal Media LLC	United States	
SBS Co. Ltd	South Korea	
Seven Network (Operations) Limited	Australia	
Sky Network Television Limited	New Zealand	
Sony Pictures Networks India PVT. Ltd	India	
Sportsmax Ltd	Jamaica	Media subsidiary of International Media Content Ltd
SuperSport International (Pty) Ltd	South Africa	
Telesport ZAO	Russia	
Televideo Services Inc.	United States	
Televisa SA	Mexico	
The British Broadcasting Corporation (BBC)	United Kingdom	
The South African Broadcasting Corporation SOC LTD	South Africa	



## RHB designated by the IPC ( RHB's affiliates has not been yet included)<sup>32</sup>

IPC designated Rights Holding Broadcasters	Country	Comments
SuperSport International (Pty) Ltd	South Africa	
NBC Universal Media LLC	United States	
Canadian Paralympic Committee (CPC)	Canada	
Reddentes Sports Pte. Ltd.	Singapore	
China Central Television (CCTV)	China	
Korean Broadcasting System (KBS)	Korea	
British Broadcasting Corporation	United Kingdom	
Channel Four Television Corporation	United Kingdom	
European Broadcasting Union	Europe	
Australian Paralympic Committee	Australia	
Television New Zealand Limited.	New Zealand	

<sup>32</sup> Please note these lists may be amended or extended in the future. We will distribute these lists to relevant entities if these lists are amended or extended.

## Annex 4

No TOP Partner has been appointed by the Minister of Education, Culture, Sports, Science and Technology as of today.<sup>33</sup>

---

<sup>33</sup> Please note that once TOP Partner or its affiliate is appointed by the Minister of Education, Culture, Sports, Science and Technology, we will make the list of TOP Partners and their affiliates eligible to tax exemption and distribute it to relevant entities.



The Worldwide Olympic Partners



Tokyo 2020 Olympic Gold Partners



Tokyo 2020 Olympic Official Partners



Tokyo 2020 Olympic Official Supporters

AOKI Aggreko ECC EY Japan KADOKAWA Google KOKUYO SHIMIZU CORPORATION TANAKA HOLDINGS  
 TECHNOGYM TOBU TOWER SKYTREE NOMURA PARK24 Pasona Group BCG Japan MARUDAI FOOD Morisawa  
 Yahoo Japan Corporation THE SANKEI SHIMBUN The Hokkaido Shimbun Press



The Worldwide Paralympic Partners



Tokyo 2020 Paralympic Gold Partners



Tokyo 2020 Paralympic Official Partners



Tokyo 2020 Paralympic Official Supporters

AOKI Aggreko ECC EY Japan Ottobock KADOKAWA Google KOKUYO SHIMIZU CORPORATION TANAKA HOLDINGS  
 TECHNOGYM TOBU TOWER SKYTREE NOMURA PARK24 Pasona Group BCG Japan MARUDAI FOOD Morisawa  
 Yahoo Japan Corporation THE SANKEI SHIMBUN The Hokkaido Shimbun Press