



# KPMG Japan e-Tax News

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## TAX UPDATE

### NATIONAL TAX AGENCY - EXTENSION OF FILING AND PAYMENT DUE DATES USING SIMPLIFIED PROCEDURES / UPDATE OF FAQs RELATING TO COVID-19

#### 1. Extension of filing and payment due dates using simplified procedures

On 3 February 2022, the National Tax Agency (NTA) released an announcement (Japanese only) that the extension of filing and payment due dates for individual income tax, etc. for 2021 will be accepted using simplified procedures until 15 April 2022, in consideration of the fact that the Omicron variant is spreading rapidly so that some taxpayers may be unable to file their tax returns due to infection by the coronavirus, a requirement to stay at home or an inability to maintain normal business operations over the tax return filing period.

The 'extension of filing and payment due dates using simplified procedures' is the procedures which make it possible for taxpayers to extend their filing and payment due dates by including a note stating 'application for extension of filing and payment due dates relating to COVID-19' in the open space in the tax returns, etc. when the taxpayers become able to file the tax returns after the original filing and payment due dates. Under this procedure, the taxpayers are not required to submit the application form for extension of filing and payment due dates which is normally required.

The above announcement also included the FAQs (Japanese only) providing the following treatments, for example:

- The 'extension of filing and payment due dates using simplified procedures' is applicable to the procedures where the filing and payment due dates are on or after 1 January 2022.
- In the case of (i) taxpayers apply for the extension of filing and payment due dates for procedures where the filing and payment due dates are on or before 31 December 2021 or (ii) taxpayers apply for the extension of filing and payment due dates after 15 April 2022 for procedures where the filing and payment due dates are on or after 1 January 2022, the application form for extension of filing and payment due dates must be submitted with the statement of the reasons for the application within 2 months from the day on which taxpayers become

able to file the tax returns. (In this case, the extended filing and payment due dates are designated by the competent tax office.)

- When the 'extension of filing and payment due dates using simplified procedures' is applied, the filing date of the tax returns is treated as the filing and payment due date. Therefore, the tax returns will be filed when taxpayers become able to file the tax returns and pay the taxes.
- The filing and payment due dates for other tax items, such as corporation tax and inheritance tax, can also be extended under the above simplified procedures for taxpayers who have difficulty in filing tax returns and paying the taxes due to the effect of the new coronavirus infection.

## 2. Update of FAQs relating to COVID-19

On 3 February 2022, the NTA updated the 'FAQs about the tax treatments for the tax filing and tax payment procedures, etc. relating to COVID-19' (Japanese only) which have been updated several times since the original release on 25 March 2020.

The main updates to the FAQs are related to the above '1. Extension of filing and payment due dates using simplified procedures'.

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