

# GMS Flash Alert



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## Japan - Extended Tax Filing Deadline, Other Government Steps Due to Covid-19

The Japanese government has agreed on precautionary measures aimed at reducing and controlling the spread of Covid-19 (coronavirus).<sup>1</sup>

A week ago, the government released basic guidelines on how to avoid infection, calling on people to work from home if they have a fever or exhibit cold symptoms. A government panel says with the infection figures rising, the next one to two weeks will be crucial to containing the further outbreak in Japan.

The guidelines also call on employers and organizers to consider cancelling or postponing events, though this is not mandatory. Other guidelines are asking all elementary, middle, and high schools nationwide to close until late March to help control the spread of new virus in the country.<sup>2</sup>

The National Tax Agency has released the announcement that **filing and payment due dates for individual income tax**, individual consumption tax, and gift tax for 2019 will be **extended by one month to April 16, 2020** due to the spread of Covid-19.<sup>3</sup>

#### WHY THIS MATTERS

As a result of the introduction of the most recent basic guidelines, many employers will be ordering their employees to work from home several days during the next several weeks so as to help prevent the spread of Covid-19 in the work-place and avoid contagion during commuting hours.

The extension of the filing deadline for 2019 individual income tax returns to April 16, 2020, is one of the measures that has been undertaken in this respect. This will ease the pressure on taxpayers currently making their work-life and personal-life adjustments additional time to organize their tax affairs.

### **FOOTNOTES:**

- 1 For announcements (translated into English) concerning the Japanese government's response, click here.
- 2 On school closures, see the Japanese government's announcement (in English translation) by clicking here.

Also, see: C. Kim and J. Park, "Japan PM triggers uproar with call to close all schools as Hokkaido declares coronavirus emergency," Reuters (online), February 27, 2020.

3 See <u>申告所得税、贈与税及び個人事業者の消費税の申告・納付期限が令和2年4月16日(木)まで延長されました(PDF/155KB)(令和2年2月27日)</u> (in Japanese) on the website of the National Tax Agency by clicking <u>here</u>.

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#### Contact us

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#### The information contained in this newsletter was submitted by the KPMG International member firm in Japan.

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