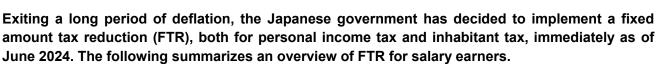


June 2024

2024 Fixed Amount Tax Reduction for Salary Earners

APO-Tax Corporation



1. FTR for personal income tax.

(1) Amount and qualification

The amount of FTR for personal income tax is JPY 30,000. A resident taxpayer whose 2024 total income is expected to be JPY 18.05 million or less (JPY 20 million yen or less, in terms of gross salary) is qualified to receive FTR. The tax payer's resident spouse living in the same household and resident dependents (including under 16 years old) are also qualified to receive the FTR.

Note: Please refer to the following chart for the range of spouse living in the same household and dependents.

The range of eligible spouse living in the same household or dependents for FTR					
D e p e n d e n t s	Age		Resident		Non-resident
	Under 16		A: Eligiable only for FTR		Not applicable
	over 16 and under 19	Tax deductible dependents	Ordinary dependents		
	over 19 and under 23		Specified dependents		
	over 23 and under 70		Ordinary dependents		
	over 70		Elderly dependents	Not living together	
				Living together	
	Spouse income		Resident		Non-resident
S p o u s e	Less than 950,000 yen but more than 480,000 yen per year →		Special deduction for spouse		Not applicable
	Less than 480,000 yen per year →	Spouse living in the same household	Deduction for spouse	B: Eligiable <u>only</u> for FTR	
			1	1	
		A taxpayer whose total income less than 9 million yen		A taxpayer whose total income less than 18.05 million yen(salary gross receipt of 20million yen)	
A: Eligiable only for FTR		→Please state any dependents under 16 years old in Declaration Form for Dependents Deduction for 2024			
B: Eligiable only for FTR		→Please write your spouse's salary receipts in the declaration for Basic, Spouse and FTR and Income Adjustment Deduction at yearend.			



(2) Timing of FTR

The FTR is implemented for the June 2024 salary/bonus income. If it is not fully deductible from the June withholding tax, its remaining balance is carried forward to subsequent months for deduction. Employees joining on June 2 or after are not qualified to receive monthly FTR but it will be taken in the year-end tax adjustment process.

Even high salary earners (JPY 20 million or more, in terms of gross salary) are qualified to receive June FTR, but it should be adjusted by filing an individual tax return.

2. FTR for inhabitant tax

(1) Amount and qualification

The amount of FTR for inhabitant tax is JPY 10,000. A resident taxpayer whose 2023 total income was JPY 18.05 million or less (JPY 20 million or less, in terms of gross salary) is qualified to receive FTR for inhabitant tax. The tax payer's resident spouse living in the same household and resident dependents (including under 16 years old) are also qualified to receive FTR.

(2) Timing of FTR

The method and timing of FTR for inhabitant tax is different from the personal income tax. It is made for the inhabitant tax amount from June 2024 to May 2025, and due to tax administrative reasons, the net inhabitant tax due after FTR should be withheld over 11 months equally from July 2024 to May 2025. Certain spouses may qualify to receive FTR for 2025 inhabitant tax too, if they meet the conditions.

3. Other

An employer is obliged to clearly segregate the amount of FTR from withholding income tax on the payroll slip. If the amount of FTR is expected not to be fully deductible from the income tax amount in 2024, the expected shortage would be paid to tax payers by the municipal tax office, but such amount would be approximately calculated.