

Japan

Summary of CbC Reporting and Transfer Pricing Documentation Rules

For more detailed guidance and the latest updates, please see the [Bloomberg Tax BEPS Tracker](#).

Country-by-Country Report

- Effective Date: Fiscal years beginning on or after April 1, 2016.
- Filing Threshold: Japanese MNEs with consolidated total revenue of ¥100 billion or more in the preceding fiscal year.
- Local Filing: A Japanese corporation, or a foreign corporation with a permanent establishment in Japan, must file a CbC report if certain conditions are met.
- Information Reported: Generally, in line with the OECD guidance.
- Language: English
- Forms/Filing Instructions:
 - CbC Notification of Reporting Entity: filed electronically via e-Tax.
 - CbC Report: filed electronically via e-Tax.
- Deadline for Filing Notification of Reporting Entity: By the last day of the year covered by the CbC report.
- Deadline for Filing CbC Report: Within one year of the day after the end of the reporting fiscal year.
- Penalties: Penalties up to ¥300,000 may apply for failure to timely file.
- Exchange of Information:
 - MCAA CbC - signed.
 - U.S. CAA CbC - signed.

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Master File

- Effective Date: Fiscal years beginning on or after April 1, 2016.
- Filing Threshold: MNEs with total consolidated revenue of ¥100 billion or more in the preceding fiscal year.
- Information Reported: Generally, in line with the OECD guidance.
- Language: Japanese or English (if not prepared in Japanese, tax authorities may request a Japanese translation).
- Deadline for Submission: Within one year of the day after the end of the fiscal year covered. Filed electronically via e-Tax.
- Penalties: Penalties up to ¥300,000 may apply for failure to timely file.

Local File

- Effective Date: Fiscal years beginning on or after April 1, 2017.
- Filing Threshold: Japanese companies with total controlled transactions with a single foreign-related party of ¥5 billion or more, or total intangible transactions of ¥300 million or more in the previous business year.

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- Information Reported: The local file requirements include most of the content in the OECD local file requirements, but also require additional information.
- Language: No language requirement; however, if not prepared in Japanese, tax authorities may request a Japanese translation.
- Deadline for Preparation: Prepared by the deadline for filing the corporate income tax return. Submitted within 45 days of a request by the tax authorities.
- Penalties: Tax examiners authorized to apply the presumptive taxation methods (i.e., impose tax by estimation).

Transfer Pricing Documentation

In general, a company not meeting the local file threshold must submit documents to support the arm's length pricing for foreign controlled transactions within 60 days of a request by the tax authorities.

Transfer Pricing Disclosure

In general, taxpayers with foreign related party transactions during the year must attach the Schedule 17-4 to the corporate tax return.

For more detailed guidance, please see the Transfer Pricing Portfolio: [Japan, Chapter 90:V](#) (Transfer Pricing Documentation Requirements: Post-BEPS).