

Last updated August 2005

How to apply for your Pension & Tax Refund

There are two steps;

Step 1 – Claiming your Lump-Sum Withdrawal Payment

Step 2 – Claiming the Tax on your Lump-Sum Withdrawal Payment

Step 1 – Claiming your Lump-Sum Withdrawal Payment

The information below is based on a pamphlet distributed by the Social Insurance Agency and has been adapted for JET Program Participants.

In order to be considered for the Lump-Sum Withdrawal Payment, you must fulfil all the following four conditions and apply within two year of leaving Japan.

1. Do not possess Japanese citizenship
2. Have paid Employees' Pension Insurance premiums for 6 months or more
3. Do not have a place of residence in Japan (only those who cancelled their alien registration on or after November 9, 1994 and then left Japan)
4. Have never qualified for pension benefits (including Disability Allowance)

Amount Refunded

Those who have been insured under the Employees' Pension Insurance shall be granted an amount by multiplying the average standard monthly remuneration with the rates shown in the following table:

Period of Insurance Coverage	Rate	Amount Refunded (calculated on a monthly average salary of Y300,000, before taxes) in yen
6 months or more, but less than 12 months	0.4	120,000
12 months or more, but less than 18 months	0.8	240,000
18 months or more, but less than 24 months	1.2	360,000
24 months or more, but less than 30 months	1.6	480,000
30 months or more, but less than 36 months	2.0	600,000
36 months or more	2.4	720,000

Please note: Participants who arrived after the mail July, August or April Orientations will not have completed a full 12 months' contribution in their first year and will therefore receive a lesser amount of Lump-sum Withdrawal Payment than those Participants who arrived in the main Orientations mentioned.

Procedures for filing the Lump Sum Withdrawal Payment

Before leaving Japan you should have obtained the 'Claim Form for the Lump-sum Withdrawal Payment' from the Social Insurance Office or the National Pension Section of the municipal office nearest to you.

Source:

*The JET Program website <http://www.jetprogram.org/e/former/tax.html> August 4th 2005
The JET Program General Information Handbook – 'Leaving Japan' section*

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Using the information in your blue Pension Book ie. Basic Pension Number, fill in the necessary information, include the following items and mail it to the Social Insurance Agency after leaving Japan.

Include

1. blue Pension book
2. A photocopy of the front page of your passport
3. A photocopy of the page showing the date of your departure from Japan
4. A document verifying the name of your bank, name of the branch office, address of the branch, and your bank account number in your name (Please specify a bank in your home country.)

Make copies of the application for your own reference.

Mail the application to
Social Insurance Agency, 3-5-24 Takaido Nishi, Suginami-ku, Tokyo 168-0071 JAPAN

If you have any problems or questions during the process you can call 0011-81-3-5344-1100. This line is only available in Japanese.

Application must be made within 2 years of leaving Japan.

Method of Payment

The amount of the Lump-Sum Withdrawal Payment remitted to your account will be calculated at the currency exchange rate on the date of transaction

Please Note: Payment can take time; most JETs find that it takes between 2-4 months, but it may take up to 6 months or longer.

Also Note:

1. Upon payment of the Lump-Sun Withdrawal Payment, the period of enrolment corresponding to the paid amount is nulled.
2. Should the applicant die before receiving the Lump-sum Withdrawal Payment, a spouse, children, parents, grandchildren, or siblings living off the same income source, or who are considered to be a member of the same fiscal household at the time of the applicant's death can receive payment in the place of the applicant.
3. **A 20% income tax is imposed on the Lump-Sum Withdrawal Payment**

Source:

*The JET Program website <http://www.jetprogram.org/e/former/tax.html> August 4th 2005
The JET Program General Information Handbook – 'Leaving Japan' section*

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Step 2 – Claiming the Tax on your Lump-Sum Withdrawal Payment

Those who are eligible to file for Lump-Sum Withdrawal Payment on the Employees' Pension Insurance may also qualify to receive a refund on the 20% flat tax placed on the Lump-Sum Withdrawal Payment in accordance with Article 171 of Income Tax Law.

Application

Before leaving Japan appoint someone you trust to be your tax representative and have them fill out a 'Declaration Naming a Person to Administer the Taxpayer's Tax Affairs (for use by aliens)' form. Your Tax Representative must be a resident of Japan.

Once you have received your Lump-Sum Withdrawal Payment, send the original 'Notice of Lump-Sum Withdrawal Payment (Entitlement)' to your Tax Representative in Japan.

Your Tax Representative then needs to go to the same tax office where you filled the initial form and file for the refund on your behalf. A bank account in Japan needs to be designated at the time of filing. The refund will be deposited into that account. They should then arrange with you to have this refund deposited into your account.

Application must be made within 5 years after leaving Japan.

Please note:

A JET Participant receiving an average monthly remuneration of 300,000 yen should receive a full refund on the 20% tax of the Lump-Sum Withdrawal Payment.

You may file for the Pension Tax Refund as soon as you receive your Notice of the Lump-Sum Withdrawal Payment. You do not need to wait until the end of the financial year as you would with other tax refunds.

All JETs, whether they pay Japanese taxes or not, will be subject to the 20% taxation on their Lump-Sum Withdrawal Payment.

Any further inquiries must be directed to the designated tax office where you were a resident in Japan. CLAIR and Embassy/Consulate-Generals do not handle the paperwork for this tax refund.

Source:

*The JET Program website <http://www.jetprogram.org/e/former/tax.html> August 4th 2005
The JET Program General Information Handbook – 'Leaving Japan' section*

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Example of a letter requesting your tax representative in Japan to file for your tax refund on your behalf

Your name / address

Tax Representative's name 様

いつもお世話になっております。

私は **Year beginning JET** 年から **Year ending JET** 年まで、**Prefecture Name** 県で JET プログラム参加者として勤務しました。

私が日本を出国する前に、**Tax Representative's name** 様より厚生年金の件で最寄の税務署での手続きを行って頂きましたが、今回「脱退一時金支給決定通知書」をこの手紙と一緒に同封致しますので、確定申告（脱退一時金支給に際して、支払済みの所得税 20% の還付の手続き）をお願いできませんでしょうか。

大変お手数をおかけしますが、どうぞ宜しくお願い致します。

Date

Eg. 平成 17 年 8 月 4 日

平成 17 年 = 2005

平成 18 年 = 2006

平成 19 年 = 2007

Unofficial Translation

Dear Mr/Ms/Mrs *tax representative's name*,

Thank you always for your help.

I was a JET in **xx** Prefecture from **xx** year to **xx** year.

Before I left Japan you made arrangements for me at the local taxation office in regards to my Welfare Pension. In this letter I have included the statement of my Lump-Sum Withdrawal payment and would like to ask if you could attend to the final procedure in my application for my Lump-Sum Withdrawal, the refund of the 20% tax taken from my Lump-Sum Withdrawal payment.

I apologise for the inconvenience and thank you for your help.

Source:

The JET Program website <http://www.jetprogram.org/e/former/tax.html> August 4th 2005

The JET Program General Information Handbook – 'Leaving Japan' section

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Summary of Useful Terms

Employees' Pension Insurance

厚生年金

Lump-Sum Withdrawal Payment

脱退一時金

Claim Form for the Lump-sum Withdrawal Payment

脱退一時金裁定請求書

Social Insurance Office

社会保険事務所

Tax Refund on Lump-Sum Withdrawal Payment of the Pension

脱退一時金の源泉所得税の還付

Declaration Naming a Person to Administer the Taxpayer's Tax Affairs (for use by aliens) Form

納税管理人の届出書（外国人用）

Notice of Lump-sum Withdrawal Payment (Entitlement)

脱退一時金支給決定通知書

Source:

The JET Program website <http://www.jetprogram.org/e/former/tax.html> August 4th 2005

The JET Program General Information Handbook – 'Leaving Japan' section