



Japan – May 2022

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EAST JAPAN CITY LEVIED WRONG TAXES ON 14,000 PROPERTIES FOR MORE THAN 20 YEARS

A city in east Japan's Saitama Prefecture has been incorrectly calculating and collecting a portion of property and city planning taxes for more than 20 years, it has announced.

The errors identified are enormous, covering approximately 14,000 residential and other land properties, or around 9% of the roughly 160,000 properties in the city of Soka's total land area of approximately 27 square kilometers. Since tax refunds and additional taxation will be required, the city government has established an internal investigation task team and is working on the matter.

According to the city's property tax division, in collecting property tax and city planning tax on privately owned land, mistakes were made in classifications of "regular housing," "multipurpose homes," and "small- and medium-sized factories," which are the basis for calculations, and in the application of correction factors. It is possible that information was incorrectly entered in tax ledgers at the time of new construction of residential land and other properties, but the division said that the specific cause is unknown.

At the end of January, the city government received an inquiry from a citizen, and upon checking the data from 2001, when the ledgers were computerized, it discovered the error. The city plans to contact the affected landowners by mid-June, and after determining the correct tax amounts by the fall of 2023, it will issue refunds or additional taxes.

Soka Mayor Masashi Asai commented, "I sincerely apologize to the citizens and taxpayers. We will proceed with the investigation promptly."

International Property Tax Institute

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