DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(1) Higher Public Finance School instructors, Taxation Bureau staffs and other personnel with profound learning and experience in the line shall be requested to prepare subject material on every subject.

(2) In the current fiscal year each subject such as junior book-keeping and accounting Income Tax Law, corporation Tax Law. Transaction Sales Tax Law, National Tax Collection Law and senior book-keeping and accounting shall primarily given to the students. The selection of the teaching staff shall be completed by the end of this August and necessary preparations shall be made for the opening of the lecture course in Sept.

(3) As to the subjects, except those stated in 2 above the materials for teaching shall be completely prepared by the end of this Dec. as the 2nd time re-organization plan, so that the correspondence lessons may commence next Jan.

5. (1) The subject material should be practical and the method of examining such as questioning and answering shall be adopted.

(2) The subject material shall be published in monthly volumes and their number of pages shall be as follows.

Text book (Including instructing book)	one subject every month about 100 pages
Questions and Answers	
Total	About 200 pages

6. (1) Every Revenue Official Training Institute or Tax Bureau shall take charge of the enforcement of the correspondence course and shall be responsible for delivering the subject material to the students, grading the examinations and guiding questions and answers.

(2) Officials will be increased to 130 in the Tax Bureau, who engage in the instruction of the above education and correspondence courses.

(3) In the current fiscal year, a limited number of students shall be selected from all personnel having the qualification for taking the lessons. Each individual is limitted to one tax lecture only.

(4) The subject material shall be delivered as a rule once a month, however, in the event the grades on the examinations are found to be poor the subject material for the next lesson shall be suspended, the students will be re-examined until answers have been received, and then the subject material for the next lesson shall be delivered to the persons receiving lectures.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(5) The list of persons receiving the lectures should be kept by Revenue Official Training Institute or Tax Bureau and delivery of the lessons, date of having received answers and results of marking them etc., shall be recorded respectively.

(6) All of the correspondence shall be delivered personally to each of officials receiving the instruction and the government shall be responsible for the expenses required by the correspondence.

(7) To encourage the students to complete the correspondence course, some system should be taken into consideration in which their grades for above lessons may be considered for their promotion and prize.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

RIJ/ms

012

4 August 1949

File

SUBJECT: Tax Surveillance Activities

TO: All Teams

1. There are attached herewith copies of directives and other information received by this office from the Osaka National Tax Bureau.

2. The inclosures are forwarded for your information and guidance in the current tax surveillance program.

BY ORDER OF COLONEL O'MORENDRO:

GEORGE MINARIK
Captain GS
Adjutant

5 Incls:
1. New Chiefs of Tax Offices
2. NEB No. 10
3. Address made at theaters during June 1949
4. DAIKYOKU SOSO (SO) No. 26
5. DAIKYOKU CHOKU SHO (FU) No. 83

FOR FILE

3

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

NEW CHIEFS OF TAX OFFICES

New Office	Name	Old Office
Osaka		
Higashi	MATSUI, Etsuro	Nishinomiya
Osaka Fukushima	FUJIWARA, Kiichi	Ukyo
Ikuno	YAMANO, Masakatsu	Higashi-Sumiyoshi
Asahi	YAMANOI, Kanichiro	Kishiwada
Higashi-Sumiyoshi	SUGIHARA, Yoshinosuke	Tanabe
Sumiyoshi	YAMADA, Hiroshi	Abeno
Yodogawa	KITAGAWA, Hisanori	Asahi
Izumi-Otsu	TANINO, Hidao	Bureau
Abeno	TSUKAHARA, Chikyo	Hikone
Kishiwada	WAKI, Toshiichi	Bureau
Kyoto		
Kamikyo	YONEDA, Tokujiro	Nakakyo
Nakakyo	KANEKO, Ikuji	Maizuru
Ukyo	TOMODA, Shinji	Bureau
Fushimi	NII, Toru	Fukuchiyama
Miyazu	YASUDA, Hidio	Maizuru Custodian
Maizuru	IZUMI, Satokichi	Kyoto Branch bureau
Mineyama	HIKAWA, Kenzo	General Affairs, Section, Higashi

- cont'd -

INCL 1

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

New Office	Name	Old Office
Hyogo		
Yashiro	TAKEOKA, Sadao	Direc Tax Section, Kobe
Tatsuno	YASUMA, Isamu	Indirect Tax Section, Fushimi
Hyogo	TANAKA, Jitsutaro	Ube
Kambara	MATSUSHIMA, Eitaro	Fuse
NAGATA	KAGISAKI, Shuichiro	Akashi
Kobe	MATSUNAGA, Zenjiro	Yodogawa
Akashi	MATSUTANI, Kiyoshi	Tatsuno
Nishinomiya	YAMAGUCHI, Shinichi	Okayama
Ashiya	NAKAHASHI, Keijiro	Kobe Custom
Wakayama		
Wakayama	YONONE, Seiji	Ikuno
Kokawa	MURAKAMI, Shigeji	Kanbara
Tanabe	ASAKA, Yuichi	Itami
Nara		
Sakurai	YURA, Teikichi	Nara Branch
Katsuragi	SHIMAOKA, Soichi	Direct Tax Section, Higashi
Shiga		
Hikone	KURODA, Tokutaro	Indirect Tax Section, Sakyo
Kusatsu	WAKABAYASHI, Shigezo	Direct Tax Sectiom, Nakakyo

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

OSAKA NATIONAL TAX BUREAU
(Osaka)

July 30, 1949

NTB No. 10

SUBJECT: Acreage, House and Population Under the Jurisdiction of Tax Office

(As of May 20, 1949)

Tax Office	Acreage (sq.km)	House	Population
Osaka Prefecture			
Higashi	6.49	6,927	25,381
Nishi	31.78	28,177	106,871
Minami	2.80	10,348	39,449
Kita	8.81	14,908	66,789
Komohana	10.98	8,432	33,618
Osaka-Fukushima	4.55	18,180	69,273
Nishiyodogawa	21.27	16,698	67,081
Ikuno	5.61	40,507	162,902
Higashinari	29.60	26,489	105,977
Asahi	23.04	32,286	127,899
Joto	11.95	27,495	109,613
Naniwa	4.24	7,347	28,513
Tennoji	3.88	9,523	36,787
Abeno	5.67	32,118	123,679
Higashisumiyoshi	12.49	37,626	150,079
Nishinari	7.07	34,315	131,860
Sumiyoshi	36.34	33,779	130,940

- cont'd -

INCL 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Tax Office	Acreage (sq.km)	House	Population
Yodogawa	34.03	46,501	184,694
Ibaragi	252.99	48,122	220,250
Toyono	215.63	39,901	174,632
Suita	157.05	50,010	290,135
Izumiotsu	68.80	27,732	129,251
Mishiwada	93.44	30,755	143,157
Izumisano	198.30	26,164	119,880
Tondabayashi	315.54	41,252	194,874
Fuse	65.47	53,838	226,690
Yao	80.22	40,021	179,816
Hirakata	181.07	48,860	216,498
Total:	1,891.31	838,291	3,515,225

Kyoto Prefecture

Kamikyo	81.67	56,511	236,903
Nakagyo	7.50	37,115	148,821
Shimokyo	18.90	51,146	207,986
Ukyo	179.92	30,784	134,[illegible],258
Higashiyama	35.70	39,847	115,545
Sakyo	241.54	35,007	144,683
Fushimi	149.97	35,967	158,371
Yamashirotanabe	415.45	21,459	105,821
Somobe	1,410.97	23,913	129,135
Fukuchiyama	900.11	30,114	148,299
Miyazu	365,62	14,248	69,425
Maizuru	347.79	22,572	100,844
Kinoyama	460.06	15,677	83,258
Total:	4,614.92	409,340	1,784,755

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Tax Office	Acreage (sq.km)	House	Population
Hyogo Prefecture			
Kobe	15.66	25,167	97,956
Nada	18.55	25,085	103,374
Suma	54,97	23,864	102,090
Hyogo	150,54	35,311	141,470
Nagata	10.05	38,971	159,097
Nishinomiya	65.03	37,529	167,587
Ashiya	43.53	28,434	113,697
Itami	252.55	27,040	125,105
Sanda	529.95	10,568	51,918
Amagasaki	49.20	56,365	249,319
Akashi	181.48	28,699	135,487
Miki	213,82	10,657	54,266
Yashiro	435.91	23,707	122,231
Nishiwaki	283.49	11,429	60,953
Kakogawa	226.25	40,799	194,630
Himeji	107.10	44,554	200,668
Kamiwhika	657.19	25,783	132,841
Tatsuno	1,017.69	32,875	165,355
Kamigori	638.67	27,073	135,549
Toyooka	1,321.59	33,172	169,767
Yadayama	776.04	19,433	96,975
Kambara	493.73	17,739	88,634
Sasayama	375.21	11,889	56,745
Sumoto	592.93	42,608	229,375
Total:	8,322.08	683,054	3,156,898
Nara Prefecture			
Nara	450.24	56,035	256,892

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Tax Office	Acreage (sq.km)	Koppu	Population
Katsuragi	341.08	47,284	233,766
Sakurai	645.98	33,948	168,849
Yoshino	2,251.50	23,117	109,170
Total:	3,688.60	160,330	778,677
Wakayama Prefecture			
Wakayama	184.21	53,897	222,391
Kainan	252.05	23,172	106,880
Kokawa	733.25	38,623	183,336
Yuasa	467.52	20,251	97,976
Gobo	954.61	25,608	122,435
Tanabe	1,081.10	30,513	140,131
Shingu	1,050.74	24,606	106,833
Total:	4,723.48	216,570	979,982
Shiga Prefecture			
Otsu	279.01	26,975	125,165
Kusatsu	312.00	24,325	123,722
Minaguchi	552.19	18,274	90,750
Omihachiman	552.60	34,485	165,101
Hikone	346.96	29,445	139,383
Nagahama	806.59	37,397	172,569
Imazu	485.27	11,556	56,085
Total:	3,334.62	182,455	872,775
Grand Total	**25,575.01**	**2,490,040**	**11,088,300**

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Address made at theatres during June 1949

National Tax Bureau

The budget for general account of our country for the fiscal year 1949 thru 1950, strongly reflecting the Nine Points Economic Stabilization Principles, is anticipated to reach 514,600,000,000 yen of tax revenue. Adding this 120,000,000,000 yen of profit of monopoly Bureau which is substantially a tax and 150,000,000,000 yen of local tax, there will fall upon each individual in the nation taxes averaging ¥9,799 per person. Therefore the Japanese people, old and young, man and women must bear tax burden of 10,000 yen of average per each individual for the current fiscal year. Such a tax burden is indeed trying for the people who are suffering from the heavy pressure of inflation and hardships of scarcity of money. Ofcourse it goes without saying that to bear such a heavy burden is our obligation under defeat. However, we are now concerned with how to make such tax burden lighter for us, in other word, how to make our tax cheaper I think there are three methods to cope with it.

1) Increasing the income of each individual. I think I have no need of speaking to you about this, but as far as the present economic system is based on capitalism in a broad sense the above method should be regarded as a basic term. As you know the present tax system adopts a progressive tax rate. High tax rates are imposed on the people having large amounts of income; but supposing 10% of tax rate imposed on a person having 100,000 yen income and 50% on a person having 1,000,000 yen income, the former will hold his remaining income 90,000 yen on hand, the latter 500,000 yen on hand. Consequently increasing one's income is the first step toward reducing his tax burden.

2) Problem on the total amount of tax burdens of the nation should be born in our minds. As you know the tax amount of 514,600,000,000 yen for the current fiscal year was arranged by the Government and made up according to the general budget of revenues and expenditures which was sanctioned in the Diet. As you know, the budget of a country is based on the principle "Revenue depends upon expenditures." "That is to say, first decide the expenditure for one year necessary to finance the country and then estimate the revenue to meet such expenditures. Consequently the amount of expenditures contemplated in the budget will decide our tax burdens. So it is always necessary for us to watch how the amount of expenditures in the budget is decided, in other word, whether it is not wasted for purposes not urgent and essential. All the people of the nation should be more conscious of the political affairs and pay more attention to the movement of both Government and the Diet. We should insist on curtailment of needless expenditures so that we may relieve ourselves from heavy tax burdens.

3) Althought it may be a paradoxical but most important method. The whole nations should made honest declarations and tax payments. As you know, in the present-day disordered financial circles, it is a matter of common knowledge that there are many tax evasion cased committed. Therefore strict tax collection is essential and consequent with the Nine-points Economic Stabilization programs. In consequence extension and strengthening of the taxation structure such as establishment of National Tax Board and National Tax Bureau has been carried out, and at the same time, newly established

INC 3

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Inspection and Investigation Departments are now doing their best to complete the inspection on taxation business and also to expose tax evasion cases. But since the number of revenue officials are limitted, the above actions may be limitted to a certain degree. It is most important for us to practise honest declaration and tax payment for the object of assaining perfect tax administration and for lightening our tax burdens.

The first term income Tax provisional declaration and payment which is the most important of all the taxes should be made during June. The provisional return should be filed by the end of June and at the same time one third of the tax amount shall be paid. If you should file your correct provisional return within the time limits you will be granted 1,800 yen of dependency reduction per person from your tax and as to incomes from dividend, 15% out of the incomes will be reducted and you will be required to pay no additional tax.

Now I earnestly hope that you would kindly cooperate with us in order to expedite reconstruction and to accelerate rehabilitation of the nation if we are to live in peace and security.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DAIKYOKU SOSO (SO) NO. 26 July 7 1949

To Every Tax Office Chief

SUBJECT: Preventing Fire and Adjustment and Preservation of Official Documents

This Bureau has often called your attention to the above sjubject, however, every year when summer sets in , little attention is paid to these matters. Therefore in view of the present situation, you are requested to establish counter-measures for protecting against fire as well as for preserving and adjusting your official documents, and at the same time to make every staff of your tax office throughly aware of the above, especially paying attention to the following points. Further you shall look into the enforcement of the above matters.

Statement:

Matters to be attended to, as to establishing the counter-measure for preventing fire.

1. Enforcement of public service of persons on day-duty and on night-duty.

2. Condition of hydraulic pressure of service water and whether the place where a fire-plug lies, properly indicated or not.

3. Disposition of staffs, and allotment of work to each of the staffs divided into day and night.

4. Inspection of the pump and other fire-extinguisher and the attached tools. Whether the place where they are set is proper or not.

5. How to carry out important official documents in case of fire setting up the place where they are kept safe and whether it is poperly arranged.

6. How to communicate with the police station and fire-brigade station concerned and how to make every staff thoroughly inderstand about it.

2) Regarding preservation and Adjustment of official Documents (The following matters should be taken into consideration)

1. Whether it is proper to adjust official documents according to the limitted preservation year of the document concerned.

2. How to adjust important books and documents, such as various kinds of ledgers, income investigation books and collection books and whether the place where they are kept safe is adequate.

INCL 4

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

3. Whether the classification of books and documents to be carried out, in case of emergency, is proper or not and establishment of a place where they are taken, and how to make all the staffs throughly understand about them.
(Especially important documents which should be strictly handled shall have rigorous charge enforced.)

4. Adjustment of books and documents now being used, and appointment of the persons in charge of them, and whether their control is suitable or not.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DAIKYOKU CHONJ SHO (FU) NO. 83 July 9 1949

TO : All Tax Office Chiefs

SUBJECT: Special Exceptions as to Date of Filing of June provisional Return for Income Tax for the fiscal year 1949-50.

In regard to the above subject, June Provisional Return for income tax for the fiscal year 1949-50 should be filed by June 30.

Three years have passed since the Self-Assessment Tax System was adopted, this Bureau has recognized the following special exceptions as to time limit on June provisional return for the object of securing firm annual revenue by the tax payer's assertive declaration and tax payment as much as possible, and also preventing useless friction between the officials and the general public caused by the enforcement of tax laws, such as re-assessments, etc. The handling should be done according to the regulation of the attached sheet 1.

1. In view of the fact that the tax payer is not well acquainted with the method of calculating income tax as required by law, and considering the fact that the publicity concerning the above is not presented to the tax payers satisfactorily by the tax office authorities, in case where the tax payers have been delayed in filing their returns by the fixed date, they shall pay no penalty tax if the tax office chief acknowledges the reason that they have been late filing due mainly to the fact that they tried to make their correct declaration promptly.

2. Where the farmers are concerned as they are now in they busy farming season, it should be especially acknowledged that due to their unavoidable circumstances, even if after 30 June, if they file their returns within one week after planting rice-seedlings, they shall pay no penalty tax.

The text advertised in the newspapers, by the National Tax Board is herewith attached for your reference. The details concerning special exceptions, except those that have been published by the National Tax Board, should be kept in strict secrecy.

Director General
Osaka National Tax Bureau

INCL 5

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(Attached Sheet 1)

Regarding Proper Handling of Special Exceptions as to Date-of Filing of June Provisional Return for Income Tax for the fiscal year 1949-50.

1. In case provisional returns are filed late on the following condition by tax payers; they shall be acknowledged to have been delayed so as to make declaration:

a. In cases where the declared income is more than the amount calculated by multiples expected, and the 1st term tax money corresponding the income has been paid in full be the 31st July.

b. In case where the declared income is more than the final taxable income of the preceding year, but less than the amount calculated by multiples expected. In such case if (2) the 1st term tax money has been paid in full by the end of July (b) chief of the tax office deemed the amount declared to be reasonable in consideration of the personal circumstaces of the tax payer.

c. In case where the declared amount is has than the final taxable income of the preceding year due to calamities, closing business during the fiscal year, or other sperial reasons, but the 1st term tax are only has been paid in full by the 31st July and chief of tax office recognizes the income to be reasonable.

2. When tax payer has applied for correction of declaration.

3. Special exception as to date of filing of June provisional return should not be recognized after the 1st ofAugust.

Remarks:

In accordance with the above handling, encouragement for tax payers correction in their returns and guidance for declaration after date of filing, should be enforced by the tax officials concerned with all their energy.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

June 30 1949
Announced by National Tax Board

(Attached Sheet 2)

Regarding Special Exceptions as to Date of Filing of June Provisional Return for income tax.

The filing of the first provisional return regarding the Self-assessed income tax for the current fiscal year is to be made by June 30th, however, as it has been three years since Self Assessed Income Tax System was put in force, the National Tax Board has decided the acknowledge special exceptions as to the filing date of the provisional return, for the object of securing firm annual revenue from tax payers by their voluntary declaration and payment, also eliminating the friction between the tax authorities and tax payers concerning re-assessments of the tax amounts, etc.

1. In view of the present situation that tax payers are not well acquainted with the methods of calcutating income tax as required by Law, and Considering the fact that the diffusion and publicity in regard to the above calculating method of incomes is not presented to the payers satisfactorily by the tax office authorities in case there tax payers have been late for the filing date, such tax payers shall pay no penalty tax if it is recognized by the tax office chiefs that the reason their returns was late for the filing date was due to the fact they tried to make honest declaration.

2. Where the farmers are concerned, as they are now in their busy farming season, in case they have filed their returns within one week after finishing planting rice-seedlings even if it is past June 30, they shall pay no penalty tax because of the unavoidable circumstances.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

SD/ai

AG 012 - BA

AUG 3 1949

SUBJECT: Consumption Tax Imposed on Nishijin Textile Industry.

TO: Commanding Officer
Kinki Civil Affairs Region
APO 25

1. Reference translation of information received from Mr. Katsuro Matsumoto attached as inclosure 1.

2. Forwarded for your information and any action deemed appropriate.

BY COMMAND OF MAJOR GENERAL COULTER:

Charles Ramsey
C. W. R. U.S.A.
Lt. Col. AGD Gen

1 Incl:
As noted above.
(3 copies)

AG 012 - BA 1st Ind HLM/ms

Hq. Kinki Civil Affairs Region, APO 25, 5 August 1949

TO: CO, Kyoto Civil Affairs Team, APO 301

1. Forwarded for your information and necessary action is the attached complaint of tax evasion on behalf of Korean Textile Weavers.

2. The complaint was brought to the attention of the Osaka National Tax Bureau and to all tax chiefs in the Kinki Region at the meeting held by the Bureau on 4 August 1949. The matter will be made the subject of a special investigation by the Tax Bureau. It is desired that the tax surveillance officer coordinate his activities with the tax offices involved, with a view toward eliminating the subject of the complaint.

(2)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

BASIC: Ltr, Hq. I Corps, AG 012-BA, subj: "Consumption Tax Imposed on Nishijin Textile Industry," dtd 3 August 1949

3. It was emphasized at the meeting of the tax chiefs that action be expedited relative to problems concerning foreign nationals to insure the establishment of a satisfactory standard operating procedure prior to the dissolution of the teams. It is desirable that you advise all tax chiefs to concentrate on the elimination of problems requiring the active aid and cooperation of the Civil Affairs representatives as soon as practicable.

BY ORDER OF COLONEL O'MOHUNDRO:

File

GEORGE MINARIK
Captain CE
Adjutant

FOR FILE

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

2 August 1949

SUBJECT: Personnel Investigators Regulations and Activities

THRU: Commanding General
I Corps
APO 301

TO: Commanding General
8th Army
APO 343

1. Attached hereto are reports received from the Osaka National Tax Bureau relative to rules and regulations for the conduct of personnel inspectors and a report requested relative to personnel to be considered for separation. The latter is a confidential report solely for the information of tax chiefs.

2. The personnel inspectors are currently working with the officials of the Tax Bureau on consideration of personnel to be recommended for separation. It is anticipated that the separations will be effected some time around the end of July. The bureau is concentrating on the removal of personnel responsible for subversive activities and misconduct, and generally inefficient and inept personnel.

FOR THE COMMANDING OFFICER:

2 Incls:
1. Translation No. 641
2. " No. 6

GEORGE MINARIK
Captain CE
Adjutant

(1)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Confidential information for Tax Chiefs

Translation

SOJIN NO. 641 May 31 1949

SUBJECT: Report on the Staffs

It is requested that the report should be made on the staffs along the following line, though we have not been informed of the policy or number of persons it would be advisater to remove when the layoff is conducted. In order to enforce the tax program for the fiscal year actively, it is urgently necessary to improve the efficiency of taxation business generally, and, on the other hand, to clear out all vicions personnel in order to reform the taxation administration and to overcome the bad reputations acquired in the past. Under the present circumstance it is anticipated that a fairly large number of such persons will be removed from service. This problem will be discussed at the Director Generals Meeting which is to be held in June. The tax office chiefs are requested to prepare the report on such staffs under the following standard and to forward it to this Bureau.

1. Persons under sucpension for prosecution or personnel suspected relative to the official corruption, though they have not been arrested.
2. The staffs absent themselves from the office for a long time. (Reason of absence should be carefully studied.)
3. The insfficient staffs (Those who have record of much absence, late attendances early leaveing and generally insfficient in business.)
4. Old and decrepit or young and inept persons of whom no improvement be expected in the future.
5. Those who reveal the business to the others in connection with the outside person.
6. Those who misconduct themselves and disgrade the confidence of public servant.
7. Those who give bad influences to the others ignoring the requlation or discipline.
8. Those suspected staffs who give special favobor to friends and relatives in levying taxes.
9. Those who are rich and who are considered that no trouble will be created by retirement or those girls who are going to marry in the near future and who wish to retire from the service.
10. Others.

INCL 1

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

OSAKA NATIONAL TAX BUREAU
(Osaka)

2 July 1949

Translation

National Tax Board
Junrei Toku No. 6
1 June 1949

SUBJECT: Rules and Regulations of Inspection administration.

Purpose:

Articlel: The purpose of Article 11, Finance Ministry Organization Regulations (Finance Ministry Ordinance No. 37, dated 1949) is to prescribe the scope and procedures regarding duties of National Tax Board inspectors.

Article 2. For the time being the following number of inspectors will be dispatched to the regional bureaus:

Bureau Name	Number
Tokyo	7
Kanto Shinetsu	6
Osaka	8
Sapporo	3
Sendai	4
Nagoya	5
Kanazara	2
Hiroshima	5
Takamatsu	3
Fukuoka	4
Kumamoto	3

2. All regional bureau chiefs are instructed to provide necessary accommodations, personnel, etc. to the inspectors.

3. In accordance with the above paragraph the offices established for inspectors will hereafter be referred to as Inspector's Office at this Board and Inspector's Sub-Office at regional bureaus.

Article 3. A chief for Inspector's Office and regional sub-offices shall be appointed from the inspectors by the Board Director.

- cont'd -

INCL 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

2. The Inspector's Office chief will be responsible for all administrative duties of inspectors.

3. The sub-office chief will be responsible for all administrative duties of inspectors at his sub-office.

Article 4. It is the duty of inspectors to conduct inspection of officials attached to National Tax Board (including attached organizations and local offices, district offices, agencies, departments and bureaus). They will also assist and direct the regional bureau inspection section on administrative management to achieve afair and equal tax program.

The inspectors shall conduct inspection on the officials attitude toward their duties, performance of their duties, their discipline and efficiency, etc.

Article 5. The inspectors shall conduct their inspection without advance notice. Inspectors operating out of regional sub offices shall conduct inspection of officials attached to that regional bureau, branch revenue official training institute and each local tax office as well as assisting and directing the regional bureau inspection section.

However, especially when instructions from the Board Director are received inspectors will carry out inspection outside of their regional bureau's jurisdiction area.

2. In the case where extra help is necessary to conduct an inspection, the inspection official may submit a request for necessary personnel to the Board Director who shall designate regional personnel to assist them or they may submit a request to the regional bureau chief who shall designate his bureau personnel to assist in the inspection.

Article 6. Upon completion of their inspection the inspectors shall in accordance with the result take the following procedures.

1. Findings of the inspection shall be promptly reported to this Board.

2. In case imperfect or incomplete tax laws, instructions or notifications are detected the inspection official shall promptly report them together with their recommendations.

3. In the case where deemed necessary inspection officials will notify the bureau chief or revenue official training institute director.

- cont'd -

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

4. In the case where misconduct is detected the inspector shall, if the case is considered negligible, notify the chief or director of the office concerned of corrective measures to be taken. Serious cases will be promptly referred to the Board Director for his instruction.

5. A record book recording full perticulars of inspection will be kept at the office and sub-offices.

2. The inspector under no circumstances shall divulge to other than proper sources any information obtained by his inspection.

Article 7. The inspection official shall keep close mutual contact with officials in charge of personnel at the National Tax Board, regional bureaus, revenue official training institute and local tax offices in order to achieve a smooth and efficient administration.

2. In order to achieve the above purpose conferences will be held from time to time.

Article 8. The Inspection Office and sub-office chiefs shall make monthly reports to the National Tax Board.

The above rules and regulations shall be effective from 1 June 1949.

National Tax Board Director.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

July

	SUBJECT	FROM	TO	DATE
1.	The Tax Collection During May 1949	KCAR	I Corps	1 Jul 49
2.	Dedication of Osaka National Tax Bureau	KCAR	All Teams	5 Jul 49
3.	Schedule of Prefectural and Municipal Tax and Rates	KCAR	8th Army	5 Jul 49
4.	Report on Tax Evasion Case	KCAR	8th Army	8 Jul 49
5.	Delinquent Tax Collection Program	KCAR	8th Army	8 Jul 49
6.	Status of Japanese Tax Collections for Fiscal Year 1949-1950	I Corps	I Corps Z/R	12 Jul 49
7.	Notes on the Internal Revenue Conference	KCAR	All Teams	13 Jul 49
8.	Instructions for Tax Investigators	KCAR	8th Army	14 Jul 49
9.	Schedule of Directives and Instructions Received from the National Tax Board	KCAR	8th Army	14 Jul 49
10.	Report on Proposed Training Activities for the F/Y 49-50	KCAR	8th Army	22 Jul 49
11.	Establishment of Japanese Tax Supervision System	KCAR	8th Army	23 Jul 49
12.	Tax Surveillance Activities	KCAR	I Corps	28 Jul 49
13.	Surveillance of Japanese Tax Administration	8th Army	I Corps	39 Jul 49

Jul

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

OK

HEADQUARTERS EIGHTH ARMY
United States Army
Office of the Commanding General
APO 343

AGMGF 012

30 July 1949

SUBJECT: Surveillance of Japanese Tax Administration

TO: Commanding General
I Corps
APO 301

1. Reference, Operation Directive No. 48, this headquarters, 17 August 1948, subject: "Surveillance of Japanese Tax Administration."

2. The Tax Administration Agency of the Japanese government has designated 20 local taxation offices as "Example" or "E" offices for the purpose of making certain experiments in progressive measures relative to the improvement of Japanese tax administration. These offices are listed below with the city in which they are located and the Tax Administration Bureau having jurisdiction:

Name of Office	Name of City	Name of Administration Bureau
Koishikawa	Tokyo	Tokyo
Katsuhika	Tokyo	Tokyo
Fujisawa	Fujisawa	Tokyo
Kumagaya	Kumagaya	Kanto-Shinetsu
Utsunomiya	Utsunomiya	Kanto-Shinetsu
Nishi	Osaka	Osaka
Sakyo	Kyoto	Osaka
Nishinomiya	Nishinomiya	Osaka
Sapporo	Sapporo	Sapporo
Taira	Taira	Sendai
Morioka	Morioka	Sendai
Kanazawa	Kanazawa	Kanazawa
Naka	Nagoya	Nagoya
Tsu	Tsu	Nagoya
Hiroshimanishi	Hiroshima	Hiroshima

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

AGMGF 012
SUBJECT: Surveillance of Japanese Tax Administration

20 JUL 1948

Name of Office	Name of City	Name of Tax Administration Bureau
Kurashiki	Kurashiki	Hiroshima
Marugame	Marugame	Takamatsu
Omuda	Omuda	Fukuoka
Miyahonojo	Miyahonojo	Kumamoto
Yamaga	Yamaga	Kumamoto

3. It is desired that surveillance over the designated "E" offices by civil affairs teams be suspended until further notice from this headquarters, and that surveillance over these offices by tax surveillance officers stationed at civil affairs regions be kept to a mimimum.

BY COMMAND OF LIEUTENANT GENERAL WALKER:

J. A. O'BRIEN
CWO, USA
Asst Adj Gen

AG 012 - BA 1st Ind REC/af

Hq I Corps, APO 301,

AUG 5 1948

TO: CO, Kinki Civil Affairs Region, APO 25
CO, Tokai-Hokuriku Civil Affairs Region, APO 710
CO, Kyushu Civil Affairs Region, APO 24-5
CO, Shikoku Civil Affairs Region, APO 1050
CO, Chugoku Civil Affairs Region, APO 248

Forwarded to your Headquarters for information and compliance with basic communication.

BY COMMAND OF MAJOR GENERAL COULTER:

A. SEIPEL
Lt Col, AGD
Asst Adj General

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

BASIC: Ltr, Hq. 8th Army, AGMGF 012, subj: "Surveillance of Japanese Tax Administration," dtd 30 July 1949

AG 012-BA 2nd Ind HLM/ms

Hq. Kinki Civil Affairs Region, APO 25, 8 August 1949

TO: All Teams

G. M.

FOR FILE

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

File

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

28 July 1949

SUBJECT: Tax Surveillance Activities

TO: Commanding General
I Corps
APO 301
ATTN: Fin & Civil Property
Civil Affairs Section

1. Attached is a copy of letter distributed to all teams in this Region relative to Hq. I Corps' letter, dated 12 July, subject: "Status of Japanese Tax Collection for Fiscal Year 1949-1950."

2. The schedule attached to the letter establishes the goals for the 49-50 fiscal year based on the use of the 1.7 factor increasing the prior year's goals. Percentages of collections are also reflected based upon collections reported to this office by the Osaka National Tax Bureau. These are at variance with the collections and percentages reflected in the schedules attached to the I Corps letter quoted above, but are believed to be correct and in conformance with the information contained in the basic I Corps' letter.

FOR THE COMMANDING OFFICER:

1 Incl:
as indicated

GEORGE MINARIK
Captain CE
Adjutant

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HIL/ms

012

28 July 1949

File

SUBJECT: Tax Surveillance Activities

TO: All Teams

1. Reference is made to Hq. I Corps' letter, dated 12 July 1949, subject: "Status of Japanese Tax Collection for Fiscal Year 1949-1950." Schedules are attached to that letter reflecting collections of the various regions within the I Corps' zone of responsibility and percentages of collections based on goals that are approximately 1.7 times greater than those of the previous year.

2. Attached is a comparative schedule reflecting the 48-49 goals and the 49-50 goals established by using the 1.7 factor. Collections to 30 June 1949 and percentage of collections based on the new goal are also reflected. The collections and percentages are at variance with those reported in the I Corps' letter schedules, but are based upon the relation of goals as established above and adjusted collection reports as submitted by the National Tax Bureau. It is anticipated future Corps' collection reports will conform basically with those reflected herein.

3. The establishment of collection goals will be made primarily for the purpose of establishing criteria of performance and will be used solely as a guide for the Civil Affairs Teams and <u>not</u> passed on to the Japanese tax offices.

4. It will be noted that highest priority attaches to the Civil Affairs tax surveillance activities. It is desired that each team submit to this office as soon as practicable a schedule of the officers and other personnel currently engaged in tax surveillance activities, reflecting any additional duties assigned to these individuals and the approximate amount of time spent on tax surveillance activities as compared with other duties.

5. The tax surveillance program to be effective requires the continued application of surveillance officers to the principles previously outlined relative to ascertaining that offices are functioning in accord with the directives of the National Tax Bureau. Pertinent directives are disseminated by this office to the teams periodically and should be used in observing the effectiveness of the

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

BASIC: Ltr, KCAR, subj: "Tax Surveillance Activities," dtd 28 July 49

operations of these offices. It is essential also as previously indicated that the surveillance officers concentrate upon specific problem of the tax offices that warrant consideration and correction rather than spending their time in the discussion of broad generalities.

6. Public opinion surveys continue to indicate that the tax officials are not displaying the proper consideration and courtesy to taxpayers, thus they continue to alienate public opinion rather than foster the cooperation essential to the success of a tax program such as we are trying to inaugurate here. Courtesy and consideration must be a prime factor in dealing with taxpayers at all times. It is not within the province of tax officials or employees to abuse or disparage the taxpayers irrespective of the nature of their problems or the meager amount of their tax liability.

7. It is desired that the fullest observation and cooperation practicable be given to the above cited letter with a view toward enhancing the current collection activities in this region to avoid the year-end tax collection difficulties previously encountered.

1 Incl:
Schedule

WILEY H. O'MEHUNDRO
Colonel Infantry
Commanding

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Self-Assessed Taxes

Unit: 1,000

Name	48-49 Goal	49-50 Goal	Collections to 30 June	Percent of Goal
Osaka	10,501,590	17,852,703	480,369	2.69
Kyoto	5,032,442	8,555,051	229,859	2.68
Hyogo	5,366,116	9,122,397	295,498	3.23
Nara	1,299,177	2,208,600	47,239	2.13
Wakayama	1,597,362	2,715,515	69,354	2.55
Shiga	1,482,313	2,519,932	93,478	3.71
TOTAL (Kinki)	25,279,000	40,974,300	1,215,997	2.96

All Taxes

Unit: 1,000

Name	48-49 Goal	49-50 Goal	Collections to 30 June	Percent of Goal
Osaka	29,245,355	49,717,104	6,285,355	12.65
Kyoto	11,125,715	18,913,716	1,716,837	9.08
Hyogo	15,957,733	27,128,146	3,305,558	12.19
Nara	2,275,994	3,869,190	307,554	7.94
Wakayama	2,982,366	4,930,022	411,477	8.34
Shiga	2,785,837	4,736,923	511,604	10.81
TOTAL (Kinki)	64,373,000	109,734,100	12,583,385	11.43

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

23 July 1949

SUBJECT: Establishment of Japanese Tax Supervision System

TO: Commanding General
8th Army
APO 343

THRU: Commanding General
I Corps
APO 301

1. There are attached various reports relative to the establishment of the Supervisor's System pursuant to the reorganization of the Japanese tax structure effected by SCAPIN 2001, dated 18 December 1948.

2. The reports cover advice on the original establishment of the system, administrative regulations for the supervisors, a program of activities to be observed by them and details of the administrative policy of supervisors. The latter report is classified as confidential to supervisors and bureau chiefs in the Japanese Tax structure.

3. Close liaison is being maintained with the supervisor's group to insure their observance of these directives and that they operate as effectively as practicable. In order to complete the schedule of contacts which requires that all offices be visited by the supervisors as soon as feasible, additional personnel have been assigned by the Osaka National Tax Bureau to accompany the supervisors. The original contacts normally permit only one day per tax office which is too brief to be of practical value. However, these are orientation visits and tax officials and personnel are being indoctrinated with the natural purpose of the supervisory system and it is contemplated that the length of future visits will be determined by the condition existing in the offices being supervised.

4. The supervisors have been instructed to maintain close liaison with the Military Civil Affairs Section and this office intends to

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

BASIC: Ltr, KCAR, 012, subj: "Establishment of Japanese Tax Supervision System," dtd 23 July 49

supervise and concentrate their efforts on programs of vital matters as warranted.

FOR THE COMMANDING OFFICER:

GEORGE MINARIK
Captain CE
Adjutant

7 Incls:
1. Adm. Policy of Supervisors
2. Policy of NTB Supervisors to be carried out
3. Delinquent Tax Disposition form
4. Translation - ROKUTOKU No. 4
5. " - SO Kan No. 1
6. " - NTB Ordinance No. 5
7. Tax Supervision Report Forms No. 1 & 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Confidential to Supervisors and Bureau Chiefs

TRANSLATION

June 15, 1949

Administrative Policy of Supervisors

1. Policy:

Not only to point out and straighten up the defects of tax administration the supervisors should give appropriate guidances to the officials in positive way.

When the supervisor gives such guidances, close contact should be maintained with the National Tax Bureau, tax offices and other competent government agencies and it is desired that the supervisor should request their cooperation as much as possible.

2. Supervision Plan:

The plan will be indicated to the supervisors at all occasions, if the Chief of National Tax Bureau approves it. On receipt of such plan the chief and the Branch Chief at Supervisors' Office should set up the detail plan and enforce it immediately and the details plan enforced should be reported to the Chief of Supervisors Office by Branch Chiefs. If the Branch Chief desires to supervise a specific case which is not included in the plan indicated, the Branch Chief should get in touch with the Office Chief before hand or immediate report should be made to the Office Chief after supervision.

3. Uniformity at Supervision:

The Office Chief or Branch Chiefs should explain the essential points of the plan and the contents of the report and uniformity of supervision should be made by the Chiefs.

4. Report:

The supervisors should submit a written report to the chiefs within 5 days after supervision and also the report should be forwarded to the Office Chief by the Branch Chiefs within 10 days after the supervision. On receipt of the reports forwarded by Branch Chiefs, the Office Chief should submit the general report to the Chief of National Tax Board.

5. Betterment of the Administration:

On receipt of the report if the Chief of National Tax Board considers it adequate recommendations, instruction will be issued to the National Tax Bureau Chief through his competent department or section. Such instruction will be issued to the Office Chief. If it is considered to be a minor case by the supervisor the improvements or revisions will be advised directly on the spot and the report on such advice will be made to the Branch Chief.

INCL 1

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

6. Checking:

Whether the recommendations were made in accordance with the plan or not the supervisor should check the result of thereof and observe whether the recommendations are followed or not.

7. Close contact:

The Office Chief should forward to the Branch Chief the copy of directives and instructions issued by the National Tax Board to the respective Bureau, and the subjects considered to be necessary for the supervisor's operation should be brought to the attention of the Branch Chief. The Branch Chief should forward the copy of major directives or instructions issued by the National Tax Bureau to the Office Chief.

8. Liaison:

In view of the vital nature of supervisors' system it is desired that close contact should be kept with the military officials and whether it is the major item or not all should be reported to the Chief of National Tax Board.

9. Supervision in the Offices of Other Bureaus:

The supervisor of the branch office is authorized to supervise other bureau or tax office in accordance with the directive issued by the Office Chief at the demand of the Chief of National Tax Board

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Memorandum for the Supervision Works

1. The first supervision works will be made on the following line.

(1) The Branch Chief should immediately set up the plan after the meeting on June 15, 1949 and enforce it.

(2) The supervisors belong to the Head Office should visit the branch office by 20 th of June and study the plan set up by the Branch Office. Then the supervisor should visit two tax offices under the jurisdiction of the Branch Office in cooperation with the Branch Office supervisors and find the best way to maintain uniformity. The supervisor should explain the establishment and operation of the Supervisor System taking advantage of Tax Chiefs or general Affairs Section Chiefs meeting of the Bureau if possible.

2. The second supervision scheme will be established according to the result of first supervision

3. The supervisors should be well aware of the following:

a. Whether the directive issued by the Chief of National Tax Board is well observed or not. Whether the tax administration is maintained on the line of directive issued by the Chief of National Tax Broad or not.

b. Whether the administration is cooperatively carried out or not. Whether there is any abstruction caused by Sectionalism or not.

c. Whether the personnel arrangement is well made or not.

d. Whether there is any instruction which is impossible or difficult to be observed or not.

e. Close connection should be kept with the National Tax Bureau Chiefs and betterment or improvement on taxation should be enforced.

f. Adequate supervision should be carried out according to the business situation of the tax office.

4. At least one of the supervisors should remain in the office to attend various meeting or to keep the constant business connection.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

OSAKA NATIONAL TAX BUREAU
(Osaka)

2 July 1949

TRANSLATION

SUBJECT: Policy of the National Tax Board Supervisors to be Carried out for the Present Time.

No. I For the Present time supervision of the following three items will be carried out.

1. Condition of the self assessed tax declaration encouragement program.

a. Posters, slides, signboards and other tax payment publicity conditions.

b. Condition of self assessed declaration form distribution.

The completion date of distribution and the method. Attention will be paid as to whether the program covered the entire jurisdiction area.

c. Condition of self assessed tax declaration program.

The condition of this program by various business sub-divisions: Business, agroculture, fisheries, other. Number of meetings held, attendance number, what methods of education were employed.

d. Establishment and operation of temporary tax consultation offices.

e. Standing of self assessed tax declarations.

Case numbers, amount and condition of large income tax payers.

2. Condition of disposition on reinvestigation cases.

a. Case number.

b. Condition and number of completed cases.

c. Uncompleted cases and future plan of disposition.

- cont'd -

INCL 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

d. Anticipated date of completion.

e. Whether the result of completed cases are all reported to collection sub-section.

3. Condition of disposition concerning tax in arrear cases and method.

No. II. The National Tax Board supervisors will dispatch three teams on Mondy, June 20 to conduct supervisory operations at 3 tax offices in the Tokyo National Tax Bureau area. They will first contact the Boards sub-office chief at the Bureau and conduct this operation together.

Upon completion the teams will conduct similar supervision at other regional bureaus, first getting in contact with the sub-office chiefs.

No. III. The supervisors of regional sub-offices shall, upon their return from this conference, immediately commence operation and will have completed all tax offices in their jurisdiction area by July 15.

No. IV. On or around July 25 there will be a conference of regional sub-office chiefs at which they will submit a report of the above conditions. The second place of the program will be planned from the result of these reports.

No. V. A monthly report on local tax office personnel distribution in regard to sections, sub-sections, etc. will be submitted to this Board (see attached sheet).

Attached Sheet

Personnel Distribution Report

As of _____

Name of Tax Office:

Section	Allotted Personnel				Actual Personnel													
			Hired		Officials									Clerks			Hired	
	Off.	Clerk	Help	Total	9	8	7	6	5	4	3	2	Total	3	2	1	Total	Help	Total
General Affairs:																			
General Affairs																			
Collection (Internal)																			
Collection (Internal)																			
Total:																			
Direct Tax Section:																			
Self Assessed Income Tax																			
Corporation Tax																			
Estate, Capital Levey																			
Withholding Tax																			
Total:																			
Indirect Tax Section:																			
Liquor																			
Transaction Sales Tax																			
Others																			
Total:																			
GRAND TOTAL:																			

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

FIRST 10 LARGE SCALE TAX DELINQUENTS IN ORDER OF TAX AMOUNT

As of _____ date

Name	For Fiscal Year	Type of Tax	Amount (Unit 1,000yen)	Remarks

Osaka Supervisors' Office requested the tax offices to submit the attached reports.

1. Delinquent Tax Disposition

Report on Larger Amount Delinquent Tax (20) as of June 30

Address	Name	Type of Tax	Tax Amount	Reason Anticipated date of Settlement

2. Anti Tax Movement

a. Report on Anti Tax Movements conducted in each tax office area from Jan 1 - Apr 4 1949

b. Present Activities.

INCL 3

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

TRANSLATION
ROKUTOKU NO. 4

June 24 1949

SUBJECT: Arrangement of the Personnels in Tax Office

TO : Tax Chiefs

It is desired to submit the report on personnel arrangement of your office by July 8, 1949

CHIEF OF SUPERVISORS' OFFICE

PERSONNEL ARRANGEMENT AS OF JULY 1 1949

	SECTION	Authorized Force				Authorized Force														
		Official	Clerk	Hired	Total	Official						Clerk &						Clerk	Hired	Total
						9	8	7	6	5	4	3	2	1	Total	5	4	3	2	1	Total			
General Affairs	General Affairs																							
	Collection																							
	Delinquent Tax																							
	Total																							
Direct Tax	Self-Assessed Income																							
	Withholding																							
	Corporation																							
	Inheritance																							
	Immovable																							
	Total																							
Indirect Tax	Liquor																							
	Transaction																							
	Others																							
	Total																							
	GRAND TOTAL																							

1. Section chief should be included.
2. The above figure include number of personnel on long leave.
3. Mobilized personnel will not be included.

INCL 4

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Translation

15 June 1949

SO Kan No. 1

TO : Mr. N. Kubotani,
Osaka National Tax Bureau Chief.

As the supervision system was established in the National Tax Board in accordance with the Finance Ministry Establishment Law and the Finance Ministry Organization Regulations, great expectance of not only the taxpayers but also the Occupational personnel concerned is focused on the future adhievement of the new system, because, in recent years, the nation's servere criticiam has been centering arround the efficiency of tax administration.

Now the following administration regulations relative to supervisors has come into effect and supervisors will show positive activities immediately.

I deeply appreciate your coorperation in fair and efficient execution of the supervisors duties, in consideration of the following important points, in accordance with the intent of the establishment of the new system and the the taxation structure as a whole.

1. Offer office accomodations to supervisors for the purpose of efficient execution of their duties.

2. All tax programs, instructions, statistic data, findings of investigations or inspections to be sent to local tax offices from the regional bureau must be referred to supervisors.

3. The duties of the regional bureau to conduct investigation or inspection on local tax offices under its jurisdiction are not affected by the establishment of the new supervision system. However, at the time of any investigation or inspection on the local tax offices, you will get in close contact with the supervisors concerned.

4. Supervisors must attend conferences or meetings of tax office chiefs, section chiefs or others which seem to be important from the point of view carrying out the duties of supervisors.

5. Two officials and two clerks will be allocated out of the fixed number of personnel of the National Tax Board and attached to the Supervisors' Branch-Room of each regional tax bureau for handling office routine. These officials and clerks will be selected by each regional bureau among the personnel under its jurisdiction.

- cont'd -

INCL 5

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

6. Administrative expenses of the branch-room will be handled in accordance with the Ordinance relative to the administration of the Personnel Inspectors' Branch-Room, So Satsu No. 1, dated 11 June 1949.

/s/ Mamoru Takahashi
Director,
National Tax Board

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Translation

15 June 1949.

National Tax Board Ordinance No. 5.

Supervisors' Administration Regulations

Article 1. The purpose of the regulations is to prescribe the scope and proceedings of duties of the supervisors of the National Tax Board in accordance with Article 90 of the Finance Ministry Organization Regulations (the Finance Ministry Ordinance No. 37, dated 1949).

Article 2. For the time being following number of supervisors are to be dispatched to the regional bureaus.

Tokyo	7
Kanto-Shinetsu	6
Osaka	8
Sapporo	3
Sendai	4
Nagoya	5
Kanazawa	2
Hiroshima	5
Takamatsu	3
Fukuoka	4
Kumamoto	3

2) All regional tax bureau chiefs are instructed to provide necessary accomodations to the supervisors.

3) The supervisors' room thus established under the regulations of the above two paragraphs are hereafter referred to as the Supervisors Room at Tokyo and the Supervisors' Branch-Rooms at regional tax bureaus.

Article 3. A chief for supervisors room and branch rooms shall be appointed from the supervisors by the National Tax Board Director.

2) The supervisors' room chief will be responsible for all administrative duties of supervisors.

3) The branch-room chief will be responsible for all administrative duties of supervisors at his branch-room.

- cont'd -

INCL 6

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Article 4. It is the duties of supervisors to supervise such administrative duties of regional bureau and local tax office as the following items in an effort to effect renovations and improvement of tax administration.

1) Whether administration of tax laws, regulations, ordinances or instructions relative to tax administration is satisfactorily carried out.

2) Whether administrative programs are being carried out without any trouble.

3) Whether the management handling of organization or allocated personnel is reasonable.

4) Whether the allocated budget is being used adequately.

5) Whether the personnel administration is being carried out satisfactorily.

6) Whether adequate administrative personnel and accomodations are available.

7) Whether present administrative or welfare facilities are sufficient.

8) Any other items relative to improvement or betterment of tax administration.

Article 5. Supervisors shall conduct their supervision on officials of the regional bureaus and local offices without any advanced notice. In principle supervisors of branch-room shall conduct supervision on the officials of the regional bureau to which they are attached and the local tax offices under the jurisdiction of the bureau concerned. However, in the case they received an instruction from the National Tax Board Director, they can conduct their supervision on the officials of regional bureaus and local tax offices outside their jurisdiction.

2) Supervision shall be conducted by at least two supervisors. If necessary, officials of the National Tax Board or those of the regional bureau appointed by the bureau chief by the request of the supervisors concerned must assist the supervisors in conducting supervision.

- cont'd -

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

3) Supervision programs must be kept in secret.

Article 6. Supervisors must take following procedures as well as giving adequate guidance to the officials concerned in accordance with the findings of the supervision.

1) Findings must be promptly reported to the National Tax Board Director.

2) In the case incomplete laws, ordinances or instructions were found, promptly report to the National Tax Board Director with their recommendations for revision.

3) Matters relative to officials' status must be immediately referred to inspectors.

4) Simple matters to be revised or corrected must be referred to the regional bureau director or the local tax office chief concerned and only important matters must be referred to the National Tax Board Director for revision.

5) Supervisors shall recommend to the National Tax Board Director the regional bureau or the local tax office which made excellent achievement in tax collection.

6) Prepare and fill out the Supervision Findings Report Classified by Local Tax Offices (see attached Form No. 1) at the Supervisors' Room or Branch-Rooms in order to make clear the finding of supervision.

7) Prepare another Tax Supervision Report (see attached Form No. 2) and fill out only important cases. Signatures and seals of all supervisors concerned are necessary at each filling out.

2. Supervisors must keep the secret obtained as the result of their supervision.

Article 7. Supervisors must get in close contact with the regional bureau chief concerned in order to effect fair and strict execution of their duties.

2. Supervisors must attend meetings to be held at the National Tax Board and the regional bureaus. Also they must hold meetings of themselves at random.

- cont'd -

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Article 8. Room chief or branch-room chief must submit promptly monthly report on the findings of investigations to the National Tax Board Director.

Supplement Provisions

This ordinance will come into force as from 15 June 1949, but will be applied as from 1 June 1949.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Attached Sheet 1

Form No. 1

Tax Supervision Report By Tax Offices

Name of Tax Office	Date of Supervision	Term of Supervision	Name of Supervisor	Remarks

Details of Supervision Findings

Classification	Term of Supervision	Name of Supervisor	Details of Findings	No. of Cases	No. of Cases Warned

Recommendations

INCL 7

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Attached Sheet 2.

Form No. 2

Tax Supervision Report

1. Date of Supervision Conducted:
2. Name of Supervisor Concerned:
3. Details of Findings:
4. Matters Instructed:
   a.
   b.
5. Matters Warned:
   a.
   b.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

22 July 1949

SUBJECT: Reports on Proposed Training Activities for the F/Y 49-50

TO: Commanding General
8th Army
APO 343

THRU: Commanding General
I Corps
APO 301

Attached are schedules outlining the proposed plans for training tax enforcement personnel during the F/Y 49-50.

FOR THE COMMANDING OFFICER:

GEORGE MINARIK
Captain GE
Adjutant

2 Incls:
1. Plan for Enforcement of Revenue Officials
2. SOSO 7-5

FOR FILE

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Plan for Enforcement of Revenue Officials
Training class for Fiscal year 1949 - 50

I. Basie Policy:

1. During current fiscal year be collowing training class shall be conducted to attain intensification of external investigation work and the full preparation and efficiency of the internal work at the tax offices and the National Tax Bureau.

1. Training Class of external works for experienced staffs.
2. Training Class of internal works for elementary staffs.

2. The training class for the experienced staffs shall be conducted chiefly for the training of the officials engaged in the external works.

3. To complete the training courses, sufficient instructors shall be provided by the training institute and its branches as soon as possible.

4. To coardinate the training courses, varions kinde of text books shall be prepared by the Revenue Officials Training Institute.

I. Higher Revenue Officials Training Class.

1. Attendants to the training class.
Officials who graduated from university or college and have civil experience. (The officials who went through the training class, above (2) are excluded)

2. Number of attendants: 600 officials (200 officials a class)

3. Period:
1st training: Middle of September to End of October.
2nd " : 1st of November to Middle of December.
3rd " : Middle of January to End of February.
4. Number of days: 40 days

5. Place: Revenue Officials Training Institute

6. Policy:

a. The aim ofthe training class shall be to educate officials who have no ttaxation experience byt have appropriate scholarship and civil experience and shall train the national tax investigation officials or national inspection officials who will become responsible staffs of the taxation business.

b. Elemental subsidiary training shall be conducted for

/NCL/

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

the attending officials who have little knowledge of book-keeping, accounts and abacus calculation.

c. The forus of the training class chall be put or the practical business of the income and corporation taxes, but the training shall be enforced to main tain the knowledge regarding the general taxation business

7. Lessons and hours:

Book-keeping and accounts	50 hours
Income Tax Law	30 hours
Practical business of theabove	20 hours
Corporation tax law	30 hours
Controlling laws for violation of National tax law	8 hours
National tax collection law	8 hours
Practical business of the above	20 hours
General outline of the taxation system	14 hours
General system of indirect tax	10 hours
Abacus calculation	20 hours
Total	210 hours

8. Instructors:

a. Instructors of the Revenue Official Training Institute.

b. Officials of National Tax Board or instructors from other organizations.

9. General

An examination will be held upon the completion of the traing class.
For lodging the attendants of the courses shall utilize the domitory of the Revenue Officials Traning Institute.
Estimated number of the attendant from each bureau will be based on the attached sheet (1)

10. Training Class of edternal works for experienced officials.

1. Attendants to the training class.
The 3rd grade officials and the officials who have been engaged in the tax business for3 to 6 years.
(The graduated of the Higher Public Finance School and persons who were trained by the training class of above I are excluded.)

2. Number of Attendants:

Income Tax	2,455
Corporation Tax	815
Transaction Sales Tax	1,000
Tax Collection	730
Total	5,000

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3. Period:

May to End of December at National Tax Bureau.
September to End of December at Local Revenue Officials Training Institute.

4. Number of days 20 days (15 days for tax collection)

5. Place:

a. In National tax bureaus.

b. In local revenue officials training institutes.

6. Policy:

a. The training Class shall aim to caltivate and train experienced officials in the tax offices to complete and reinforce the external investigation works and tax collection.

b. The training classes of the external investigation works shall be conducted about the businesses of income tax, corporation tax, and transaction sales tax and concentrated to train the practical business of the investigation measures of the real amount.

c. The training class of thetax collection business shall be concentroted on the practical business of delinquent tax disposition.

d. The attendants whose results were remarkably excellent in the training class shall be promoted to the national tax inventigation officials or national tax collection officials by selection within small number.

7. Lessons and hours:

Income tax law (or corporation tax law, transaction sales tax law)	30 hours
Practical aspects of the above	30 hours
Book-keeping and accounts	50 hours
Total	110 hours

Tax Collection Laws and laws and regulations	50 hours
Practical aspects of the above	30 hours
Total	80 hours

8. Instructors:

Official in charge of the section conserned of the National tax bureau.
Instructors of local revenue officials training institute.

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9. Text book:
Text book shall be compiled by the Revenue Officials Training Institute.

10. Others:
An examination will be heldupon the completion of the training class.

After the month of September, utilizing the remaining facilities, a part of the training class will be conducted by the national tax bureau where education facilities of the revenue officials training institute is located.

As tothe lodging facilities, dormitories of Revenue Officials Training Institute and National Tax Bureau shall be utilized or hotels shall be rented.

Estimated number of Attendants from each national tax bureaus shall be based on the attached sheet (2)

III. Short term training class of internal business.

1. Attendants to the training class.
The 1st, 2nd and3rd grade officials who are chiefly engaged in the internal business.

2. Number of attendants: 5,000

3. Period: May to End of December.

4. Number of days: 3 - 5 days

5. Place: National tax bureau or principal tax offices.

6. Policy:
a. The training class shall aim to encourage systematic and efficient business operations of the officials who are chiefly engaged in the internal business at the tax offices and also to train the officials in charge of the business concerned.

b. The training class shall bedivided in the internal businesses of tax collection, real property, income tax (with holding and accounts and conducted accordingly.

c. The courses of the training class shall be limited and the practical works of the internal business, and expected effect shall be accomplished in short period.

7. Lessons and hours:

Internal business	of tax collection	35 hours
"	of real property	35 "
"	of income tax	21 "
"	of indirect tax	21 "
"	of accounts	35 "

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8. Instructions:

Officials of National Tax Bureau (who are actually engaged in the works)

9. Text books:

Text books shall be compiled by the Revenue Officials Training Institute.

10. Others:

Estimated number of the attendants to the training class shall be based on the attached sheet (3).

IIII. Training Class of Abacus Calculation and others.

(1) Training class of abacus calculation.

1. The training class shall be conducted for the officials of national tax bureaus or tax offices who have little experience in the abacus calculation by each department of national tax bureau or each tax office.

Enforcement plan for Revenue Officials Training Class.

2. The training class, 3 or 4 months a period, which exercise the four rules of addition, subtraction, multiply and division shall be conducted for one hour a day during office hours and repeated several times by the standard of the acquirement.

3. The teaching materials shall be prepared by the Revenue Officials Training Institute, but the instructors shall be appropriate officials of national tax bureaus or tax offices.

4. Interprefectures or international tax bureaus centests shall be held later.

The second all Japan contests will be held in Autumn.

5. Official approval system for abacus calculation is now separately under study.

(2) Other training classes:

Above training classes for the current fiscal year shall be conducted primaily and as a general rule the other training classes shall be suspended.

Attached Sheet 1.

List of Attendants to Higher Taxation Business Training Class, Finance Ministry

Name of Bureau	Numberof Officials graduated from College and University	Number of 4th grade Official	Estimated Number of Officials to be attended
Tokyo	1161	291	181
Kanto-Shinetsu	560	165	103
Osaka	777	141	88
Sapporo	48	7	4
Sendai	273	49	31
Kanazawa	177	31	19
Nagoya	489	63	39
Hiroshima	495	92	57
Takamatsu	199	20	13
Fukuoka	464	71	44
Kumamoto	354	34	21
Total	4,991	964	606

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Attached Sheet 2.

List of Experienced Officials to attend the
Short Period Training Class of External Investigation Business

Name of Bureau	Taxation 3rd Grade Officials As of April 1 49	Attendants	Breakdown					Remarks
			General Affairs Sect	Direct Tax Section			Indirect Tax Sect	
			National Tax Collection	Income	Corporation	Total	Transaction Sales Tax	
Tokyo	131	*410 700	*100 100	*120 340	*120 120	*240 460	*70 140	1. Calculation of the breakdown allocated by the following percentage Direct Tax Sect 65% Indirect Tax Sect 20% General Affairs Sect 15% Breakdown of the direct tax Sect. allocated by the following percentage Income Tax 75% Corporation Tax 25%
Kanto-Shinetsu	166	500	75	250	75	325	100	
Osaka	1,271	*400 800	*120 120	*200 375	145	*200 520	*80 160	
Sapporo	224	200	30	100	30	130	40	
Sendai	498	*300 400	*60 60	*100 200	*60 60	*160 260	*80 180	
Kanazawa	257	200	30	100	30	130	40	2. * indicates the attendants to the training class which utilized the Revenue officials training institute's facilities.
Nagoya	628	*330 550	*80 80	*100 270	*90 90	*190 360	*60 110	
Hiroshima	661	*300 550	*80 80	*70 270	*90 90	*160 360	*60 110	
Takamatsu	368	300	40	150	50	200	60	
Fukuoka	406	300	40	150	50	200	60	
Kumamoto	617	*260 500	*75 75	*60 250	*75 75	*135 325	*50 100	
Total	6,527	2000 *5000	515 *730	650 *2455	435 *815	1185 *3274	450 *1000	

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Attached Sheet 3

List of Attendants to the
Internal Business Short Period Training Class

As of April 1, 1949

Name of Bureau	Officials of National Tax Bureau				Officials of Tax Office			Total	Allocation of Attendants	Attendants
	2nd grade	3rd grade	4th grade	Total	Taxation 1st grade	Taxation 2nd grade	Total			
Tokyo	15	231	68	314	2,932	2,307	5,239	5,553	685	700
Kanto-Shinetsu	17	139	61	217	3,104	2,305	5,409	5,626	696	700
Osaka	24	111	50	185	3,667	3,503	7170	7355	907	200
Sapporo	12	46	28	86	773	826	1599	1685	208	200
Sendai	14	86	46	140	1271	1,519	2796	2936	362	350
Kanazawa	17	69	21	107	717	781	1498	1605	198	200
Nagoya	89	182	59	330	2,037	2544	4581	4911	606	600
Hiroshima	45	166	32	243	1,593	1,603	3196	3439	424	400
Takamatsu	10	52	29	91	952	1958	1910	2,001	247	250
Fukuoka	25	56	35	116	1,431	1225	2656	2772	342	390
Kumamoto	10	192	56	258	1162	1219	2381	2639	325	350
Total	278	1,324	458	2,057	19,645	18,790	38m485	40,522	5,000	5,000

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(SOSO 7-5)

14 June 1949

To : Derector of Osaka National Tax Bureau

Subject: Regarding the planning Taxation Staffs for the fiscal year 1949 thru 1950

In regard to the above subject, this Board has approved that the planning shall be conducted by chief of Revenue Official Training Institute, therefore your consideration should be desired for the execution of the planning so that you may have good results in cooperation with the Institute.

Statement:

1 Incl 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Planning of training taxation staffs in the fiscal year 1949 - 1950

As a plan of training taxation staffs in the fiscal year 1949 thru 1950, the long term education for students and pupils of Revenue Official Training Institute shall be carried on in succession, and at the same time, for the object of arranging and consolidation the taxation business. The short term training course as to investigation and collection business and office business shall be opened to the main staffs and moreover, establishing new correspondence education system, some professional education about tax business shall be given to the general staffs.

1. Primary Education

Pupils in the Ordinary Course of Revenue Official Training Institute.

Nine month's long-term education should be given to the pupils in the Ordinary Course of Revenue Official Training Institute.

The date of graduation for the pupils who entered the Institute on April 1948 (Second-year pupil) shall be settled on the end of August 1949.

No. of pupils to be educated	650 pupils
Education term	10 April - December end
Subject to be studied	Professional subjects on primary taxation business.

2.

1. Education given at Revenue Official Training Institute.

1. Students in the higher course

Long term education necessary to the students in the Higher course of Revenue Official Training Institute as main staffs as follows.

The date of graduation of the students who entered the Higher Public Finance School on may 1948 will be appointed on 19 July 1949.

a. No. of students: 200 students
b. Education Term : From 9 May to December end
c. Subject to be studied: Professional Subjects on higher taxation business.

2. Short term training course

Short term training course necessary to train the staffs who graduated from a university or a college to be educated as national tax investigators or national tax inspectors shall be held in a spare - room at and equiped by Revenue Official Training Institute.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

a. No. of students 600 persons
b. Education terms and No, of times 3 times in the period middle part of Sept. thru next February end
c. No. of daysfor education 40 days
d. Subject to be studied Jeneral tax business
e. Lecturers Teaching Official of Revenue Official Training Institute, Staffs of National Tax Board.

2. Education given at Revenue Official Training Institute Branch

1. Training of external tax investigation business.
There will be held a short-term training course necessary to be main staffs on the professional subjects of tax business regarding Income tax, corporation tax, Transaction Sales Tax, and Tax Collection Business, to the staffs whose class of solary is 3rd class standard utilizing a spare-room at and equipment of Revenue Official Training Institute or equipment of National Tax Bureau (Excepting the staffs who were given the training stated Art. 1 and 2)

a. Staffs to be trained: 5,000 persons
b. Education term : For the term this May thru this December end
c. Times : 20 days (15 days for tax collection business training)
d. Place : Revenue Official Training Institute and National Tax Bureau
e. Subjects to be studied: One subject out of Income Tax Law-Corporation Tax Law, Tax Collection, especially the practical handling of the subject should chiefly be coached
f. Lecturers : The staff in charge of the business concerned in every section of National Tax Bureau and instructors of Revenue Official Training Institute Branch.

2. Training for internal business: Among the 1st, 2nd and the 3rd grade taxation officials, those who are chiefly engaged in their internal business shall have a short-term training for their practical business which is indispensable to them

a. Staffs to be trained: 5,000 persons
b. Education term : For the period May thru December
c. Times : 3 days - 5 days

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

d. Place: National Tax Bureau or main Tax Offices
e. Subjects to be educated: One subject out of the following Internal business of tax collection Immovable property business Internal business of acounting.
f. Lecturers: Staffs in charge of the practical business concerned of National Tax Bureau.

3. Correspondence education

Correspondence education shall be given to the staffs to complement the lack of equipment for their education and also to broaden the training for their tax business. Emphasis shall be placed on education and increase the staffs knowledge of book-keeping and accounting.

1. Junior Correspondence Education

a. Students: 2nd or 3rd grade taxation officials
b. Opening time: September
c. Term: For one year
d. Subjects: Primary book-keeping and accounting outline of tax
e. Organ in charge of education: Revenue Official Training Institute

Notice:

Even the staffs 4th grade taxation officials shall have the correspondence education of primary book-keeping and acounting unless they have no need for the knowledge of them.

2. Higher class Correspondence Education

a. Students: Staffs between 3rd grade and 6th grade taxation officials
b. Opening of Correspondence Education: September
c. Terms: one year
d. Subject to be educated: Income Tax Law and its practical business Corporation Tax Law and its practical business Commodity Tax Law and its practical business Transaction Sales Tax Law and its practical business. National Tax Collection Law and its practical business National Tax Violation Regulation and its practical business Senior Book-keeping and accounting.
e. Organ in charge of the Education: Revenue Official Training Institute Branch

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Notice:

Among the above subjects, Income Tax Law Corporation Tax Law, Transaction Sales Tax Law education will be emphasised for the current fiscal year.

3. Training Course given to the staffs engaged in training business.

For the object of enforcing the above plans of training revenue officials stated in Art, 1 and 2, teaching officials that have been recently added and the Revenue Official Training Institute shall have a training class which is necessary to educate the taxation staffs at Revenue Official Training Institute.

a. Officials to be trained: 66 persons
b. Terms: From latter part of July to August end.
c. Subjects to be studied: Every professional subject on taxation.
d. Lecturers: Teaching Officials of Revenue Official Training Institute and staffs of national Tax Board.

4. The above plan may be changed in compliance with thestarting of National Tax Investigators System and other circumstances.

Director of National Tax Board.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

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HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

14 July 1949

FOR FILE

SUBJECT: Schedules of Directives and Instructions Received from the National Tax Board

TO: Commanding General
8th Army
APO 343

THRU: Commanding General
I Corps
APO 301

file

1. Attached are schedules of instructions and directives received from the National Tax Board and disseminated by the Osaka National Tax Bureau to the various tax offices.

2. The schedules are required by this office in order to ascertain the nature of the material issued by these offices. Directives of particular importance are required to be submitted in full.

3. The schedules are forwarded herewith as matters potentially of interest to your office in that they indicate the nature of the tax matters currently being issued.

FOR THE COMMANDING OFFICER:

2 Incls:
1 & 2 - Schedules of Instructions

GEORGE MINARIK
Captain CE
Adjutant

no
Ally

9

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

file

REPORT ON INSTRUCTIONS RECEIVED FROM NATIONAL TAX BOARD AND ISSUED BY THE OSAKA NATIONAL TAX BUREAU

Date	Subject
1/6	Instruction on 1st class of Sake regulated on No. 27 Article of Liqor Tax Law. Issued on June 1.
11/6	Instruction on operation of Inspectiors' Sect, despatched by National Tax Board. Issued on June 11.
14/6	Regarding Tax Publicity By means of Sound Truck. Issued on June 14 to the Tax Offices.
15/6	Regarding Establishment of Standard Tax Offices. Issued on June 16 to the Tax Offices.
20/6	Regarding the Staffs now engaging in public Service elected by open votes. Issued on June 20. Every Section Chief.
24/6	Regarding the name Lists of all the Staffs. Issued on June 24 to the Tax Offices.
14/6	Regarding the Report on the deeds of Revenue Officials and Accounting Clerks. Issued on June 14 to the Tax Offices.
15/6	Regarding Filing of Documents of Disposal of Deficit and of Securities. Issued on June 15 to the Tax Offices.
21/6	Regarding checking of Bills for various Repayment of more than 10,000 yen each. Issued on June 21 to the Tax Offices.
10/6	Regarding Distribution of Disbursing Budget. Issued on June 10 to the Tax Offices.
16/6	Distribution of Disbursing Budget. Issued on June 16 to the Tax Offices.
916	Inst. on Handling of Life Insurance men's Income Taxes. (Issued to the Tax Offices on June 9)

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Incl.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Date	subject
9/6	Instruction on Withholding Income Taxes from Earned Income By Asahi Life Insurance Mutual Company. Issued to the Tax Offices on June 9.
15/6	Instruction on Handling of Allowances in Season Tickets Regarding Withholding Income Taxes. Issued to the Tax offices on June 15.
9/6	Tax Collection to the Incomes of Intermediaries for Prostitutes and Prostitutes. Issued to the Tax Offices on June 9.
10/6	Inst, Collection of Withholding Income Taxes from Musical Band men's Incomes. Issued to the Tax Offices on June 10.
9/6	Inst, on Handling of Revised Income Tax Law and Securities Transfer Tax Law. Issued to the Tax Offices on June 9.
9/6	Inst, on Handling in case corporations that are Not recognized as those liable to collect witholding taxes happen to collect and pay those taxes which should be paid by members of Unions belong to the corporations. Issued to the Tax Offices on June 9.
15/6	Inst, on Handling of penalty taxes to witholding Income Taxes. Issued to the Tax Offices on June 15.
15/6	Inst, on Progress condition of Proper Recording of Land Ledger by the ministry Ordinance concerning the Special Exceptions on Land Ledger Law In Accordance with Special Measures for the Establishment of Owner Farmers. Issued to the Tax Offices on June 15.
15/6	Regarding the Handling of Donation Tax. Issued to the Tax Offices on June 15.
15/6	Inst, on Conditions of Business Arrangement with the Authorities Concerned in Tokyo as to Provisional Returns of Agriculture Income on this June. Issued to the Tax Offices on June 15.
15/6	Inst, on notice as to Contributions given to extend the Building of Seishin Women's College. Issued to the Tax Offices on June 15.

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Date	Subject
18/6	Inst. on Investigation of Reference matters for classificating Lands and Houses. Issued to the Tax Offices on June 18.
23/6	Inst. on Revision of Estate Tax Law. Issued to the Tax Offices on June 23.
13/6	Inst. Regarding the handling of Revised Art. 104 of Customs Law, (Regulation Concerning the area belonging to a foreign country) Issued to the Tax Offices on June 13.
10/6	Inst. on Handling of Textile Excise Tax in accordance with the Abolishment of Control Regulation for Silk Goods. Issued to the Tax Offices on June 10.
13/6	Inst. on the Handling of Commodity Tax for Book's Covers in Loose-Leaf System. Issued to the Tax Offices on June 13.
20/6	Inst. on the Handling of Comodity Tax for Ham, Sausage etc., Issued to the Tax Offices on June 20.
20/6	Inst. on Handling of Remade Petroleum Benzine Having Been used for melting Rubber. Issued to the Tax Offices on June 20.
6/6	Inst. on Tax Rate applied to Amusement Tax to Bear-Halls and Bars. Issued to the Tax Offices on June 6.
6/6	Inst. on Distribution of Liqors to Labors engaged in Transportation Business to secure the Transportation of Principal Foodstaffs for the half fiscal year of 1949-1950. Issued to the Tax Offices on June 6.
6/6	Inst. on Allocation of Liqors for the object of encouraging deliveryquotas of wheat and potatoes produced for the fiscal year 1949 thru 1950. Issued to the Tax Offices on June 10.
9/6	Inst. on Handling in case Liquor Brewing and Mfg. Factories purchase machines for Liqors. Issued to the Tax Offices on June 9.
11/6	Inst. on Distribution of Liqors for Delivery quotas of Staple Foodstuffs produced for the fiscal year 1949 thru 1950. Issued to the Tax Offices on June 11.

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Date	Subject
11/6	Inst, on accommodation of the purchasing bunds for Dried Strips of Sweep-Potatoes used for materials of Liqors in accordance with their additional allocation. Issued to the Tax Offices on June 11.
15/6	Inst, on Selling miscellaneous Liqors (Whisky, Grapewines, etc.,) at Station Compound. Issued to the Tax Offices on June 15.
20/6	Report on Investigation of Planted acreage necessary to taxable data for Agriculture Income. Issued to the Tax Offices on June 20.
20/6	Request for Investigation of Harvest By Area of Land as to the Subjects applicable to calculation of Agriculture Income for the fiscal year 1949-1950. Issued to the Tax offices on June 20.
23/6	Guidance for provisional Return on June. Issued to the Tax Offices on June 23.
25/6	Inst, on Revision of some measures Concerning Keeping Secrets ofDeposits etc., Issued to the Department chief, Section chief, and the Tax Offices.
24/6	Correction of Pay Scale applied to the Staffs not yet Repatriated. Issued to the Tax Offices.
27/6	Inst, on change of Time Limit of Filing of Current Report For Calculating Personnel Expenses and its Adjustment. Issued to the Tax Offices.
24/6	Inst, on Document Added to account For Collected Amount of Revenue concerning the Appointed Evidences of Tax payment and payment in Kind. Issued to the Tax Offices.
27/6	Report on Investigation on Self-assessed Income Tax For the preceding fiscal year. To the Tax offices on May 27.

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Date	Subject
25/6	Instruction on Filing the Following Report. Investigation on Self-assessed Income Tax Disposed. Report on Re-investigation done attached to Report on Tax in Arrears. Report on Tax in Arrears By Type of Taxes. Breakdown of Tax Arrears by Type of Taxes Settled During the current Month. Investigation on Tax Arrears to be cleared. Issued to the Tax Offices on June 25.
27/6	Report on Tax Arrears by Tax Offices as of May 1949 and List of Delinquent Tax Amount by Type of Taxes. Issued to the Tax Offices on June 27.
24/6	Regarding the actual Investigation on Withholding Income Tax.
24/6	Handling of Income Tax to the Expenses paid to Administrators for Voting by Electoral Administration Committee. Issued to the Tax Offices on June 24.
25/6	Investigation on Provisional Return in June for Self-assessed Income Tax for the fiscal year 1949-1950. Issued to the Tax Offices on June 25.
25/6	Inst, on advice as to Guidance for provisional Return of Adriculture Income in June. Issued to the Tax Offices on June 25.
29/6	Inst, on quickening for Investigation and Collection of Data for Income Taxes. Issued to the Tax Offices on June 29.
29/6	Guidance for Provisional Return on June of Income Taxes for the current Fiscal year to the Osaka Pickles Brokers' Association which has newly been established. Issued to the Tax Offices on June 29.
23/6 of	Inst, on Partial Revision of notification on Decision of classification of Liqors. Issued to the Tax Offices o on June 23.
25/6	Additional allotment of Liqors for Rice-Transplantation for the First Half Fiscal year of 1949-1950. Issued to the Tax Offices on June 25.

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Date	Subject
27/6	Inst, on Allocation of Incentive Ration Liqors for Industry for One-quarter period in the fiscal year 1949-1950. Issued to the Tax Offices on June 27.
27/6	Inst, on Distribution of Beer Rationed for the object of Securing Barley as Beer Materials. Issued to the Tax Offices on June 27.
25/6	Inst, on Allocation of Incentive Ration Liqors for Industry for one-quarter Period in the fiscal year 1949-1950. Issued to the Tax Offices on June 25.
25/6	Inst, on Total Taxes Amount of Liqor Tax for the fiscal year 1948 thru 1949.
29/6	Inst, on Arragement of Total Taxes Amount of Liqor Tax . Issued to the Tax Offices on June 29.
29/6	Inst, on Strict Enforcement of Controlling Liqor Illecit Brewing. Issued to the Tax Offices on June 27.
25/6	Investigation on No. of Business Offices Having Connections with Commodity Taxes. Issued to the Tax Offices on June 25.
27/6	Instruction on Exemption from Textile Excise Tax to Textile Materials of Export Textile Goods. Issued tothe Tax Offices on June 27.
27/6	Inst, on Handling of worked cotton Textile in Export Standard to be Released to the Interior. Issued to the Tax Offices on June 27.
27/6	Inst, on Payment of Textile Excise Tax to the Released cotton Textile. Issued to the Tax Offices on June 27.
27/6	Inst, on Taxable price of Silk Textile. Insued to the Tax Offices on June 27.
23/6	Inst, on Taxes and other Revenues which may be paid by Transaction Sale Tax Stamps. Issued to the Tax Offices on June 23.
27/6	Inst, on Partial Revision of Multiples By Type of Business applied to Guidance for Provisional Return on Income Tax. Issued to the Tax Offices on June 27.

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ONTB

REPORT ON INSTRUCTION RECEIVED FROM
NATIONAL TAX BOARD AND ISSUED BY
THE OSAKA NATIONAL TAX BUREAU

Date of Issued	Subject	Issued By
June 22	Instruction on Separation of Internal Taxation Business on Income Tax from that of External.	Osaka National Tax Bureau
July 1	Inst. on Preventing Impostors of Revenue Officials from their Prevalence.	- " -
July 2	Inst. on Regulations Concerning Personnel Investigators' Business.	- " -
July 4	Inst. on Prevention of Fire and Adjustment and Preservation of Public Documents.	- " -
July 6	Regarding Tax Payment Publicity Conducted During May and June as to Provisional Declaration of Income Tax.	- " -
June 28	Inst. on Sales Target of Free Sales Liqor for the First Fiscal Year 1949 thru 1950	- " -
June 28	Inst. on Measures taken to the Abolishment of Liqors Distribution Public Corporation.	- " -
July 1	Inst. on Handling of Commodity Tax to Harvested Tea of Poor quality.	- " -
July 1	Inst. on Allotment of Incentive Ration Liqors For Industry for the 1st quarter in the fiscal year 1949thru 1950	- " -
July 5	Inst.on Measures taken to Licence Liqor Dealers in accordance with the abolishment of Liqors Distribution Public Corporation.	- " -
July 5	Inst. on Anticipated Revision of Official Price of Liqors In accordance with the Abolishment of Liqors Distribution Public Corporation	- " -
June 28	Inst. on Handling in the Tax Law concerned of Special Expenses for Repairing and charges of Construction In Electric Enterprise.	- " -

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June Date of Issued	Subject	Issued BY
June 29	Inst. on Maintenance of Secrecy of Data concerned Investigated of Labor Standard Inspection Offices.	Osaka National Tax Bureau
June 30	Various Kinds of Data on Economic Statistics.	- " -
June 30	Inst. on Handling of Penalty tax to Coporation Tax	- " -
June 30	Inst. on Determination of Producers' price on wheat and Potatoes etc., Produced in this year and Imagined Price as of June, on Rice to be Produced this year.	- " -
June 30	Inst. on year-end Adjustment of Taxes on net amount of Securities given to employees of persons engaging in Coal Mining Industry.	- " -
July 1	Regarding the Business Condition of Blacksmiths and their tax payment.	- " -
July 1	Standard amount of Income Per one Swine grown For the fiscal year 1947 thru 1948 and 1948 thru 1949 and Summary Condition of Swine-growing Business.	- " -
July 2	Monthly Average wage per one person By Type of Business (Osaka Pref.)	- " -
July 4	Inst. on Investigation Report on Provisional Declaration in June for Self-Assessed Income Tax For the Fiscal year 1949 thru 1950 By Foreign Nationals except Koreans.	- " -
July 4	Inst. on Guidance of Provisional Declaration of Incomes owned By Public Performers in June For the Fiscal year 1949 thru 1950.	- " -
	Report on Investigation of Efficiency For Corporation Income. (June 1949)	- " -
July 4	Inst. on Indication of Standard Multiples of Immovables prices For Estate Tax.	- " -
June 28	Management of Transaction Sales Tax of Japan National Railway Public Corporation.	- " -

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Date of Issue	Subject	Issued By
June 29	List of Highest Taxpayers of Transaction Sales Tax.	Osaka National Tax Bureau
June 29	Management of Transaction Sales Tax of Japan Monopoly Public Corporation.	"
June 30	Tax Available to pay by the Transaction Sales Tax Revenue Stamp and Other National Revenue.	"
June 30	Management of Transaction Sales Tax on the Incentive Clothings, Rationed to the Members by the Agricultural Cooperation Association.	"
July 4	Investigated Transaction Amounts of Principal Department Stores.	" Indirect Dept.
July 5	Express Message of Excise Taxes(Regarding Transaction Sales Tax)	Osaka National Tax Bureau
July 6	Management of Transaction Sales Tax on Resale of Petroleum Between Original Distributors and Between Salers.	"
July 4	Report on the Corporations, Considered as Paid up Asset over 3,000,000 Yen or over 3,000,000 Yen Income.	"
June 30	2nd Tri-Monthly Tax Collection in June	"
July 2	Tax Collection of 1st Term Self Assessed Income Tax for Fiscal Year 1949-50.	"
July 4	Disposal of the Attached Property from Radio Manufactory.	"
July 4	Report on Prevention and Early Discovery of Illegal Cash Delivery.	"
July 4	Readjustment of Custody Certificate of Bonds Custodied by the Postal Authorities.	"
July 5	Division of Lot about the Land Paid in Kind.	Osaka National Tax Bureau & Osaka Finance Office
July 5	Partial Revision of the Regulation of Family Allowance Payment.	Osaka National Tax Bureau

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FOR FILE

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLN/ms

14 July 1949

012

SUBJECT: Instructions for Tax Investigators

TO: Commanding General
8th Army
APO 343

THRU: Commanding General
I Corps
APO 301

1. Attached is a schedule for information issued by the Osaka District Prosecutor's Office to advise tax investigation personnel relative to matters of evidence and examinations of tax evaders' returns. The instructions were issued pursuant to the recommendation of this officethat the procurator's office work in close conjunction with the tax officials and advise them relative to how they may improve their investigation reports to insure successful prosecution cases.

2. The information is forwarded with the thought that it may be incorporated or may be the basis of the investigator's manual, issuance of which was previously discussed at the Tokyo tax conference.

FOR THE COMMANDING OFFICER:

1 Incl:
Inv. on Tax Evaders

GEORGE M. DNARIK
Captain CE
Adjutant

file

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Investigation on Tax Evaders

Prosecutor Fujita,
Osaka District
Prosecutor's Office.

I. Collection of Evidence.

A. Actions based on the National Tax Violation Control Law.

1) Prior to take such actions as inspection, search or seizure of evidence, secret investigation on the activity of the suspected taxpayer must be conducted without giving him any hint of being investigated.

2) Such actions as above must be conducted at head office, branch office, detached office, plant, dwelling house and other firms or plants with business connection.

3) Warrant must be shown to the taxpayer concerned at the time of inspection, search or seizure of evidence.

4) After any action stated above was taken, every precaution must be adopted at the place where action was taken in order to prevent destruction of evidence.

5) Investigate every private property not only of the taxpayer himself but also of the management and employees.

6) Investigation of business books in relation to transportation is most important.

7) At the time of seizing money or any property as evidence, let the observer know where the money or property was taken from.

8) If necessary take photograph of the evidence.

9) As night inspection, night search or night seizure of evidence is not authorized by the National Tax Violation Control Law, it is necessary to get in contact with the prosecutors' office to get the warrant.

10) In case inspection or search looks difficult, also get in contact with the prosecutors' office to ask its instruction.

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B. Arrest of Suspected Taxpayer.

1) Get in contact with the prosecutors' office as soon as practicable.

2) Establish and confirm even a part of proof of tax evasion as soon as possible.

C. Examination of Law Evader.

1) The tax office, the Investigation and Inspection Department of the regional Tax Bureau or the Prosecutors' office will be preferrable for the place of examining the law violator. Don't use the violator's office for that purpose.

2) Strictly refrain from any threatening attitude and don't extend the examination to midnight.

3) Don't rely on hearsay or gossip. Testimony must be obtained directly from a person or persons concerned.

D. Investigation at Bank.

Search warrant is necessary in this occasion.

E. Investigation on Profits and Deficits as well as Increase of Assets.

1) Through investigation on liabilities in respect to profits and deficits account is indispensable.

2) Clarify the expenditure of special income.

3) Have the person concerned calculate figures and check the result.

4) Regarding to the increase of fixed assets, confirm the time of increase of assets.

5) In case loan, temporary receipt, purchase and so forth is found false, evidence must be established to prove it false.

6) Decision on business expenditure and living expense must be made reasonably based on evidence.

7) Take note on the progress of investigation, and doubtful point, if any, must be referred to the prosecutors' office.

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FOR FILE

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HIM/ms

012

13 July 1949

SUBJECT: Notes on the Internal Revenue Conference

TO: All Teams

1. Attached are summary notes of the conference held at Tokyo, 9, 10, and 11 June. It was attended by members of the Shoup Mission, ESS, Internal Revenue personnel, and field representatives of the Tax Surveillance Program.

2. The notes are forwarded for your information and guidance.

BY ORDER OF COLONEL O'MCHUNDRO:

1 Incl:
Notes

GEORGE MINARIK
Captain CE
Adjutant

Info Copy:
I Corps

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ESS, Internal Revenue Conference

The conference was held on 9, 10 and 11 June 1949 at Tokyo. Personnel attending the conference were as follows:

Shoup Mission

Dr. Carl S. Shoup
Dr. William Vickery
Dr. Jerome Cohen
Dr. Stanley S. Surrey
Dr. William Warren
Mr. Rolland Hatfield
Mr. Howard R. Bowen

ESS Internal Revenue

Chief:
Mr. Harold L. Moss

Deputy Chief:
Mr. Henry Shavells

Training & Publicity Section:
Mr. James Monroe

Enforcement Section:
Mr. Aubrey Perrin
Mr. Don Moysey
Mr. Howard B. Howat

Monopoly Section:
Mr. William Bass
Mr. Etheridge

Local Government Section:
Mr. Ralph Bradshaw
Mr. John Allen

Tax Administrative Section:
Mr. Ralph Lash
Mr. Ray Davis

Administrative Section
Lt. Berliner

8th Army

Yokohama:
Lt. Col. Shields
Mr. Ralph Short

I Corps:
Lt. R. Cotton

Osaka:
Mr. Harry L. Mangerich

Nagoya:
Mr. Ray Carlson

Tokyo:
Mr. Sam Beardsley

Kure:
Maj. Louis C. Schulte

Sendai:
Mr. Gerard Peel

Kanto:
Mr. Casey Fannin

Kyushu:
Mr. Glenn Summers

Takamatsu:
Mr. Larson

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Introduction - Purpose

The purpose of the conference was to afford information for the Shoup Mission by the field representatives and to enable the latter to exchange information to better coordinate their activities. It is contemplated that meetings of this nature will be held about every six weeks in the future. The next conference is tentatively scheduled for the latter part of July, at which time it is expected information relative to the potential recommendations of the Shoup Mission will be discussed.

The conference was opened by Mr. Henry Shavell, deputy chief of the ESS Internal Revenue Bureau of GHQ, in the absence of Mr. Moss, who was ill. He introduced the members of the Shoup Mission to the group and stated the purpose and objectives of the conference. Colonel Shields, then addressed the group relative to the desirability and need for conferences of this type in order to compare notes, study local probelems and unify the activities of the tax surveillance personnel. He expressed the interest of 8th Army in the conference and stated that every aid his office could afford would be made available. Dr. Shoup addressed the group briefly and expressed the dependence of his mission for information afforded by the field representatives. He stated that any recommendation and findings of the mission to be successful would rely basically on the building up of an effective administrative and enforcement program. Only when the administrative and enforcement aspects of the program function effectively will their recommendations for revisions in the law, and the other aspects of their progress be of material benefit.

Reorganization of Japanese Tax Structure

Mr. Monroe, Training & Publicity Section, then addressed the group on the reorganization of the Japanese tax structure. The history of the events leading up to the reorganization were given as follows: The Finance Ministry in the Regional Bureau was originally a strong, virtually autonomous organization. The individual tax offices were and are all too independent in their activities. This shortcoming was originally recognized by Mr. Moss and Mr. Shavell in their original study. A strong central agency was needed to bind the activities in order to unify their efforts. The Japanese recognized this need also. A special committee was formed by the Japanese Government of Diet and Finance Ministry members. The committee first met 7 September 1948 and was considered as an extra-ministerial agency to control taxes. No action was taken on their report.

The Nine Point Economic Recovery Program was published 19 December 1948. Pursuant thereto, a reorganization schedule was drawn up to take effect by 1 June 1949. Mr. Sutherland drew up the basic program for the Internal Revenue program prior to his departure. In April, ESS Internal Revenue was confronted with a reorganization bill drawn up by the government administrative council, the Hendu committee composed of Diet members studying government agencies to improve administration. The bill was not desirable to ESS since vertical lines of authority and an adequate central agency were not provided. A staff study to issue a directive to the

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Japanese Government along more des rable lines was completed on 22 April 1949, and resulted in the issuance of SCAPIN 2001 on 4 May 1949. The SCAPIN directed the reorganization of the National Tax Administration of the Japanese Government consonant with the nine point economic stabilization directive. The SCAPIN provides for the creation within the Ministry of Finance of the Tax Administrative Agencysolely concerned with the National Taxation. It provides further for the reorganization of the Regional Bureaus into a Tax Bureau and a Finance Division, thus divorcing from the new Tax Bureau matters alien to taxation. A bill was put before the Diet which was then preparing to adjourn. Law No. 141 was passed 23 May 1949 effect ng this reorganization under the Administrative Establishment Law. Supplementary regulations were issued 31 May 1949. Personnel appointments of the top officials to the new agency and bureaus were announced 2 June 1949. Physical separation to make the Tax Administrative Agency an external bureau is now in process. The full effect of this reorganization may not be felt for some months to come. It is necessary to overcome the inertia and inaction normally attaching to such reorganization. The feelings of the Japanese ranged from outward hostility to dubious acceptance.

A study of the old system reveals the following faults; which it is hoped to correct under the new program.

1. Absence of lines of authority and control by a central source capable of weighing the technical aspects of national tax matters.

2. In dependence in policy vested in the regions rendering impossible uniform administration.

3. Duplication of administrative efforts in the eleven regions and duplication of consideration of general problems.

4. Burdening of the regional bureau with matters alien to taxation.

The reorganization eliminates alien duties of this agency, establishes vertical lines of authority and divides functions into legislative and administrative. The legislative functions are now under an Internal Bureau of the Finance Ministry, while the administrative functions are vested in the Tax Administrative Agency which is designated as an External Bureau. (Internal Bureaus are limited in activities and scope. The External Bureau may have branches and sub-branches throughout Japan to carry on its functions and may issue directives and publish instructions under the name of the bureau or agency head rather than through the Ministry of Finance. The External Bureau may maintain its own administrative functions training, employing personnel, determining olicies, etc.) The Customs Bureau will remain for the time being within the Tax Administrative Agency for convenience in administration.

The Japanese Government is to provide adequate, capable and well-trained personnel to insure fullest observance of SCAPIN 2001.

Certain adverse facts presented themselves when the reorganization was planned. The ex ansion program, essential under the reorganization, is contrary to the current consolidation to be effected in the governmental retrenchment program. It is faced with the necessity for personnel reduction in spite of the expanded nature of the Bureau, and the fact that the supply of capable personnel is extremely limited. Drawing of personnel from the tax offices to man the administrative agencies may seriously effect the

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tax offices for a time.

Mr. Monroe then produced charts showing the contemplated tax organization and went on to discuss the nature and functions of the individual subsections as follows:

Taxation Bureau (Internal Bureau)
Chief - Mr. Hirata
1. Tax Legislative Section
2. Investigation Section
3. Custom Division

The purpose of the first section will be to plan and draft legislation, regulations and coordination relative to taxation; maintenance of land and house ledgers and tax practitioner laws. The second section will be concerned with the study and research of tax systems and studies on taxation, land and house ledgers and tax practitioner laws. The Customs Division is attached currently for convenience and it is contemplated that it will be separated from this Bureau at a later date.

Tax Administrative Agency (External Bureau)

General Affairs
1. General Affairs
2. Personnel
3. Accounts
4. Information
5. Collection
6. Supervisors (60)
7. Personnel Investigators(60)

Direct Tax Section
1. Income Tax
2. Corporation Tax
3. State Tax

Indirect Tax Section
1. Liquor Tax
2. Excise Tax

Inspection & Investigation Division
1. Investigators
2. Inspectors (50)

Tax Training Institute

Regional Tax Administrative Bureau
1. Tax Offices

Semi-Independent Councils

Relative to administrative measures, this agency may sub-delegate authority to bureau level. Publicity and training will be controlled and planned primarily at national level rather than locally as in the past.

There will be ten finance division offices and eleven tax administrative bureaus in the new set up. The basic structure of tax administrative bureaus will be as follows:

National Tax Bureaus. (Regional)

General Affairs
1. General Affairs
2. Personnel

Direct Tax
1. Income Tax
2. Corporation Tax

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3. Investigation of personnel
4. Welfare
5. Appraisers (45)
   (Classifing liquors, etc.)

Investigation & Inspection Section
1. Investigators (575)
2. Inspectors (450)

Indirect Tax
1. Liquor Tax
2. Excise Tax
3. Transaction Tax
4. Examiners * (70)

Accounting Section
1. Collection
   a. First Collection Section
   b. Second Collection Section
2. Accounts
3. Statistics
4. Building & Repairs

3. Estate Tax
   (Examiners 140)

Taxation offices (Local)

Direct Tax Section
1. Land & House Ledger
2. Tax Practitioner Control
3. Affairs & Council
4. Property Survey
5. Increased Income Taxes

General Affairs Section
1. Personnel
2. General Affairs
3. Publicity
4. Statistics & Reports
5. Accounting
6. Special Property Control
   (Temporary)

Assessment of Taxes
1. Income Tax
2. State Tax
3. Travelling Tax
4. Security Tax
5. Transaction Tax
6. Various others

Indirect Tax Section
1. Custom Refunds
2. Assessment of Indirect Tax
3. Liquor Tax
4. Sugar Tax
5. Excise Tax
6. Soft Drinks Tax
7. Textile Tax
8. Gasoline Tax
9. Stamp Tax
10. Commodity Tax
11. Transaction Tax
12. Banse
13. Playing Card Tax
14. Others

General Observations on Reorganization:

Relatively few changes were offected in the operation of the local

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tax offices, they were rather considerable in the Regional Bureaus and were extensive and vital in the affairs of the tax agency at national level.

National Tax Investigation Program:

Mr. Moysey, Enforcement Section, next addressed the conference relative to national tax investigation section and personnel.

Purpose of establishing is to fill the need of actual investigation. Standards will have to be retained for some time since the national investigation service will not be sufficient to conduct required investigations for some time. The standards used by the local tax offices and applied to gross incomes should be satisfactory if properly used. There will be investigation sections in each region for income and corporation taxes. They will also investigate transaction and withholding taxes. There will be 600 investigators eventually to be located at the regional bureaus. Generally, they will investigate individualincome tax returns with incomes in excess of one million yen, and corporation tax returns that reflect income or capital in excess of three million yen. Local tax offices will have the responsibility for effecting collections on these investigations. The Inspection Division will handle evasion cases if prosecution is indicated. It is anticipated that the appeal system will be studied and approved in the future; suggestions from the field in this regard are desired.

Relative to maintaining records, voluntary cooperation must be encouraged, a law to enforce taxpayers to maintain books and accounts is not practicable at the present. Relative to associations, it is stated that they are common among the Oriental people and serve a useful purpose as a means of educating and taxpayers. Their methods of establishing the relative incomes of their members may be very useful to the tax offices if the process is not abused. Tax offices are free to obtain information from the association but it must be emphasized that they have no control of the actual tax computation of members or basis for combined action to have income taxes reduced.

Monopoly Bureau

The bureau manufactures, controls and sells salt, comphor, and tobacco products: the first two because of the shortage and essential nature of the items and the last for the extremely large revenue obtained therefrom. The bureau was changed to a public corporation under the Ministry of Finance, 1 June 1949. Employees, therefore, do not fall under the public service law. The main office is at Tokyo, there are 16 regional offices. Marginal salt producers are eliminated because of the ineffective and inefficient methods of manufacture. They must produce a given amount of salt per ration of electricity or coal, failing to do so, they will fall by the wayside. Last year, approximately one million tons of salt were imported, which cost seven million dollars, though the cost of shipping this

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amounted to 12 million dollars. In 1904, the Japanese Government took over the control and manufacture one of its largest sources of revenue, the tobacco industry. About 60 percent of the manufacturing facilities were destroyed during the war. There were 205 cigarette rolling machines in 1945 and 540 now. The net profit on tobacco during F/Y 48-49 amounted to 74 percent. Sales of 156 billion yen are anticipated for F/Y 49-50. Profits dropped from 85 percent due to costs of new equipment written off as current operating expense during the past year. It is anticipated that it will again reflect approximately 85 percent of the gross income as profit in the future. The revenue and four percent of the total consumers income of F/Y 49-50.

General Discussion:

The conference for the balance of Thursday afternoon was thrown open to a roundtable discussion between the members of the Shoup Mission and the field representatives. Each of the field representatives was called upon to give a talk presenting his problems and recommendations which were then discussed generally. Dr. Shoup proposed the following questions for consideration and recommendation. "Whether the United States tax structure will work effectively here in the future as presently imposed? If it is being sabotaged and apparently not acceptable, what are the objections to it? Will the system be retained after we leave? What are proposed alternatives?" The old system of arbitrary imputation of taxes may be preferable and satisfactory for these people. He expressed the necessity of resolving this question before extensive investigations and recommendations were made to establish the structure we are now working on.

Training and Publicity:

Mr. Monroe outlined the functions of the tax training institute established in June 1949 as follows:

Tax Training Institute
1. General Affairs
   a. Administrative
   b. Accounting
2. Training Section
   a. Operation of higher courses
3. One at each Regional Bureau

The institute will be responsible for the planning and programming of all training courses. It will produce and distribute texts and correspondence courses. It will supervise all of the schools and training. There are six schools at present; at Tokyo, Sendai, Nagoya, Osaka, Hiroshima and Kumamoto, giving nine months' courses having a capacity of some 1200 personnel. The higher school has a capacity of two to three hundred students. There will be local training at tax offices for shorter terms. Texts are difficult to obtain. Seventy instructors will be assigned to this program eventually, it is hoped.

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There will be five general types of training courses as follows:

1. On the job in tax offices by the Section Chiefs or qualified personnel in the office
2. Short term concentrated courses on specific subjects
3. Correspondence courses (to start in the fall), one month in school then complete by correspondence, then back to school for examination and polishing up
4. Entrance or recruits training
5. Higher capacity training

The budget of the Training Section for F/Y 49-50 will be 167 million yen, the total employees potentially subject to training are 64,300 at present time.

Mr. Monroe continued with his address on publicity and training the following morning, 10 June 1949. He advised that a technical staff to head the publicity section be established in the Tax Administrative Bureau. Of 700 applicants, five were selected to head this publicity program, the divisions of this section are as follows:

Training & Publicity Section
1. Visual
   a. Governing posters, handbills, etc.
2. Movies
3. General Planning
4. Newspaper Contacts
5. Meetings and General Aid in Plans and Training

The budget for publicity for the F/Y 49-50 is tentatively 100 million yen. It is anticipated that 134 million yen will be the minimum necessary and it is expected that the deficit will be made up from other accounts. May and June publicity for the provisional returns will use all media available such as leaflets, posters, radio time, local meetings, etc.

Relative to the complete Tax Payment headquarters organized by the Diet, investigation has proved that it is not overly effective. They distributed sums to the various prefectures for publicity and have placed information offices in 46 prefectures to stimulate local offices. Local systems will get up to 100 thousand yen, a relative, insignificant amount to establish and conduct these publicity activities. Conferences were held with CI&E pursuant to which it was decided to centralize information and publicity in Tokyo under SCAP supervision. Local responsibilities will be emphasized to encourage meetings, disseminate posters, to run stunts and contests and resort to cost-free means of publicity as much as practicable. The allowances to local offices will probably be severely limited in the future.

Next subject discussed was personnel problems. Questions relative to the recruting and training personnel generally were discussed. Under the National Public Service Law, position classifications will be made. It will be patterned after the United States Civil Service, though it is not yet in effect. They will establish the qualifications for each job, for

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each service, and a job analysis will be made of all the tax jobs. Ultimately, there will be a comprehensive examination for entrance and promotions. New dismissal rules will be drawn up. There will be a blanketing in of all personnel upon establishment of the system, though it is anticipated examinations will be given to all tax chiefs and those in superior positions. The rules, orders, and regulations on this are still being formulated. There are at present, four men in school at Nikko to qualify for this task. Recruitment will be specialized and a career merit system will be established. This, however, will be a long range problem and the ultimate solution obtained only with evolution of time and through attrition of personnel. It is further contemplated that the preference shown Tokyo and Kyoto universities graduates will be remedied and the basis for advancement and responsibility will be based upon evidences of long qualified service by capable persons. Consonant with the economy wave, it is anticipated that there will be a sustantial reduction of personnel some time soon.

Tax Administration:

Mr. Davis advised that reports and suggestions from the field were closely studied by himself and Mr. Lash, and solicited these reports. He discussed generally, some of the problems of administration, a recommendation that colored forms be issued was not practicable, however, different colored inks will be used on the various tax forms to distinguish between them.

Complaints relative to the inefficient use of personnel frequently received should be made the subject of special reports or invited to the attention of the supervisors responsible, such as the tax chief or section heads.

They are currently working on obtaining uniform sizes of returns, better quality of paper, the adoption of binder and filing cabinets. Investigation discloses that most tax offices postings frequently are in error, records are behind in postings and the filing system are generally very poorly maintained. It has been suggested that serial numbers be used on records and voucher to better facilitate cross reference. This has been done insome offices and appears to be of material aid and may be more widely adopted at a later date. Numbers assigned to taxpayers are a ready reference in postings and tracing accounts. The appointment of a receptionist at all offices was discussed and appears to be a very desirable innovation. Relative to supervisors improving uniformity of tax office; many innovations have been accepted to date as a result of their recommendations. There are five full time and six part time supervisors visiting offices in the Tokyo area. Fifty-three are now available and will begin their studies of tax operations soon. There will be nine in Tokyo and eight in the Osaka region. The rest will be distributed to the other regions. They will check records, time reports, operating conditions, and eventually prepare orders on the operations of the individual tax offices. The supervisors, although working at regional level will be directly responsible to the tax agency at Tokyo.

Mr. Davis next discussed the establishment of the 20 "E" or example offices.

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Three of these offices have been selected in Kinki Region and are the Nishi Tax Office in Osaka, Nishinomiya Tax Office in Hyogo and the Nakskyo Tax Office in Kyoto. These offices will be patterned essential after the system used back in the States in that no reassessments will be made without prior contact of the taxpayers. The returns will be reviewed and the taxpayer urged to file an amended return when the incomes appear to be understated. Reassessment may be made after the conference held with the taxpayers if he does not concur with the recommendations. Final return may be subject to audit and the examination or reassessment may be made as appears warranted. Taxpayers will be urged to have proper records and tax offices will conduct extensive investigations. Tax Offices will aid and advise the taxpayers relative to record keeping as much as possible. Penalities and restrictions will be asserted as warranted and str ctly enforced. Military surveillance teams will aid these officers only upon request. No goals will be established for these offices. They will attempt to collect 100 percent of the taxes legally due. Final reassessment may be made at any date prior to expiration of the five year statutory period. It is particularly essential that qualified employees be used in these offices.

Tax Enforcement

Mr. Perrin of the Enforcement Section, then spoke relative to investigation and inspection personnel. He mentioned the reallocation of personnel necessitated by the reallocation. He discussed general problems stating that insufficient cases were being selected for prosecution. Despite the limited number of inspectors, they should have more cases under investigation. They apparently concentrate too many persons on individual investigations rather than increasing the scope of their activities by permitting one or two investigators to handle acase. Proper selection of prosecution cases should be based on the amount of evidence and the merits of the cases rather than on the amount involved. The cases have not been properly prepared by the investigators, as a result the procurators have great difficultyin preparing them for trial. Local tax offices should select and submit cases for prosecution to the procurator. A manual will be prepared for inspector's guidance eventually. Cases may and should be withdrawn when the cases do not appear sufficiently strong for prosecution. The inspectors will get cases and leads from 1) informers and letters; 2) Investigation Section references; 3) from the Direct and Indirect Sections of the Tax Bureau; 4) from local tax offices; 5) from the police and other agencies.

There are no provisions for civil penalties for tax evasion in Japan. Reference was made to instructions relative to the evaluation of fraud cases data. When evasions are flagrant and blackmarket operators are known to the people, it may be desirable to prosecute evasions irrespective of the size and amount involved. Withholding tax cases should also be considered for prosecution. Failure to pay these by employers constitute a form of embezzlement from the Government.

Personnel Investigations:

This represents a new field of action in which little has been done to

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date. Personnel forms are sketchy and the report forms on new personnel are inadequate. There are four thousand separations contemplated. It is essential that measures be taken to select the most inefficient, corrupt or disloyal personnel for discharge.

In the afternoon, the conference members attended the dedication of the National Tax Agency, at which Dr. Shoup and Mr. Moss spoke.

Local Government Taxes

Saturday morning, Mr. Bradshaw and Mr. Allen of the Local Government Section addressed the group relative to their problems. Apparently, during the war, local governments became more and more subservient to the central government. In the early days of the occupation, SCAP paid little attention to this condition. Finally, the Local Government Autonomy Law was passed which should materially improve the freedom of the local government. Relatively small staffs have been assigned for consideration of these matters in SCAP considering the number of units involved. There are approximately ten thousand local units of government in Japan, all of whom have some sort of tax program. Mr. Bradshaw commented upon how invaluable the information on local government revenues and budgets supplied by Kinki Region has proved to them in their studies. There was a discussion of local collections from 1945, 1946, through 1949 and 1950. For the F/Y 49-50, bond issues for local governments will be limited to 23.3 billion yen. Local collections for this year are estimated as 150 billion yen out of the total of 350 billion yen necessary for their maintenance. Local governments derive revenue from various sources such as fees and rents, utilities, operation of water systems, sewers, some own theaters, operate parks zoos, concessions, etc. Thirteen billion yen income was obtained from public utility operations. It is estimated that four billion yen was obtained from properties owned and operated by cities and prefectural governments. Special assessments account for about one billion yen, forced donations are estimated to be about 4.8 billion yen. The universal complaint is that the national government has taken over all of the lucrative sources of revenue leaving the local governments to struggle along as well as they may on the dregs. Local governments have borrowed about 40 billion yen paying interest at the rate of 9.6 percent on this amount whereas the national government pays only about 5 percent. Local government bonds are sold only through a National Deposit Agency and through the postal savings. All are through a National Control Agency. Loans must be approved by a local autonomy agency and if over five million yen, must have the approval of the Ministry of Finance.

Mr. Bradshaw also disclosed that the government allows 5 percent annual depreciation on government owned bonds held by banks and corporations on the basis of lower of cost of market valuation. This has cost local governments some 600 thousand yen annually in enterprise taxes, an allowance of 10 percent depreciation on inventories annually was also permitted. This policy is not supported by regulations but represents strictly a relief measure provided by the tax enforcement authorities. It is estimated this condition

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is costing the local governments approximately a billion yen annually. Many transportation and utility systems are costing the local government money in as much as they are not self-supporting. Many of the responsibilities of local government should be borne by the national governments such as ration controls, subsidies, etc. It is desirable to inquire into this matter to ascertain whether the national government is bearing its relative share of the costs.

House and Land Laws

Mr. Allen of the Local Government Section, then addressed the group on house and land laws. The values are determined by the national government. They have a unique provision in their laws in that taxes are not liens on land as they are in the United States. Taxes in arrears follows the owners and do not attach to the property. Tax liens are subordinate to a mortgage if the mortgage was placed one year prior to the due date of the tax. This, too, is contrary to United States tax liens. However, it helps insure collection since the mortgage owner is interested in protecting his interest in the property. Loans on personal property restrict it from seizure for tax sales. Any taxes that remain unpaid for five years lapse. The thought was suggested that since the prefectural governments control licensing, it may be possible to effect the revocation of licenses where taxes remain unpaid. Some discussion was then had of the local taxes of the City of Yokohama. It remaining 3 to 5 percent is produced by some 21 miscellaneous taxes. It appears desirable to eliminate the latter if the revenue can be made up in a more efficient way. Enterprise taxes for the F/Y 49-50 are estimated at 49.5 million yen or 30 per cent of the total revenue. Inhabitant tax will produce 33.5 million yen or approximately 15 percent of the total revenue. Land and house, admissions, real property, acquisitions, and amusement taxes will each produce 8 to 10 percent of the total revenue.

General Discussion

A general discussion was then held relative to consideration of the advisability of Military Government surveillance being extended to local tax government agency to lend prestige and effect to their enforcement efforts without spending too much time in the process. Discussion was also held relative to the desirability of eliminating Military Government surveillance in certain prefectures or regions. It was indicated that such an experiment is contemplated for the near future. Dr. Shoup again solicited information obtained from businessmen, Chamber of Commerce and other affected groups and individuals with an ax to grind or a problem to present. Discussion was also held on the economic aspects of the tax burden relative to the potentiality of greater difficulties in collecting if inflation is arrested or there is any substantial business recession in the current year.

Future meetings will discuss information relative to the amount declared, paid, or anticipated for collecting taxes generally. The advisability of establishing goals. Consideration of the Military Government Surveillance activities in the future.

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The names of the eight supervisors assigned to the Osaka National Tax Bureau are as follows:

Names	Former Position
Mr. Shikanosuke Yoshida (Senior Supervisor)	Chief of Kamikyo Tax Office
Mr. Shigeo Sasaki	Chief of Kusatsu Tax Office
Mr. Yoshio Maekawa	Chief of Miyazu Tax Office
Mr. Masashi Aoki	Chief of 2nd Section, Indirect Tax Dept. Osaka National Tax Bureau
Mr. Chosaku Mugitani	Chief of Direct Tax Section Joto Tax Office
Mr. Nobuo Arimoto	Staff of Supervision Section, General Affairs Dept., Osaka National Tax Bureau
Mr. Seichi Yamazaki	Chief of General Affairs Section Kita Tax Office
Mr. Yasuo Takai	Chief of General Affairs Section Ikuno Tax Office

These individuals will investigate the administrative activities, tax offices, report to the bureau head and direct to Tokyo. They will contact Military Government personnel in the various prefectures they visit with the view to coordinating their activities.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

KINKI CAR
APO 25

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

REC/af

AG 012 - BA

12 July 1949

SUBJECT: Status of Japanese Tax Collections for Fiscal Year 1949-1950

TO : See Distribution

1. Inclosure 1, a table of a status of tax collections as of 30 June, was compiled from reports submitted by Civil Affairs teams having direct supervision over local Japanese Tax Administration Agencies.

2. This Headquarters desires that goals be established for each region and prefecture team so that collections may be gauged. Since that part of the Fiscal Budget 1949-1950 which pertains to the Japanese Regional Tax Offices is approximately 1.7 times as great as that of the 1948-1949, Civil Affairs Regions should increase their 1948-1949 goals by this multiple. These new goals carried to the nearest tenth of a billion yen will be used tentatively by Civil Affairs for the 1949-1950 collections.

3. Activities of the Tax Democratization League must continue to be kept under close surveillance by both Civil Affairs teams and Japanese Tax Investigators to the end that violators of the Japanese Tax Practitioners Law are prosecuted. It is felt that with publicity regarding the enforcement of this Law these activities will be greatly curtailed.

4. Tax collection still holds highest priority in Civil Affairs surveillance activities. However, other responsibilities must not be neglected.

5. In order to gain the greatest psychological advantage in the matter of tax collections, the responsible sections in each team should encourage the proper Japanese officials prior to the critical tax collection periods, to prosecute tax evaders to the fullest extent. This should provide a healthy stimulus in promoting tax collections. Continuing emphasis should be placed on the importance of Japanese tax officials assuming the full responsibilities of the tax collection program without assistance of the Civil Affairs Teams. Direct participation in the collection of taxes by members of Civil Affairs Teams is forbidden.

BY COMMAND OF MAJOR GENERAL COULTER:

C. C. CARTER
Col, AGD
Adjutant General

1 Incl:
As noted above

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HEADQUARTERS I CORPS
Military Government Section
Economics Division
(Finance & Civil Property)

	Self Assessed Income Tax Collected *	Total Self-Assessed Collected This Fiscal Year *	% of Annual Self-Assessed Goal Collected	Total of All Taxes Collected *	Total Collected This Fiscal Year*	% of Annual Goal
CHUGOKU REGION						
Shimane	27,807	68,582	4.15	49,124	352,150	11.4
Yamaguchi	45,290	152,014	3.06	130,476	1,123,176	10.2
Hiroshima	63,401	173,435	2.8	282,903	1,456,066	10.35
Okayama	38,561	99,388	1.99	89,698	876,057	9.91
Tottori	17,405	32,421	2.92	35,644	203,216	9.47
TOTAL	192,464	525,840	2.79	587,845	4,010,665	10.26
TOKAI REGION						
Toyama	45,497	129,930	4.54	84,121	562,833	9.4
Ishikawa	36,705	68,749	2.84	107,249	670,222	10.9
Fukui	38,772	72,441	6.18	108,110	494,741	13.85
Mie	108,504	156,266	4.52	176,083	751,288	9.75
Gifu	83,960	148,621	4.48	171,581	838,359	10.42
Aichi	123,579	526,826	4.04	497,133	3,676,053	10.53
TOTAL	437,017	1,102,833	4.23	1,144,277	6,993,496	10.56

* Three zeros omitted

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	Self Assessed Income Tax Collected *	Total Self-Assessed Collected This Fiscal Year *	% of Annual Self-Assessed Goal Collected	Total of All Taxes Collected *	Total Collected This Fiscal Year*	% of Annual Goal
SHIKOKU REGION						
Kagawa	55,008	142,084	6.37	136,746	540,683	11.8
Ehime	41,188	108,610	3.51	129,949	654,278	9.5
Tokushima	33,379	62,853	3.62	71,300	300,839	8.7
Kochi	29,164	74,827	3.95	72,093	343,245	8.2
TOTAL	158,739	388,374	4.35	409,088	1,839,045	9.6
KYUSHU REGION						
Nagasaki	100,787	179,036	4.65	366,167	1,153,736	14.8
Miyazaki	45,343	77,882	4.17	88,870	363,681	9.9
Saga	50,317	119,374	4.28	113,737	593,467	11.9
Fukuoka	143,051	311,746	2.76	529,739	3,912,594	13.1
Oita	70,691	112,756	3.45	129,886	448,173	7.8
Kumamoto	114,876	178,567	3.08	237,444	804,808	8.5
Kagoshima	69,794	133,095	4.24	135,226	575,259	8.6
TOTAL	594,859	1,112,456	3.49	1,601,069	7,851,723	11.3

* Three zeros omitted

	Self Assessed Income Tax Collected *	Total Self-Assessed Collected This Fiscal Year *	% of Annual Self-Assessed Goal Collected	Total of All Taxes Collected *	Total Collected This Fiscal Year*	% of Annual Goal
KINKI REGION						
Shiga	58,170	93,678	3.38	107,592	511,604	9.17
Hyogo	117,312	293,744	2.74	685,401	3,312,510	10.3
Kyoto	115,371	229,859	2.28	350,449	1,761,837	7.9
Osaka	184,207	480,369	2.28	1,087,069	6,285,365	10.7
Wakayama	38,188	69,354	2.18	86,243	411,477	6.9
Nara	23,444	47,239	1.8	63,018	307,554	6.7
TOTAL	536,692	1,214,243	2.4	2,379,774	12,590,337	9.4

RECAPITULATION

CHUGOKU	192,464	525,840	2.79	587,845	4,010,665	10.3
TOKAI	437,017	1,102,833	4.23	1,144,277	6,993,496	10.1
SHIKOKU	158,739	388,374	4.35	409,088	1,839,045	9.7
KYUSHU	594,859	1,112,456	3.49	1,601,069	7,851,723	11.8
KINKI	536,692	1,214,243	2.4	2,379,774	12,590,337	9.8
I CORPS L/R	1,919,771	4,343,746	3.18	6,122,053	33,285,266	10.3

* Three zeros omitted

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

O.K

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 25 (Osaka, Honshu)

HLM/ms

012

8 July 1949

FOR FILE

File

SUBJECT: Delinquent Tax Collection Program

TO: Commanding General
8th Army
APO 343

THRU: Commanding General
I Corps
APO 301

1. The attached report indicates action taken by the Osaka National Tax Bureau pursuant to a letter from the National Tax Agency urging expeditious clearance of delinquent tax cases.

2. The bureau has evaluated the outstanding tax delinquencies existing in this area and has established goals for the individual tax offices to attempt to attain.

3. The goal system continues to be a very popular method of setting specific achievement to be accomplished and it is anticipated it will aid materially in clearing up the various substantial delinquencies now outstanding in this region.

FOR THE COMMANDING OFFICER:

1 Incl:
Translations
w/tab chart

GEORGE MINARIK
Captain CE
Adjutant

ms

(5)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

TRANSLATION
SOCHO 2 - 3 (0)

June 9 1949

SUBJECT: Expedition of First Delinquent Tax Disposition.

TO : Osaka National Tax Bureau Chief

Regarding the first delinquent tax disposition program we are aware that your utmost effort is being made by your office. However we strongly believe that the disposition of delinquent taxes is extremely needed under the present circumstance and it is seriously requested your office to instruct your tax office chiefs to exert their utmost effort successfully in accordance with the special program.

CHIEF
National Tax Board

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

TRANSLATION
DAIKYOKUCHO 2 No. 16 June 21, 1949

SUBJECT: Expedition of First Delinquent Tax Disposition

TO : Tax Office Chiefs

Regarding the above subject it is believed by the Bureau that every possible effort isbeing made to clear out delinquent taxes brought forwarded from previous years by your office on the line of your plan set out. In accordance with the personnel arrangement of the tax office when establishment of New National Tax Bureau was made it is considered that such disposition work is not being carried out as expected. It is seriously fequested that the utmost effort be exerted by your office to reach the goal of disposition and the goal of collection.

The attached instruction received to-day by our office from National Tax Bureau Chief which requests the extreme expedition of the delinquent tax disposition.

CHIEF
Osaka National Tax Bureau

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

From June 1-30 FIRST DELINQUENT TAX SPECIAL CLEARANCE GOAL AMOUNT 2461

Osaka National Tax Bureau

Name of Office	Goal Amount	Collection Goal	Name of Office	Goal Amount	Collection Goal	Name of Office	Goal Amount	Collection Goal
Higashi	290,789	121,869	Kamikyo	388,148	121,885	Himeji	214,865	74,116
Nishi	340,100	128,131	Nakakyo	214,086	73,221	Kamishika	85,879	35,343
Minami	437,630	134,781	Shimokyo	583,740	192,590	Tatsuno	60,508	25,113
Kita	729,519	281,028	Ukyo	116,799	38,196	Kamigori	34,833	14,813
Konohana	18,759	6,439	Higashiyama	152,516	50,185	Toyooka	29,753	12,820
Fukushima	285,436	105,199	Sakyo	144,418	118,383	Wadayama	7,077	2,900
Nishiyodogawa	96,591	38,659	Fushimi	70,446	22,212	Kaibara	12,144	5,171
Ikuno	270,571	96,766	Tanabe	38,772	13,338	Sasayama	3,677	1,669
Higashinari	492,190	157,847	Sonobe	16,498	5,740	Sumoto	49,900	21,585
Asahi	141,816	47,202	Fukuchiyama	21,164	7,514	Nara	362,582	113,167
Joto	179,597	75,274	Miyazu	16,859	5,747	Katsuragi	178,351	75,941
Naniwa	128,122	54,273	Maizuru	15,478	5,285	Sakurai	38,210	16,404
Tennoji	140,586	49,052	Mineyama	12,166	3,774	Yoshino	42,347	17,581
Abeno	221,297	82,372	Kobe	796,787	276,677	Wakayama	235,178	83,013
Higashisumiyashi	140,370	48,464	Nada	105,756	34,271	Kainan	39,303	16,182
Nishinari	471,383	150,662	Suma	147,988	48,616	Koga	28,852	12,092
Sumiyashi	128,739	43,794	Hyogo	304,361	98,988	Yuasa	23,736	10,139
Yodogawa	222,046	93,290	Nagata	205,552	74,484	Obo	30,754	13,468
Ibaraki	199,221	71,974	Nishinomiya	132,100	56,439	Tanabe	48,516	20,119
Toyono	114,115	40,600	Ashiya	94,570	40,691	Shingu	96,773	39,807
Sakai	330,881	116,216	Itami	124,511	57,126	Otsu	88,067	29,991
Izumiotsu	185,601	65,885	Sanda	37,545	15,171	Kusatsu	43,652	18,271
Kishiwada	100,859	35,776	Amagasaki	315,031	112,909	Mizuguchi	7,736	3,290
Izumisano	148,204	48,354	Akashi	118,506	48,590	Omihachiman	48,323	20,302
Tondabayashi	184,326	66,150	Miki	26,658	11,305	Hikone	55,867	22,929
Fuse	411,090	156,933	Yashiro	38,274	16,795	Nagahama	32,882	13,277
Yao	274,272	100,521	Nishiwaki	42,261	20,709	Imazu	638	273
Hirakata	256,499	98,355	Kakogawa	52,857	22,158	TOTAL	13,182,464	4,828,911

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

WITHDRAWAL NOTICE

ACCESS RESTRICTED

The item identified below has been withdrawn from this file:

File Designation RG 331 Box 2885 Folder: TAX (CA) OIO

Date 8 July 1949

From George Minarik

To Com. Gen. 8th Army, APO 343

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