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Chap. I General Statement

Sec. 1. Final Account of Revenue and Expenditure

Sec. 2. State Property, Cash and Article

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Sec. 4. Opinion on Improvement

Chapter 1. General Statement

The Board of Audit audited the final account of revenue and expenditure of the state conforming to the Constitution, Art. 90 and made the reports thereof of the fiscal year 1946 according to the Board of Audit Law, Art. 29.

The reports contain the matters on the final account of revenue and expenditure, the matters on the government property, the decision on the accounting officials, the indication of an opinion on improvement to the authorities concerned, the notification to the Public Procurator's Board, and further the matters on audit on the organizations that are required to be audited by the Board of Audit conforming to the said law or other laws.

Besides, the matters in the fiscal year 1947, will be contained too from the view point of current examination.

Section 1. Final account of revenue and expenditure

We received the final account of revenue and expenditure in the fiscal year 1946, on 9th March 1948, and transmitted it to the Cabinet after examination on March.

The settled account:

	Gen. Acc.	Spec. Acc.	Total
Rev.	118,899 million yen	190,778 "	309,677 "
Exp.	115,207	178,205	293,412
Excess. of rev.	3,692	12,573	16,265

Approximate net total sum after deducted the doubled amounts between various Accounts and amounts of conversion repayment of Food-loan is as follows:

Rev.	228,600 million yen
Exp.	222,800 "

We add that the revenue or expenditure of the former Special Account of Extraordinary War Expenditure which shall be recorded in the General Account of fiscal year 1946 under the provision of Imperial Ordinance No. 110 of 1946 is 168 million odd yen in revenue and 21.585 million odd yen in expenditure and these are appended to the General Final Account of fiscal year 1946.

1. Revenues

The unreceived revenue of General Account of the fiscalyear 1946 is 11.507 million odd yen and the percentage to the amount decided to receive is over 8 percent, two times for it in the preceding fiscal year.

The main items of the unreceived amount are as follows:

Tax Revenue	9.984 million yen
×Revenue of Special goods from allied powers	372,000,000 Receipt
Revenue of Refundment	370 "
×Revenue of dispsal of goods	211 "
Revenue of Forest	211 "
Payment of balance of official prices	162 "

Among these, refirring to Revenue of Forest and Payment of balance of official prices, the reception was accelerated thereafter, but as to the rest, tax and so forth not only the states of reception made little progress but we corsider there are pretty large amounts of which even a notice of collection has not been issued due to the delay of business.

Such an unsatisfactory result is seen not only in Gen.Acc. but in Spec. Acc. and the amount unreceived in both accounts in the fiscal year 1946, amounts to ~~over~~ 18.683 million odd yen.

Especially the total amount unreceived of tax ~~over~~ including that of the Proporty Tax and other Spec. Acc. of 5.716 million odd yen, amounts to

15,700 million odd yen and the percentage to the amount decided to collect is about 25 percent that shows sudden increase compared with 8 percent in the preceding fiscal year, and further the result of collection in the fiscal year, 1947 is becoming worse. (~~c.f.~~ ref. Chapter 2, Section 3)

Besides, there are many cases where the collection is deficient in the taxes or payment of balance of official price due to the error on levy and collection, so the necessity of improvement is urgent in consideration of the present situation of the national finance.

(~~c.f.~~ ref. Chap. 2, Sec. 3)

Further, the payment of taxes and other revenues, in case of blocked payment(from 2nd blocked deposit and so on), was at first received changing to cash and consequently included in the ~~settled~~ final amount of revenue as well as the free payment.

But since Feb. '47, the payment of blocked accounts was prohibited to be cashed, so the taxes and other revenues of 294 million odd yen which were paid by blocked accounts could not be recorded and are not contained in the abovementioned final amounts of rev., Gen. Acc.

Such a management(blocked payment into the treasury) was abolished since Feb. '48, but by the end of Jan. '48, the total sum of 1,079 million yen was thus received out of the ~~settled~~ final amount of revenue. This means the lapse of credit of the government to the obligator, in spite of the uncertainty of the period to cash and the actual amount of revenue, so it is proper way to regulate by law just similarly in the case of blocked payment of Property Tax and War Compensation Spec. Tax, (from 2nd blocked deposit and so on).

2. Expenditures

The final amount of expenditure of Gen. Acc. in the fiscal year 1946, is 115,207 million odd yen as abovementioned, but as results of transection of budget the amount carried over to the next fiscal year is

1,960 million odd yen, and the amount disused is 2,188 million odd yen.

The main items of disused expenditure are as follows:

824 million odd yen for demobilization and repatriates counter plan; 387 million odd yen in Allowance for Government Staffs Special Management and extraordinary miscellaneous expenditure; 243 million odd yen for Life Stabilization Equipment; 238 million odd yen for National loan.

And the carrying over of the budget is derived from the delay of construction, purchase of goods or payment, and the main items of expenditure are as follows:

1,057 million odd yen for Post War disposal and other expenses for Allied Powers; 416 million yen and more for Price regulation subsidy, Special obligation disposal etc.; 372 million yen and more for Life stabilization equipment Restoration for War calamity of Public schools etc.

In reference to the carrying over of the budget, excessive severe procedure of admission will lead up to the intention to expend the budget by an artificiality of matters, and disorder the fiscal year division, finally to the management against the accounting law and to many evils, so we consider there is enough ground for consideration as to the admission of the transfer.

Now in view of the results of expenditure of the budget, there are many cases which are illegal or unfair through both Gen. and Spec. Acc. (ref. Chap. 2, Sec. 3)

Details are as follows;

(1) In the Ministries of Interior, Finance, Welfare, Agriculture and Forestry, Transportation and Communication, there are many cases where the expenses of the budget are unfair for example, use of the budget out of the purpose, misappropriation of the budget for the purpose of purchase of the staffs' official residence, increase of allowances under the name of overtime or travel allowance, excessive expenses for the increase of food for supply to the workers and so on , but there are some cases to be permitted in consideration of the circumstances among them, so they should have

appropriated the budget for these purposes and expended it.

(2) In the Ministries of Finance, Justice, Education, Welfare, Commerce and Industry, Transportation and Communication, there are many unfair cases where the fiscal year was misapplicated for example, at the execution of contructions or the purchase of goods, they have paid out the cost pretending those have been completed or delivered within the fiscal year, by an artistic fact.

(3) In addition to the above, there are cases where the use of the budget is loose at the purchase of goods or the delivery of subsidy, taking advantage of an abandant budget, and on the contrary, there are many cases where the budget was used out of items or the possession of the special fund and so on due to the lack of the budget.

3. Special Items

(1) *Special Articles*

~~(1)~~ Special Articles are not only the former munitions and destroyed arms turned over from the Allied Powers to the Japanese Government (narrow sence), various materials delivered urgently by the former army and navy to the government offices and public bodies after the war (released goods).

The Special Articles in narrow sense shall be disposed on charge as a general rule, with exception that livelihood necessaries may be disposed gratuitously to those who are difficult in life, neverthless there are many cases in contravention of it. And the sale was by the official price at the time of disposal in general, but steel, iron and other materials were sold by the official price at the time of truce to various control agencies and the profit of balance that occurred when these control agencies sold to other consumers was partially covered into the price stabilization fund. These are improper management (ref. Chapter II Sec. III).

Destroyed arms were sold to the Arms Disposal Commission that is only a private organization, but that is undue management. (ref. Chapter II. Sec. III.).

And the disposal price received by prefectures or cities and villages was ruled to be hold by the local government at first, but since May 1946, the balance after deducting direct and indirect expenses used for disposal from disposal price was ruled to be covered into national treasury.

But the local governments hold in hand these balance collected by ~~item~~ them or did not collected the prices in a large amount.

The Home Ministry, Investigation Bureau decides as direct expense those which shall be used for investigation, transport, custody and business of released articles, and as indirect expenses those other than them. But the actual assessment of indirect expense is from 5 million yen to 300 thousand yen, the foundation of which is not clear and these were managed as the general source of local governments. These fact that the sale price was not covered into the national treasury but applied to direct and indirect expenses of the local government is deemed to have disordered the budget system. But in consideration of various circumstances we shall reserve the censure, but we made them correct the improper use of direct expense and adviced them to make haste in collection of disposal price. (ref. Chapter II Sec. III)

(2) Dissection of vessels

The dissecting operations of vessels have been executed by the Harima Dockyard Co. and other undertakers since April '46, but each undertaker has been using the materials produced in this work for the repair of their own ships or selling them at the current price.

The sale price of dissected vessels is ruled to be decided by the actual results of expenses for dissecting operations and the sale price of materials arose from this work, after the work was finished.

But not only it is difficult to decide the sale price of the vessels before the finishment of this work, but also this work is the duty of the government and should be fair, so we consider it is proper to include the expenses for this work in the budget and on the other hand, the government should dispose these materials arose from this work.

(3) Post-War Disposal Expense

The expenses of the above item could not be discriminated of its reversion and not be estimated at first, so it has been managed by the advances paid from the Bank of Japan, and that amount is over 12,074 million yen during period from Sept. '45 to Nov. '46.

Such a management might be inevitable as temporary procedure for a while after the truce, but it should be expended from the budget originally, so since Nov. '46, it has become to be expended from the abovementioned item of budget, and the said advances were paid back with the interests of 178 million odd yen, to the Bank of Japan.

The amount of expenditure of this item in the fiscal year '46 is over 37,929 million yen, and the expenses for construction or purchase of goods are the greater parts of it, and have been generally paid by rough calculation. Yet, there are many unfair management; for example, delay of an exact calculation or missing of documents, so we consider the improvement of

management

management is necessary. (ref. Chap. 2, Sec. 3)

(4) Subsidies

The sum of the above item in the fiscal year '46, amounts to 24,097 million odd yen in both Gen. and Spec. Acc.

In the resutls of expenditure, there are cases where the subsidies were given to those who do not accord with the condition, or the greater parts of money have been possessed unused still in the next fiscal year because excessive subsidies were delivered without any consid'eration for the records of works.

And further, there are some cases where the subsidies are not paid back in spite of the excess payment. (ref. Chap. 2, Sec. 3)

Section 2. Government Property, Cash or Goods

1. Government Property

The amount of the government property at the end of the fiscal year '46, is over 42,409 million yen, and as mentioned in the Reports of Audit on whole amount of Government Property at the end of the fiscal year '46, those which the state procured under the Munition Manufacture Spec. Aid Law or under the budget of Post-War Disposal Expense, are not included in the above amount due to the unfinished investigation in the administrative agencies.

And in reference to the acquisition and administration of the government property, there are some cases that we consider unfair as mentioned in Chapter 2, Section 3.

2. Cash and goods

An administration of goods have had a tendency to be neglected compared with that of cash, consequently the adjustment of the books of receipts ~~pts~~ and deliveries of goods is unsatisfactory, and there are many cases where the receipts, deliveries or custody of goods are unfair; for example, the possession of goods which are not booked, so we must pay special attention to the administration of goods. (ref. Chap. 2, Sec. 3)

Besides

Besides, relating to the loss or damage of cash or goods during the period from May '47 when the amended Board of Audit Law was enforced, to the end of Dec. 1947, the reports we have got from the authorities concerned are 208 cases, and amount of ¥ 11,000,656, and in the number of case, the loss owing to theft is most numerous and in the amount of money, the loss due to the crimes committed by the accounting officials and other officials themselves are largest.

Further, we decided whether the accounting officials are responsible for indemnification or not of the lost cash or goods, as mentioned in Chap. 2, Sec. 4). In addition to this, as we found the crimes committed by some officials in charge of accounts, we referred the case to the Public Procurators Board. (*ref.* Chap. 2, Sec.5)

Section 3. Contributed Corporation

The organizations which are subject to audit by the Board of Audit under the Board of Audit Law and other laws are Tokyo-to, Hokkaido, and other prefectures, 10 Government Corporations, 6 Eidans, 12 banking agencies (special banks,) and 32 others, 60 in total.

Among them, some Government Corporations, Special Procurement Board and Reconstruction Finance Bank are a short time since the establishment, and above all in Government Corporations, even the settlement of accounts is not finished yet, so we are now continuing our audit; And the cases considered unfair after examination are mentioned in Chapter 3.

Section 4. Opinion on improvement of laws, regulations, systems, and administrations

We authorized that there are some matters which need the improvement on laws, regulations, systems or administrations after examination, and as

mentioned

mentioned in Chapter 4, we indicated our opinion or demanded the disposal of improvement to the Ministries concerned on the release of admission tax, the accountant's business of Transportation, Construction Headquarter, or Government Corporations and so on.

Chap. II

Sec. 1. Audit and settlement of the Final Account of fiscal year 1946

Sec. 2. Audit and settlement of unsettled account as of before fiscal year 1946

Chapter II Account of the State

Section 1. Audit and Settlement of Final Account of Fiscal Year 1946

1. General Account

(1) Audit and settlement of general final account

Final Account		Unsettled amount among Final Acc.	
Revenue	Expenditure	Revenue	Expenditure
118,899,071,050	115,207,023,319	506,727,058	26,819,071,506

The above final account was audited and settled except the above unsettled amount. The unsettlement is due to the fact that the supporting documents are not yet submitted to our Board or answer was not yet received or our Board is still investigating on some matters. The detail is as follows:

Division	Revenue	Expenditure
Not verfied	411,865,741	272,234,250
No answer to the question	4,289,448	520,669,504
Under investigation on verfication	90,434,856	25, 907,487,893
Under investigation on answer	137,013	118,622,659
Under investigation on crimes	0	57,200

(Translation Note: the amount broken down in each item being not so important and numerous, omitted)

Among revenues or expenditures of the former Special Account of Extraordinary War Expenditure, the amount to be recorded in the General Account of fiscal year 1946 under Imperial Ord. no 110 of 1946 is as follows:

Rev. 168,248,955

Exp. 21,585,881,155

and is not included in the final account, but we audited and settled it.

(2) Comparison of the final account to the account of the Bank of Japan

Comparing the final account to the account of the Bank of Japan, we found the following difference:

Final Acc. (Rev.)	Acc. of Bank of Japan	Increase in Bank of Japan
118,899,071,050	118,959,468,112	60,397,061

detail is:

not received into the Bank till the close of extention	6,201,170
revenue of 1946 erroneously received into the Bank as of 1947	7,416,163
Total	13,617,334

consequently the account of the Bank is smaller than the final account, but on the other hand,

revenue of 1947 erroneously received into the Bank as of 1946	9,120,215
revenue of Special Account of Property Tax and etc. erroneously received into the Bank as of General Account	25,440,876
revenue of former Special Account of Extra. War Expenditure erroneously received into the final account	39,453,303
Total	74,014,395

consequently the account of the Bank is smaller and the net increase of the account ~~the bank~~ is above mentioned.

(3) Excess and unprovided for in the budget

Among the general final account, such expenditure of excess and unprovided for in the budget as is not taken of procedure to

receive

receive the approval of the Diet is:

First Reserve Fund	Economical Stabilization Exp.	Total
178,795,501	6,519,653,934	6,698,449,435

2. Special Account

(1) Audit and settlement of Special Account

Final Account		Unsettled amount among Final Acc.	
Revenue	Expenditure	Revenue	Expenditure
190,778,887,749	178,205,004,678	1,764,261,861	619,076,604

The final account of each Special Account was audited and settled except the above unsettled amount.

The unsettlement is due to the fact that supporting documents are not yet submitted to our Board, or answer was not yet received or our Board is still investigating on some matters. The details thereof are is as follows:

Jurisdiction & Account	Revenue or Expenditure	not yet verified	not yet answered to question	under investigation of verified account	under investigation of answered matters
Ministries of Home Affairs and Finance					
Grant Tax to Local Government Exp.		3,095,000			

The unsettlement is due to the fact that supporting documents are not yet submitted to our Board, or answer was not yet received or our Board is still investigating on some matters. The details thereof are is as follows:

Jurisdiction & Account	Revenue or Expenditure	not yet verified	not yet answered to question	under investigation of verified account	under investigation of answered matters
Ministries of Home Affairs and Finance					
Grant Tax to Local Government	Exp.	3,095,000			
Finance Min.					
Monopoly Bureau			Rs. 3,731	270,110,191	91,263,000
			Exp. 132,352,000		
Property Tax	Rev.	1,119,558,849	84,000	0	0
Transportation Min.					
State Railway					
Capital Acc.	Exp.	0	5,713,674	15,118,328	0
Supply Acc.	Rev.	0	644,665,301	0	0
	Exp.	0	23,168,150 00	51,[illegible]07	5,388,201
Business Acc.	Exp.	0	21,408,053	0	0
Total	Rev.	1,119,558,849	644,703,032	0	0
	Exp.	3,095,000	182,627,877	336,702,529	96,651,201

(Translation Note: Details broken down in items are omitted as they are not so important and numerous)

(2) Comparison of Final Account with the Account of Bank of Japan

Comparing the final account with the account of the Bank of Japan as the differences are follows:

Jurisdiction & Account	Revenue or Expenditure	Final Account	Account of Bank	Increas or △ Decrease	
Finance Min.		¥	¥	¥	
Monopoly Bureau	Re.	9,371,026,868	9,371,063,484	36,620	Rev. of 19 Bank in 19
Exchange & Trade	"	138,588,927	137,698,053	△890,873	not recei until clo
Property Tax	"	30,615,223,674	30,590,501,112	△24,722,562	erroneous General A
Welfare Min.					
Welfare Insurance	"	1,987,358,858	1,987,336,935	△21,923	not rece close of
Communication Min.					
Communication	"	7,191,559,942	6,990,354,211	△201,205,730	
Life Insurance & post annuity	"	2,516,905,242	2,516,905,916	673	Rev. of Bank in

(3) Excess and Exp. unprovided for in the Budget

Among the amount of excess and unprovided for in the budget of final account of each Special Account, those which are not taken procedure to receive the approval of Diet are as follows:

First Reserve Fund	Reserve Expense
¥ 58,881,970	¥ 79,825,000

Section 2. Audit and settlement of unsettled amount before the Fiscal year 1946

The

ount with the Account of Bank of Japan

ccount with the account of the Bank of Japan

s:

Account	Account of Bank	Increas or ▲Decrease	Reason
¥	¥	¥	
371,026,865	9,371,063,484	36,620	Rev. of 1945 received into Bank in 1946
138,588,927	137,698,053	▲890,873	not received into Bank until close of extention
15,223,674	30,590,501,112	▲24,722,562	erroneously received as General Account and so forth
87,358,858	1,987,336,935	▲21,923	not received into Bank until close of extention
91,559,942	6,990,354,211	▲201,205,730	"
16,905,242	2,516,905,916	673	Rev. of 1945 received into Bank in 1946

for in the Budget

and unprovided for in the budget of fins.

count, those which are not taken procedure to

as follows:

Reserve Expense
¥
79,825,000

dit and settlement of unsettled amount

fore the Fiscal year 1946

The

The unsettled amount in the previous fiscal years which are settled in 1946 are as follows:

(Translation Note: details are not so important and omitted)

Chap. II.

Sec. 3. Illegality or Unfairness

TAB "C"

Section III Matters we deemed in contravention of laws, ordinances or budget or unfair

The matters we deemed in contravention of laws, cabinet orders (imperial orders) or budget, or unfair and the cases we indicated opinions or demanded disposals under Article 34 of Board of Audit Law and the results thereof except slight cases are as follows; and illegalities are 34, unfairness 43, the matters that we caused them to correct 91, and the matters that caused loss to the state by the crimes of officials 7 totaling 175 cases.

Home Ministry

1.	illegality	1
2.	unfairness	1

Finance Ministry

1.	illegality	10
2.	unfairness	26
3.	crime	4
4.	correction	86

Justice Ministry

1.	illegality	6
2.	unfairness	1

Education Ministry

1.	illegality	2
2.	correction	2

Welfare Ministry

1.	illegality	2
2.	crime	1
3.	correction	1

Agriculture and Forestry Ministry

1.	illegality	1
2.	unfairness	4

Commerce and Industry Ministry

1. illegality 4
2. unfairness 1

Transportation Ministry

1. illegality 3
2. unfariness 7
3. correction 1

Communications Ministry

1. illegality 5
2. unfairness 3
3. crime 2
4. correction 1

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NND # 973012

Re. 169 (207)

Fiscal year 1946

Home Ministry

Matters deemed to be unfair

Use of expenditure beyond the object of budget

Gen. Acc. (Tem. Div. of Exp. ; Title 1. Gen. Expenses; Sub-title 3. Hokkaido Cultivation and Industry Expenses)

Hokkaido Government office paid ¥ 5,567,643 as cost of buying lands and houses as the following table for the officials' lodgings. But, for the reason that this expenditure is one for emergent cultivation work to secure self-sufficiency of internal food against lack of food of these days, and the above expenses are not estimated in this expenditure , the above action is use of expenditure beyond the object of budget.

assortment	quantity	buying amount	buying date	place
	Tsubo			
land	500	¥ 60,000	April 30, 1947	Sapporo
house	284	1,260,355		
house	205	986,976	April 26, "	"
house	66	372,400	April 22, "	"
land	145	14,580	May 14, "	Hakodate
house	150	665,420		
land	162	40,752	April 14, "	Shibuya, Tokyo
house	84	128,000		
etc.		36,500		
land	302	160,512	May 8, "	"
house	128	439,775		
etc.		310,713		
land	454	40,874	Aug. 17, 1946	"
house	120	204,200		
etc.		557,625		
total		5,567,643		

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) MNO # 113012

Re. 100 (160)

Fiscal Year 1946

Home Ministry

The matter which we deemed unjust

The cases where the money has been swindled owing to the negligence of investigation on disbursement of the work expenses

Gen. Acc. Extra. Exp. Title 1 Gen. Exp.

Sub-title 3 Hokkaido Cultivation Industrial Exp.

Tokati Branch-Office in Hokkaido Board paid ¥3,500,53 from Jan. to March 1947 to the Agricultural Associations in Otosara village and other 7 towns and villages as well as Obihiro city for the expenses of rooting out by gun-powder and estate arrangement which had been carried out from Oct. 1946 to March 1947, and the above amount included an over-payment of about ¥863,791 due to overcharge and so on of the sub-contracted company.

This work was such part of the urgent cultivation works as was excputed by the said Associations as agency oc the Branch-Office amoung the works carried out by it: and the Associations made this work sub-conracted with Hokkaido Estate Cultivation Industrial Company, and the company reported as if it had accomplished 88,613 root in spite of 66,360, correct number in rooting out, and not only have the said Assaciations overlooked this false number but also added 6,742 to it, in place of rising up the unit price with the approval of the office and reported 95,355 roots as the total: and the Branch-Office has also paid ¥3,500,253 without enough investigation: but afterwards the above-mentioned correct number has been confirmed by actual investigation of the Branch-Office, and it has been decided to make the said Associations to indemnify ¥863,791, the amount of an over-payment.

DECLASSIFIED AND RELEASED UNDER THE PROVISIONS OF SEC. 3(E) AND 3(D) OR (E) NND # 775012

Re. 173 (119)

Fiscal Year 1946

Financial Ministry

The matter that we deemed illegal

The matter that they delivered for nothing the special goods

Name of Office	Acc. & Item	Amount
Fukuoka Pref.	Gen. Acc.	
	Extrd. Rev.	
	Extrs. Miscel. Rev.	
	Spec. Miscel. Rev.	¥723,633

Particulars

The sameprefectural office, during the time from Jan. to June 1946, delivered for nothing 115,030 clothes and 20,000 sail socks which were the special goods amounting to ¥723,633 to those who finished the supply of quota as well as cities, towns and villages for the supply of inferior rice quota and expansion of fuel product, but these articles should be charged on the receivers.

DECLASSIFIED NARA TRUST SEC. 3(E) AND 3(D) OR (E) KNUC # 119012

Re 170 (116)

Fiscal year 1946

Finance Ministry

Matters deemed to be illegal

Special goods transfered gratuitously

Name of Board	Accounts & Items	Amount	Remarks
Hokkaido Pre.	Gen. Acc.		In Jan. 1946,
	Extra. Rev.		the Hokkaido Pre-
	Extra. Miscel. Rev.		fectural office
	Spec. Miscel. Rev.	¥ 257,400	transfered gratui-

tously the released goods, 4,000 pairs of working Jack-boots for cold weather, the price of which is ¥257,400₩, to the Hokkaido Agricultural Society, as for promoting the delivery of provisions. But this transference must be carried with proper consideration.

DECLASSIFIED AUTH: PARA SEC. 3(E) AND 3(J) OR (E) NND # 775012

Re. 112 (177)

Fiscal year 1946

Finance Ministry

Matters deemed to be unlawful

Matters they transfered the Special Objects for nothing

Office	Account & Item	Sum	Summary
Nagano Prefecture	Gen. Acc. Rev. Extra. Div. Extra. Sundry Income Special Sundry Income	¥128,000	Nagano Prefecture, on July 1946 transfered

16 vehicles consisting of motor-lorries and others that were Special Articles amounted to ¥ 128,000, to the said prefecture as of the public body for nothing. But because those were considered to be transfered for considerations, we advised on Sep. 1947 in regard to it; to this, the authorities answered it is promising to finish the levy of ¥ 49,000 appropriate to 6 vehicles during Dec. 1947 and of ¥ 79,000 appropriate to 10 vehicles by March 1948 following the convenience of budget.

Rs. 174 (67)

Fiscal year 1946

Ministry of Finance

Matters deemed to be illegal

Special goods transfered gratuitously

Name of Board	Acc. & It.	amount	Remarks
Shimane Prefecture	Gen. Acc.		The Shimane Prefectural office, on March 1946, transferred gratuitously the 13,494 released goods, including winter overcort and others, the estimated amount of ¥85,516, and 23 motor-cars (of which 14 cars are the returned goods) the estimated amount of ¥ 88,760, to that prefecture as a public body. Then, we regarding this transferrence as to be carried with proper consideration, demanded its correction in July 1947, but the correction has not yet been fulfilled.
	Extra. rev.		
	Extra. miscel. rev.		
	Spec. miscel. rev.	¥174,276	

Re. 110 (173)

Fiscal year 1946

Finance Ministry

Matters deemed to be unlawful

Matters they transfered the Special Articles for nothing

Office	Account & Item	Sum	Summary
Kumamoto Prefecture	Gen. Acc. Rev. Extra. Div. Extra. Sundry Income Special Sundry Income	¥ 87,273	Kumamoto Prefecture transfered 50

Vehicles including motor-lorries, automobiles and others that were the Special Articles amounted to ¥ 87,273 to the said prefecture as of the public body for nothing. But because those were considered to be transfered for considerations, we advised to the authorities in regard to it; to this, on Dec. 1947, the authorities answered to pay the prices before long.

Re. 166 (259)

Fiscal year 1946

Transportation Ministry

Matters that we deemed illegal

Such unjust management as the authorities has diverted the revenue-fund to the working funds for works entrusted

Gen. Acc. (Tem. Div. of Rev.; Title 2. Temp.miscel. revenue; Sub-title 3, Special miscel. revenue.)

According to the provisions of the Imperial Order No. 51 of 1946, the Transport Construction Head Office carries out the works entrusted by the public and has a prinicple to manage the work expense except business one out of the account of national revenue and expenditure.

However, seeing their actual management at the time of spot audit in Nov. 1947, some of the books of cash account out of the revenue and expenditure of the fiscal year 1946, have not been made yet. Further, the authorities did not covered ¥ 24,000,000, the payment of the trusters to the treasury for the office expense and selling price for special goods etc., which should be covered into the general account, into the revenue of the treasury, but held it without any disposition, diverting some of them to the working funds for works entrusted.

The authorities have made such matters as deemed violation of account law or unjust.

(cf. Vol. 3 (2))

Re. 210 (316)

Fiscal year 1946

Finance Ministry

The matters that we deemed unjust:

A big amount of uncollected tax:

Gen. Acc. (Ord, Rev. : Title 1,Tax; Title 2, Revenue of Return Tax;

Extra. Re. : Title 1, Tax)

Spec. Acc. (Receipts of Property Tax etc.; Rev. : Title 1: Tax)

The uncollected amounts of taxes for the 1945, 1946 and 1947 (up to Oct.) fiscal years in the taxation offices under jurisdiction of the Tokyo and other seven Financial Bureaus are sumed up to such a huge amount as in the annexed table 1, and the percentages of them to the decided amounts of collection are in the annexed table II. Year by year, the uncollected amounts are increasing. As a result of our spot audit, in the 1947 fiscal year, besides the above uncollected amounts, there remain a huge amounts of unfinished disposals concerning the corporation tax, succession tax, etc. or unpaid taxes on income and transit-duty of source collection. In the events of considering these undecided collections, the record of receipts seems more seriously bad.

(Table I)

	1945		1946		
	D. A. C.	U. A.	D. A. C.	U. A.	D.
Gen. Acc. :-	Yen	Yen	Yen	Yen	
Taxes :.....	11,268,838,000	862,508,000	40,216,181,000	10,005.354,000	4
Income Tax....	4,026,696,000	164,488,000	12,520,000,000	230,742,000	1
Corporation Tax.	1,336,919,000	171,506,000	1,709,053,000	282,614,000	
Increased Income Tax.....	—	—	14,704,565,000	8,811,462,000	
Spec. Acc.: -					
Taxes:.....	—	—	23,831,470,000	5,716,246,000	1
Property Tax ...	—	—	19,219,215,000	3,700,389,000	
War-time Special Indemnity Tax...	—	—	4,621,254,000	2,015,856,000	
Total	11,268,838,000	862,508 000	63,851,590,000	15,700,360,000	6

Note: D. A. C. and U.A. in the above table stand for Decided Amounts of Collection and Uncollected Amounts respectively.

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	1947 (up to Oct.)		
	D. A. C.	U. A.	
Yen	Yen	Yen	
4,000	44,232,303,000	11,389,639 000	
2,000	17,504,796,000	2,446,768,000	
4,000	2,622,666,000	1,056,793,000	
2,000	8,862,884,000	5,084,019,000	
6,000	18,926,278,000	6,037,301,000	
2,000	9,265,271,000	4,361,769,000	
56,000	9,661,006,000	1,775,531,000	
60,000	63,148,581,000	17,426,940,000	

s of

(Table II)

	1945 %	1946 %	1947(up to Oct.) %
Gen. Acc:-			
Taxes:	8	24	26
Income Tax.....	4	2	14
Corporation Tax.....	12	17	40
Increased Income Tax....	-	60	57
Spec. Acc.:-			
Taxes:.....	-	24	31
Property Tax.....	-	19	46
War-time Special Indemnity Tax	-	44	18
Total	8	24	27

DISCLOSED PURSUANT TO FOIA SEC. 3(b)(1) AND 3(b) OR (E) (NSC) # 113012

Re.195(304)

Fiscal Year 1946

Finance Ministry

Matters deemed unfair

Unfair collection of travelling tax.

Gen. Acc.(Rev.Ord. Civ; Title 1 Tax; Sub-title 15 travelling tax)

Not a small part of payment of travelling tax for the fiscal year 1946 to be payed by every transportation agencies has been late every month and amounts of travelling tax for until Feb. not collected by the end of Mar. 1947 are more then ¥7.300.000 of Kinki-Nihon Railway Co. and after 68 companies. Setting aside the cases of delay of one or two months.delay of collection of tax for more then sixmonths or one year is deemed unfair dispose of collection .

Beside above, while tax-rates were altered on April 1945 Shibuya taxation office collectedthe travelling-tax of from April 1945 Feb. 1946 to be payed by Tokyo Kyoto Railway Co. According to the former rate.

Consequently, the shortage of collection during that term was ¥635.204 and we demanded correction of this matter at our audit on the spot on July 1946. Although ¥300.000 a part of the above amount was covered into the treasury on Dec. 1947, the balance, ¥335.204 is not yet decided to collect.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NND # 775012

Re. 188 (197)

Fiscal Year 1946.

Department of Justice

Matters deemed to be unjust

Matters that were improper on imposing and collecting the registration taxes.

Tokyo Local Court, on imposing the registration taxes on registration of preservation, and removal of ownership and establishment of mortgage (in case of basing on the prices of the objects), of immovables and ships during fiscal year 1946, fixed the taxable standard value at 10 to 15 times as large the rental value in case of land and structure, at ¥500 per ton in case of steel ship and ¥300 per ton in case of wooden ship: but the above decision is too much low.

The taxable Standard values of the registration taxes of immovables and ships are ruled to be based on the values of articles registered, but the above values shall be the proper current price. Therefore though it may be inevitable that the taxable standard values are based on the amount of rental values multiplied by a regular mamification or on the standard unit prices for simplification of dealing, they shall meet the economical condition. Nevertheless they applied even in this year very low magnifications and standard unit prices that heve been applied since 1942 despite much economical changes since then and at length by the circular of the Directer of Civil Bureau of Justice Ministry they revised these standards on March 1947 and the taxable standard values were based on the magnifications of rental values that were the taxable standard values of property taxes: but the above disposal is too sluggish.

For instance, the magnifications of land and structure in cases of the taxable standard values of the property tax compared with that of the registration tax applied actually by the authorities under the jurisdiction of the Tokyo Local Court are follows:

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) MNO, # 173012

Name of Ward	Residential Land					Structure				
	Property Tax			Registration Tax		Property Tax			Registration Tax	
	Highest	Lowest	Standard	Average	Highest	Lowest	Standerd	Average		
	folds	folds	folds	folds	folds					
Kojimachi	33	27	29				Ordnary Structure 51folds Building 68			
Nipponbashi	35	30	30				Ordnary Structure 66 Building 89		folds 10-15	
				14-15	Ordinary Structure 70 45 Building 94 60					
Kyobashi	36	30	30				Ordinary Structure 63 Building 85			
Akasaka	32	24	28				Ordinary Structure 70 Building 94			

The magnifications of the registration tax are very low compared with the property tax and concerning the impositions of the registration tax of ships, they fixed the taxable standard value at ¥500 per ton in Steel ship and ¥300 per ton in wooden ship, but these do not amount to eatenth of ¥6,050 per ton, lowest of fishing steel boat end ¥3,700 lowest of fishing wooden boat the property tax. (Reference Table) (Note translation of Reference Table is cut off as it shows many examples only)

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDC # 773012

Re. 196 (234,310)

Fiscal year 1946

Finance Ministry

Matters deemed to be unfair

Much unreceived revenue

Gen. Acc. Revenue

(1) Unreceived revenue at the end of fiscal year 1946 under jurisdiction of Demobilization Board, amounts in 1st Demobilization Bureau to ¥ 186,907,986 (¥ 42,633,234, thereamong was levied in Extraordinary War Expenditure Special Account), in 2nd Demobilization Bureau to ¥ 819,730,660, and in total to ¥1,006,638,646, but according to investigation of authoriti-es, besides above the revenue not yet leived amounts in 1st Demobilization Bureau to ¥ 130,181,805, in 2nd Demobilization Bureau to ¥298,712,532, and in total to ¥428,894,337.

When we add up above both total, the unreceived amount is ¥1,435,532,9
83
in total.

The greater part of these unreceived amounts are, as following table 1, shows money to be returned, as results of settlement of prepayment and payment at rough estimate, which were made by former War and Navy Ministries, and selling prices of articles, etc. and among these unreceived amounts, the amounts already collected by the end of Sept. 1947 are only ¥46,592,090 in total--in 1st Demobilization Bureau ¥ 7,248,116, and in 2nd Demobilizati-on Bureau ¥39,343,974--and the items of ¥1,388,940,893, unreceived amount at the end of Sept. are as the following table No.2.

(2) Unreceived amount of revenue adjusted in Extraordinary War Expendi-ture Special Account under jurisdiction of Commercial and Industrial Mini-stry is ¥334,719,336 at the end of fiscal year 1946.

Most of those amounts are money to be returned as result of steelement of prepayment by former Munitions Ministry, and prices of articles sold by the said Ministry or Readjustment Division of Commercial and Industrial Ministry.

But

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) MAR # 775012

But, the amounts received by Nov. 1947, among the above unreceived revenue are ¥ 10,124,316 and the balance of unreceived revenue except ¥ 1,647,330, the levy of which was canceled is ¥ 322,947,694.

The items of the above is indicated in the following table No.3.

These uncollected amounts were all caused by neglect of rapid procedure of collection owing to confusion around the end of war, and further endeavour for security of revenue is deemed necessary.

No.1

Name of office	division	amounts caused in Extra, War Exp.Spec. Acc.	amounts caused in works of Spec.Acc.	amounts caused in Gen. Acc.	total
		¥	¥	¥	¥
1st Demobilization Bureau	money to be returned caused by settlement of prepayment or roughly estimated payment and etc.	0	45,726,000	8745,000	54,471,000
	selling price of articles	42,474,000	87,666,000	1,194,000	131,335,000
	other erroneous payments	154,000 (114,958,000)	406,000	535,000 (15,222000)	1,100,000 (130,181,000)
	total	42,632,000 (114,958,000)	133,799,000	10,475,000 (15,222,000)	186,907,000 (130,181,000)
2nd Demobilization Bureau	money to be returned caused by settlement of prepayment or roughly estimated payment and etc.	0	369,091,000 (202,064,000)	0	369,091,000 (202,064,000)
	selling price of articles	418,978,000	18,070,000 (53,855,000)	0	436,989,000 (53,855,000)
	other erroneous payments	13,536,000	113,000 (3,473,000)	0 (39,318,000)	13,649,000 42,791,000
	total	432,455,000	387,275,000 (259,394,000)	(39,318,000)	819,730,000 (298,712,000)
total		475,088,000 (114,958,000)	521,074,000 (259,394,000)	10,475,000 (54,541,000)	1,006,648,000 (428,894,000)

Remarks. parenthesized passage indicates amounts not yet levied.

DECLASSIFIED AND AUTH: F1032 SEC. 3(E) AND 3(D) OR (E) NND # 775012

No. 2

Division	1st Demobilization Bureau	2nd Demobilization Bureau	total
designated as closed agency	¥ 19,382,000	¥ 396,130,000	¥ 415,512,000
designated as Special Account Co.	121,725,000	430,890,000	552,615,000
lack of funds	40,030,000	45,200,000	85,230,000
address unknown	4,713,000	21,790,000	26,503,000
difficulty of cirtification for burning of relative documents	59,643000	104,070,000	163,713,000
others	64,345,000	81,019,000	145,364,000
total	309,841,000	1,079,099,000	1,388,940,000

Remarks: The item of lack of fumds is written by the evidence of taxation offices.

No. 3

division	the number of cases	amount
designated as closed agencies	2	¥ 5,455,000
designated as Special Account Co.	188	172,038,000
address unknown	51	10,945,000
others	400	134,510,000
total	641	322,948,000

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NND # 775012

Re. 208 (280
315)

Fiscal year 1946

The Ministry of Finance

The matter deemed unjust

The loose collection management of the price for sale of special articles.

Gen. Acc. (Extra Rev. Art. 11 Extra Miscellaneous Rev. Chap. 111. Special Miscellaneous Rev.)

The Ministry of Home Affairs, every Local Office and the Ministries of Transportation and Communication sold the special articles between fiscal year 1945 and 1946 And amount 1,547,061,998 yen amount dicided untill March 1947 to be collected, only 1,173,840,025 yen was actually collected and 373,221 973 yen was not yet. Besides that much amount of sale price was not yet decided to be collected.

(1) Expective whole amount of receipts of the special articles that the Ministry of Home Affairs and every Local Office dispose, seems to be about 4,000,000,000 yen. And condition of collection of the price for disposal is as follows:

Fiscal year	Amount dicided to be collected	Receipts	Not-yet-Receipts	Note
1945	75,253,000 yen	64,072,000	11,181,000	The diseal year 1946 includes receipts of 3,715,000 yen by the 2nd blocked deposit.
1946	1,466,426,000	1,101,958,000	364,467,000	
Total	1,541,679,000	1,166,030,000		

On July 1st, 1947, the amount dicided to be collected is still only ¥1,795,000,000 in all and the amount collected is only ¥1,332,000,000 in all, and which most of selling managements seem to be finished, the amount dicided to be collected is less than half of presumed whole amount of receipts.

(2) The Railway General Bureau of the Ministry of Transportation sold the special articles for ¥59,426,317 to the State Railway Special Account, for ¥402,731 to the public body, and for ¥5,694,147 to the public ¥65,523,195 in

DECLASSIFIED AUTH: NARA 11652 SEC. 3(E) AND 3(D) OR (E) NND # 713012

total in the fiscal year 1945 and 1946. And only ¥622.639 from the State Railway Special Account was paid to the national treasury within the same fiscal year and after that ¥8.747.465 only was paid from the State Railway Special Account by the end of October 1947. ¥8.090.490 out of ¥56.153.090. the ballance, was decided to be collected but is not collected yet and ¥48.062.599 is not decided yet to be collected.

Besides that the Osaka Railway Bureau made tradesmen to receive direcaly the special articles of about 6.500.000 yen the which the Ministry should receive as urgent carriage, and made them keep them taking warrant from them, but they are using them without leave.

And also, though the same Ministry is deemed to have received a lot of released articles after the war, even state of receipt and delivery was not clear and the price of articles it sold was not paid into the General Account Revenue at the time of spot audit in Oct. 1947.

(3) The Transportation Construction Headquarters received special articles over ¥87,000,000 of rough estimate and used about ¥12,000,000 in the trusted works but only ¥300,000 of it was paid into the national revenue by the end of the fiscal year 1946, and besides it sold out about ¥1,200,000 but the price is not paid into the national treasuty at all.

(4) Though the Ministry of communication seems to have much of special articles, the amount decided to be collected in the fiscal year 1946 is 15,014,053 yen, but the amount collected is only ¥6,885,844 and by Sept. 1947 ¥53,[illegible]356 was decided to be collected, but the unreceived amount including that of former fiscal year is ¥35,516,834.

As stated above. the fact that a large amount was not decided to be collected or was not received, is due to the fact that at first, the enormous quantity of special articles had to be disposed in a hurry, and the collection was put off, and so forth but as a long time has passed after the war, the said management is very unfair.

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) MNO 7 113012

Re. 156 (244)

Fiscal year 1946

Home Ministry

Matters deemed to be unjust

Matters unjust at the decision of prices to dispose of the Special Articles

Gen. Acc. (Rev. Extra. Div. Title II Extra Sundry Income, Sub-title III Special Sundry Income)

The Home Ministry, at selling irons and steels, non-iron metrals leathers, and fibres among the Special Articles, as a rule, disposes of these goods to the Iron Steel Selling Company, Japan Metals Company, Leather Control Association, and Japan Textile Control Company that are all the control organizations, at the official prices of the truce time or the prices proportionate to them: and them these Distribute-Control Organizations are used to pay afterwards into the treasury the amount excepted freights, various expenses and such sums as are to be provided for price stabilization funds with permission of the Finance Ministry from the balance of the selling prices and the purchase prices paid to the government.
The reason why the Home Office determined to sell not at such official prices of the disposing-time as in the case of ordinary special articles but at official prices of the truce-time, is to contrive the price stabilization funds by this process and to use them for maintenance of prices of commodities and settlement of national economy, but when the price stabilization funds are needed, they must pursue the special budgetary measures, and so it is unjust for the authorities to have taken only in this case such exceptional transaction as based on the official prices at the truce-time irrespective of the time when these articles were disposed, not based on official prices at disposing-time.

Concerning the practical time of disposal, generally, irons and steels are from Nov. 1945 to July 1947, non-iron metals are fmx from Dec. 1945

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DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NND # 713012

to June 1947, leathers are in July 1947, textiles are from September 1945 to Aug. 1947; but after the War, there were several revisions on the official prices of these goods.

For instance, the prices of the non-iron metals are as follows:

Item	Designated Price by Home Office	Official Price of 1,Oct.1945	Official Price of 3, Mar.1946	Official Price of 1,May 1946
	Yen	Yen	Yen	Yen
Electrolytic Copper and Boon	1,800	7,000	13,000	28,000
Lead	570	1,800	4,000	12,000
Electrolytic Zinc	840	2,400	5,000	10,000

Because the prices have risen far higher than those of the truce-time, if the present prices of disposal were decided on the official prices at the time of the disposal, the incomes of the treasury are thought to have been able to be increased early.

Now, the details of quantities and sums of disposal to each control organization are not clear, but the government disposed of more than 386,000 tons to the Iron-Steel Selling Company, more than 140,000 tons to the Japan Metal Company, 14,000 tons to the Leather Control Organization, and more than 1,000 tons to the Japan Textile Distributing Company; and then as the first payment, assessed ¥ 460,296,214 totalling the amounts of central and local offices but not assessed the second payment yet.

DECLASSIFIED AND RELEASED SEC. 3(E) AND 3(D) OR (E) NNDB # 779012

Re. 125 (135)

Fiscal year 1946

Ministry of Finance

Matters deemed to be anjust

Matters that the Prices for Disposal of Released Articles were received in the Prefecture Account

Name of Office	Account & Item	Amount	Particulars
Kyoto Prefecture	Gen. Acc.		
	Rev. Extra. Div.		
	Extra, Misc. Income		
	Special Misc. Income	¥6,440,040	Kyoto Prefecture as of the public body distributed

5,965 packs of cotton cloth, that were released to the said prefecture from the Osaka Military Arsenal at the time of the truce, at ¥ 1,344 per one pack as for agricultural multiplication and for workers, and has managed the proceeds of sales, ¥ 8,014,242 as the revenue of the Prefecture Account; but by the notice of our Board, the Kyoto Prefecture arranged on Dec. 1947 to pay into the national treasury ¥ 6,440,000 as the selling prices.

Re. 86 (106)

Fiscal year 1946

Home Ministry

The matters we deemed improper

The matters they used directly the revenue by disposal of released-goods and did not pay into the Revenue

Gen. Acc.(Extra. Div. of Rev.; The 2nd Title, Extra. and Miscellaneous Rev.; The 3rd Sub-title Special and Miscellaneous Rev.

The Aomori Prefecture directly delivered ¥3,000,000 among the revenue caused by disposal of released-goods to the Aomori Prefectural Promotive-Society. Among this amount, the balance except ¥1,000,000 which Home Ministry admitted as indirect expenses required to transact released-goods, must be paid into the Revenue of National Treasury.

According to the investigation of our Board at the spot-audit the said Prefectural Office in Sept. 1946, the Society expended, by the time of spot-audit, ¥2,337,306 among the ¥3,000,000 which was delivered from the prefectural Office, for Urgent Counter-Measure for Provisions, and Drifted-Snow and etc. and held ¥662,693 in hand. But, as the revenue of released-goods must not be used for such expenses as have no relation to the disposal of released-goods, we noticed them, and they told us to adopt the procedure of refund of ¥ 2,000,000, the ballance deducting ¥1,000,000 which was admitted by the Home Ministry to be expended by the said Prefectural Office as indirect expense. But only ¥92,540 was paid into the Revenue of National Treasury by the end of Nov. 1947.

DECLASSIFIED AUTH: (NSC SEC. 3(E) AND 3(D) OR (E) NNDB # 778012

Re. 211 (203)

Fiscal Year 1946

Finance Ministry

The matters that we deemed unjust:

Receipts arose from ~~c~~released articles used as contribution

Gen. Acc.: Extra. Rev.: Title 2 : Temp. Miscel. Receipts

Sub-title 3 : Spec. Miscel. Receipts

The Okayama Prefectural office used ¥300,000 on Aug. 1946 out of receipts obtained by disposing the released articles such as clothings etc. as the contribution to the Okayama branch of the Brothers Protection Society. But, as it is not deemed to be the expenses needed to dispose of the released articles, the equivalent amount of the contribution must be refunded into the national revenue.

We add that the prefectural office returned ¥18,000,000 between Jan. and July 1946 to the cities, towns and villages out of the said receipts. They made it on the score that there was blame on the too high cost of the retail prices of the clothings etc. the released articles, but the prices of the clothings etc. released in the said prefecture are not deemed to be so expensive as the return of them was necessary.

DOCUMENT CONTAINS NAT. PROT. SEC. 3(1) AND 3(3) OR (5) INFO. # 113012

Re. 146 (113)

Fiscal year 1946

Finance Ministry

The matters we deemed unfair

The case where the revenue by the disposal of released goods was paid for the staff's allowance

Gen. Acc. (Ext. Div. of Rev.: Title 2, Ext. Miscellaneous Receipts: Sub-title 3, Spec. Miscellaneous Receipts.)

Yamagata Pref. paid ¥130,250 for the staffs' allowance (for the governor and other officials concerned), and ¥150,000 for the contribution to the Soldier's Protection Society, Yamagata Branch, from the revenue by the disposal of released goods. But this ¥280,250 in total must be refunded into national revenue.

(1) The authorities explained that ¥130,250 paid for the allowance, was granted with consent of the Home Ministry in Oct. and Nov. 1945 and Nov. 1946, to the specific officials and the sections concerned who endeavoured for the disposal of released goods, and they used some of them for the purchase of consumption goods and made up the deficit of the Prefectural revenue.

Yet, not only the revenue by the disposal of released goods should not be paid for the staffs' allowance, but such a management is unfair even though the granted money in question was used for the purchase of consumption goods and not used like a bonus of former kind.

(2) ¥150,000 the contribution, was granted to the Soldiers' Protection Society, Yamagata Branch that cooperated with them in the disposal of released goods, because it was urgent to relief the families of the deceased soldiers and the invalids, and the said revenue had a connection with the army, but such a management is unfair.

Moreover, in Dec. 1945, Yamagata Pref. granted ¥10,000 to the Police-Association, Yamagata Branch from the revenue in question, for the sake of indemnification for the actual expense which was paid for the inves-

DECLASSIFIED AUTH: PUBL SEC. 3(E) AND 3(D) OR (E) NNDB # 775012

tigation, transportation and custody of released goods, executed by this Association as an assistance of Police Division of the Prefectural Office.

But, there is not enough data to clear up the purpose of application of this money within the branch Association, and if such expenses is neces-sary, they should have paid it from the indirect expenses.

Re. 161(146)

Fiscal year 1946

Financial Ministry

Matters that we deemed unjust

Such unjust matters as the authorities diminished the amount corresponding to the claim for war compensation in the determination of sale-price for released goods and so forth

Gen. Acc. (Temp. Div. of Rev.; Title 2 Temp. miscel. rev.; Sub-title 3 Spec. miscel. rev.)

The Nagasaki Prefecture authorities transfered the uniforms of non-commissioned officer and naval aviation exerciser, released goods, with charge or not to the Fukumori Industrial Co. which in the war-time had contracted to make and work up them with the former Sasebo Naval Munition Bureau. The part with charge was sold at the price decided in June 1946 deducting ¥280,180, the amount equivalent to the cost of cutting and working against the army of which the compensation was cut off, and the part with no charge, ¥ 20,890 should be sold for charge. Thus these are all unjust.

(1) 14,883 uniforms of non-comissioned officer and 6,616 uniforms of naval aviation exerciser etc., which were transfered with charge, were new goods or slightly old goods cleaned and repaired. According to the explanation of the authorities, the sale-price was the balance of ¥554,307 deducting ¥ 706,351 containing ¥ 558,880 of cost for cutting, washing and repairing, and other expense from the estimated value ¥ 1,260,638. However, in the above balance there was ¥ 197,990 which was paid to the prefecture for the cost of a part of above goods which the Nagasaki Fibre Products Co. received. So, they collected the balance ¥ 356,317, deducting above ¥197,990, from the Fukumori Industrial Co., But, the above ¥ 558,880 of cost for cutting contained ¥ 280,180 of cost for working and repairing that the Fukumori Industrial Co. contracted with the former Sasebo Naval Munition Bureau.

As these infringed the disposal of cutting off the war compensation, we advised at the spot audit in June 1947. Though the authorities said

then

then they would collect them in addition, the money is not yet refunded by the end of Nov. 1947.

~~Now, the above ¥ 197,990, which was dedicated as the part covered by the Nagasaki Fibre Products Co., contains ¥ 12,500 of the cost for the working-dresses which did not relate to the goods sold in question. So, they should collect the amount equivalent to above in addition from the Furumori Industrial Co.~~

(2) As to 706 uniforms of non-comissioned officer etc., price ¥20,890, transfered with no charge, the company transfered them to its workers with no charge. However, the authorities should make them with charge and collect the cost of them from the company.

Re. 206 (208)

Fiscal year 1946

Finsnce Ministry

Matters deemed to be unjust

Matters unjust at the disposal of disabled arms

Gen. Acc. (Rev. Extrs. Div.)

The Home Ministry entered on May 1946 into the contract of disposal of arms with the Arms Disposal Commission as of a civil body an association which consists of Japan Iron Manufacturing Co., Japan Steel Tube Co., Furukawa Electric Industry Co., Fuso Metal Industry Co. and Kobe Steel Mill,) and has disposed en bloc of the disabled arms returned from the Allied Force to the same Commission. But even if there could be the specialities of arms disposal it should be said unjust that under the above selling contract, they transfered the disabled arms to the same Commission without deciding quantities and prices, leaveing the decision of quantities and others in the hands of the Commission and the prices to be decided after accounting the incomesand expenditures of the Commission. As we are not authorized to audit the account of the same Commission, we can not know the details of it, but according to the investigation through the Home Ministry, there are many matters deemed unjust in the accounting details of the same Commission; nevertheless the Home Ministry does not exercise a proper inspection on accounting authorized by the selling contract and this is unjust as to disposal of disabled arms that must be specially fair.

Re. 102 (181)

The fiscal year, 1946

The Dept. of Welfare

The matters we deemed unfair

The case where the collection of the sales of goods. was inactive.

Gen. Acc. :(Ext. Div. of rev. Title 2 Ext. miseell. receipts.

Sub-title 4)

The Repatriates Protection Board sold the beddings for winter to the central distributing organizations (Nippon Fabric Co., National Bedding Assoc. and National Cotton Assoc.), as the supplcis made for a consideration during the period frqm Jan. to March 1947, and among the sales of them, ¥212,280,000. in total, not only ¥191,532,7[illegible] was not collected within the fiscal year, but ¥675,451,720. was still not collected in Dec. 1947.

The Board intended to buy these beddings from above-mentioned organizations and sell them to these organizations under contract to collect the sales from these organizations at each time the Board pays out the purchase money to them.

But actually, the central distributing organizations deduct the commission for distribution from the money they received from the national expense, pay the costs to the suppliers, and thus operate the distribution with this commission.

So, the fact to have these organizations covered the sales into the Board at once from the money they received from government, means to have these organizations paid in advance the amount more than 200 million yen for a pretty long time, therefore it is difficult from the credit conditions.

As the consequence, the Central organizations were forced to cover the sales of these beddings into the national treasury after the money was transferred from consumers to retailers, each local distributing organization and finally to the centeal distributing organizations, so such a large sum of account to receive was rest at the end of the

fiscal year.

Yet, even if such considerations might be accepted, the distributions to the end through each local distributing organization, had almost finished in June, 1947.

After all, we consider the fact that ¥65,451,720. had not been collected even on 1st Dec. 1947, was due to the official's inactivity of collection of the sales.

"c"

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NND# 719012

Re. 139 (205)

Fiscal year 1946

Finance Ministry

Matters that we deemed to be unjust :

Belated Settlement of account of subsidies

Gen. Acc. : Ord. Rev. : Title 5: Miscel. Receipts Sub-title 4: Miscel. Receipts

The Home Ministry and Tokyo and other prefectural offices granted the total amount of ¥ 3,516,064,078 (of which ¥ 2,088,500,000 was granted with the government special debt bond) to Tokyo and other prefectures as of the public bodies as bounties for business expenses of evacuation of houses and other air defence works from the fiscal year 1943 to 1945. It is recognized that the amount to be refunded into the National Treasury will be sumed up to a large amount as a result of settlement, nevertheless even in Jan. 1948 after more than two years since the end of the war, the most part of them is still remained unsettled.

Among them such bounties for remodeling houses as were granted to Tokyo or other prefectural offices as of the public bodies are ¥25,000,000 in total. Deffering from the other bounties, on account of its comparative easiness of settlement, the written settlement of bounties of each local office was mostly submitted in July 1946 to the Home Ministry, but Tokyo and other three prefectural offices havn't submitted even in Jan. 1948.

And further, as to the written settlement submitted, supposing that, as the authorities concerned insisted on, if the settlement were made only upon documents, there would be fear of confusion on business in future through imperfectness of the documents submitted by local offices owing to destruction of documents by fire and transference of officials in charge they should make them once return the amount to be returned, and in case

an excess

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NND# 773012

an excess or deficiency ~~finded~~ found as a result of examination, they might correct it. But it is improper disposals that they did not examine the written settlements in Oct. 1947 when we conducted the spot audit of the Home Ministry and did not issue the return order even in Jan. 1948,

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NND# 715012

3. Matters we made them to correct

Cases short collection of tax was caused by the erroneous manage-ment.

Short collections of taxes which were corrected as results of audit of our Board of Audit amount to 15 cases, ¥ 1,618,394 excepting those under ¥ 10,000 respectively.

These short collection was caused by erroneous management of tax data, insufficient inspection of income, erroneous application of regulations, undue disposal as to unreceived taxes to be collected at the source.

Short collections of over ¥ 10,000 excepting those corrected within the fiscal year are as follows;

DECLASSIFIED NARA 14052 SEC. 3(E) AND 3(J) OR (K) NND # 715012

Re. 137 (302)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Shibuya Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 1,192,177

particulars

Although the classified income tax for ¥ 10,594,264 out of allowances, that were paid to the employees by the Iwasaki Communications Manufacturing Co. and ten persons during the time from March 1946 to Feb. 1947 was not paid, it was not collected from each payer.

Re. 55(97)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Toyohashi Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 32,331

Particulars

The classified income tax on the allowance of ¥ 179,621 in the nature of bonus which a certain Ishikawa and another received from (the account of the business period from April 1945 to Dec. of the same year of) Toa Aircraft Co., was not collected as the object of tax from the Company.

Re. 54 (96)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Toyohashi Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 12,859

Particulars

The classified income tax on the allowance of ¥ 71,440 in the nature of bonus which a certain Tsuyukubo received from the account of the business period from Aug. 1945 to July 1946 of Tsuyukubo Industry Co., was not collec-ted from the above Company.

Re. 60 (98)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Toyohashi Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax. Income Tax.	¥ 13,829

particulars

On deciding the amount of income of a certain Takemoto in Aichi Prefecture for the fiscal year 1946, an income on the rental charge for immovable property of ¥ 16,275 which was received by him from Takemoto Oil Tallow Co., was omitted.

Re. 106 (257)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Ichinomiya Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 18,000

particulars

The classified income tax on the allowance of ¥ 100,000 in the nature of bonus which a certain Kizen received from (the account of the business period from March 1945 to Feb. 1946 of) Kisumi Wool Fabric Co., was not collected from the above Company.

Re. 178 (286)

Fiscal Year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Numazu Taxation Office	Gen. Acc.	
	Tax	
	Juridical Person Tax	¥ 65,529
	Business Tax	¥ 3,970

Particulars

On deciding the amount of income and net profit of Kyoritsu Aquatic Product Co. for two business terms from Dec. 1944 to March 1946, the amount of income and net profit of business, which occurrs from the increased equipment for production of important products and is exempted from tax under the Temporary Tax Disposal Law, was erroneously calculated as ¥ 168,930 in spite of ¥116,657 for the former term and ¥ 106,405 in spite of nothing for the latter term and moreover ¥ 52,000 of special redemption for patent in the former term was not deducted from loss.

Re. 56 (99)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Shibuya Taxation Office	Gen. Acc.	
	Tax	
	Juridical Person Tax	¥ 9,705
	Business Tax	¥ 551
	Temp. Profit Tax	¥10,984

Particulars

In imposing the taxes of juridical person, business and temporary profit on Nippon Electric Wave Machinary Co., (for the business term from Nov. 1944 to April 1945,) as the above Company did not pay these taxes, by report the amount of taxes had to be added under the Temporary Tax Disposal Law; but it was not made.

Re. 16 (21)

Fiscal Year 1946

Finance Ministry

The matters that we caused the Ministry to correct:

Name of Office	Acc. & Item	Short Collection
Wadayama Taxation Office	Gen. Acc. Ord. Rev. Tax Corporation Tax	¥11,875

Particulars:

In assessing the amount of tax on the excessive incomes for the business year from Jan. to Dec. 1946 of the Takeda Wood-works Co. Inc., the tax rate of the capital amount for less than ¥100,000 was applied despite that it exceeded ¥100,000. Consequently the above short amount occurred.

Re. 46 (78)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Utsunomiya Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Textile Excise Tax	¥ 135,266

Particulars

In imposing tax of the stocks of textiles and textile products on the Tochigiken Textile Products Co., under Article 44 of Law No. 14, 1946, a tax-price of ¥ 4,776,698 had erroneously been calculated as ¥ 4,158,112.

Re. 122 (239)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection.
Omori Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Entrance Tax	¥ 36,810

particulars

As to the amount of ¥ 73,621, the admission-fee for Sep. 1946 of Mizuho Theater Enterprise Co., the taxation office didnot collect the above tax from the above Company;

Re. 28 (43)

Fiscal year 1946

Finance Ministry

The matters which we caused it to correct

Name of office	Account and Items	Short collection
Shitaya Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Corporation Tax	¥ 29,692

particulars

As to the calculation of account of Corporation Tax which was levied on Marine Products Co. of the income as of the business period from Aug. 1944 to Mar. 1945 of Nichiman Fishing Co. united with the above company, dispite the fact that the rate of 22% provided for by the Ordinance of Income Tax in Kwantung in accordance with the Law concerning interference of inside and outside of Income and Corporation Tax shall be applied, the rate of 20% of the Ordinance before the rivision.

Name of Office	Fiscal Year	Accountand Items	Shortcollection. Over Collection	T
Matsudo Taxation Office	1944	Income Tax	5,490	A
Kumagaya "	"	"	3,666	A
Fukasaki "	"	"	3,690	A
"	"	"	3,907	A Gun
Kakogawa "	"	"	3,395	A
Ashikaga "	"	"	2,610	A
"	"	"	2,161	A
Shimokyo "	"	Tem. Div. of Rev. Tax Tem. Profit Tax	2,976	A
"	"	"	2,895	A
Akasaka	1945	Ord. Div of Rev. Tax. Income Tax.	6,624	A
"	"	"	4,240	A
Kawagoe "	"	"	8,531	Cho
~~Akasaka~~ Ashikaga "	"	"	4,410	A
Takefu "	"	Tem. Div. of Rev. Tax Tem. Profit Tax	3,475	A
Oji "	1947	Ord. Div. of Rev. Tax. Income Tax	23,414	A
Utsunomiya "	"	Special Juridical person tax	5,516	The in T
"	"	Textile excise tax	7,676	Agri
Oji "	"	Tem. Div. of Rev. Tax Tem. Profit Tax	3,210	A

lection	Tax-payer	Remarks
	A certain Yamanaka in Ichikawa city	(corrected within the fiscal year) 20
	A certain Aoyagi in Saitama Prefecture	87
	A certain Tamaoki in Takasaki city	29
	A certain Nakada and another 15 persons in Gumma prefecture	120
	A certain Masuda in Hyogo prefecture	26
	A certain Takayama in Ashikaga city	15
	A certain Kobayashi in Ashikaga city	24
	A certain Kusakabe in Kyoto city	37
	A certain Yamaoka in Kyoto city	36
	A certain Asano in Tokyoto	107
	A certain Yamamoto in Tokyo-to	108
	Choseki Textole Adjustment Manufactory Co.	131
	A certain Kobayashi in Ashikaga city	(corrected within the fiscal Year) 25
	A certain Maeda inFukui Prefecture	17
	A certain Fukui in Tokyo-to	(corrected within the fiscal year) 34
	The Fuel Distribution Control Assosiation in Tochigi Prefecture	65
	Agricultural Assosiation in Tochigi Prefecture	180
	A certain Tanaka in Tokyo-to	33

Re. 153 (253)

Fiscal year 1946

The Dept. of Justice

The matters we caused them correct

The case where the article tax was not added at the disposal of goods manufactured by Prison.

Gen. Acc. (Ord. Div. of rev. Title 4, Government work and property rev. Sub-title 3, Prison rev.)

Gifu Prison sold 157 prices of furnitures made at this prison as the government work, at the price of ¥ 27,947 during the period from Sept. '46 to Feb. '47, without addition of the article tax, amount of ¥11,179.

We found this fact at the practical examination in June '47, and made them collect in addition.

As the concequence, ¥ 3,595 was collected by Nov. '47.

Re. 186 (301)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short Collection
	Gen. Acc.	
	Ord. Div. of Rev.	
	Extra. Miscellaneous Rev.	
Price Board	Spec. Miscellaneous Rev.	¥ 180,022

particulars

On 10,005 pairs of soil-shoes and 10,650 pairs of gum boots etc., hold in stock by Tokyo Distribution Control Association of Gum footwear at the time of revision of prices, dated May 8, 1946, the profit due to difference of prices was not decided.

Re. 58 (293)

Fiscal year 1946

Finance Ministry

The matters we caused them to correct.

Name of office	Account and Items	Short collection
	Gen. Acc.	
Price Board	Extra. Div. of Rev.	
"	Extra. Miscellaneous Rev.	¥ 18,684
	Special Miscellaneous Rev.	

Particulars

On deciding the profit due to difference of prices of 203,207 soil-shoes etc., the articles in hand at the time of revision of prices, dated May 8, 1946, on the wholesale Control Association of Lether and Rubber Footwear and other 11 Association in Aichi Prefecture the amount was erroneously calculated by means of the difference of purchasing prices, in place of selling prices.

Re. 57 (103)

Fiscal year 1946

Finance Ministry

The matters we caused them to correct

Name of Office	Account and Items	Short collection
Price Board	Gen. Acc.	
	Extra. Div. of Rev.	
	Extra. Miscellaneous Rev.	¥ 91,763
	Special Miscellaneous Rev.	

Particulars

On diciding the profit due to difference of prices at the time of revision for official prices dated May 8, 1946 on Gum Control Association, 2,780 tires and 26,500 tubes were erroneously reported as the object of decision, about the articles in stock belonging to Chubu Gum Industrial Co. Ltd.

Re.59 (105)

Fiscal year 1946

Finance Ministry

The matters we caused them to correct

Name of Office	Account and Items	Short collection
Price Board	Gen. Acc.	
	Extra. Div. of Rev.	
	Extra. Miscellaneous Rev.	¥ 7,159
	Special Miscellaneous Rev.	

particulars

In assessing the profit due to difference of prices pertaining to the articles in stock at the time of revision for prices, dated May 25 1946, on the Retail Control Association for the textile production in Nagoya, 1000 work-shirts and 273 woman's coat were not reported as the object of decision from the above Association.

Re. 111 (175)

Fiscal Year 1946

Ministry of Finance

Matters deemed to be unjust

Matters they transfered the Special Articles for nothing

Office	Account & Item	Sum
Yamanashi Prefecture	Gen. Acc. Rev. Extra. Div. Special Sundry Income	¥230,000

Summary Yamanashi Prefecture, suring from Jan. 1946 to August 1947, transfered 2 road-rollers that were Special Articles and 24 automobiles that were Released Articles totally appraised at ¥230,000 to the said prefecture as of the public body for nothing. But because the Articles were considered to be transfered for consideration, we demanded on Sep. 1947 to revise it: to this, the authorities answered to go through due process of levy of the prices of all.

Re. 109 (143)

Fiscal year 1946

The Ministry of Finance

The matter we caused them correct

Matter that they delivered the special articles for nothing

Name of office	Accounts and Item	Amount
Saga Prefecture	Gen. Acc.	
	Extra. Rev.	
	Extra. Miscel. Rev.	
	Spec. Miscel. Rev.	104,760

Particulars

Saga Prefecture delivered 24 tracks and motorcars and so on that were the special articles of 104,760 yen to Saga Prefecture as a public body for nothing in April and Oct. 1946. But it was deemed to be paid for consideration, and so the Board of Audit gave them notice on it. The said Prefecture paid the same amount as that price to the revenue of State in Dec. 1947.

Re. 93 (188)

Fiscal Year 1946

Finance Ministry

Matters that we caused them to correct:

Gratuitous delivery of returned articules

Name of Office	Acc. & Item	Amount
Oita Prefectural office	Gen. Acc.	¥45,662
	Extra. Exp.	
	Tem. Miscellaneous Receipts	
	Spec. Miscellaneous Receipts	

Particulars:

The Oita Prefectural office delivered for nothing seven automobiles and a head-car on Oct. 1946 which were the special articles returned by the Armed Forces, to the Public Works Section and other two sections of the Prefectural office which was the public body, but they have completed the collecting procedures concerning the prices by the notice of the Board of Audit.

Besides that, they delivered at free of charge twelve gasoline hand-pumps and others to the Defence Guards of Oita city and other towns and villages from Feb. to June 1946, but they have completed the collecting procedures under our notice too.

Re. 82 (93)

Fiscal Year 1946

Finance Ministry

The matters that we caused the Ministry to correct

Name of Office	Acc. & Item	Amount
Fukui Prefectural Office	Gen. Acc.	¥507,409
	Extra. Rev.	
	Tem. Miscel. Receipts	
	Spec. Miscel. Receipts	

Particulars:

As to ¥507,409, the price of the returned goods of 10,271 lace-boots and two other articles which had been sold by the Fukui Prefectural office to the boots & Shoes Com. & Ind. Joint Association from Dec. 1945 to Oct. 1946, the Prefectural office issued on Feb. 1947 the written notice of payment with time-limit of March 15, 1947 to the Association. But the amount had not been paid in even in Sep. 1947 when the audit was conducted on the spot. Since the Association, however, had already recovered nearly the whole amount of the prices from the recipients of the goods up to March 1947, we gave advice to the Office to make them pay the amount at once. Then they paid the whole amount into revenue on Oct. 1947.

Re. 171 (117)

Fiscal year 1946

Finance Ministry

The matters we caused them to correct

The matters that the selling prices of Released Articles were not covered into the Treasury, but placed under custody out of it.

Name of office	Account and Items	Amount
Hokkaido Board	Gen. Acc.	
	Extra. Div. of Re.	
	Tem. Miscellaneous Receipts	
	Special Miscellaneous Receipts	¥ 5,119,731

particulars

In Hokkaido Ishikari Branch-office and other 8 branch-offices, the selling prices of Released Articles, ¥ 5,119,731 was placed under custody as the deposit with the name of Chief of Branch-office without relating to the National Expenses, but with the advice of Board of Audit, the above prices were covered into the Treasury on Oct.,1947.

Re. 48 (80)

Fiscal year 1947

Finance Ministry

Matter that we caused them to correct

Name of Office	Account and Item
Shime Prefectural Office	Gen. Acc. Rev.
	Tem. Div.
	Extra. Miscellaneous receipts

Remarks:

By the audit on the spot in Sept. 1947 with regard to the revenue of the special goods which were transacted by the said prefectured Office, it was found out that ther Office did not pay ¥991,442 among the revenue resulted from the disposal of the released goods into the National Treasury but held it and lent ¥900,000 of it to funds of establishment of the standard houses for revival in Matsuyama and other two cities since may, 1946 through the chief of Rivival Section, public works Department of the said office.

The said prefecture, according to the notice of the Board of Audit, recovered the said amount and payed ¥676,543, the balabce after deducted ¥314,898 the expense of unearthing woek of oil-cans which are special goods, into the revenue of the National Treasury in November.

We add that above ¥314,896 is the expense for disposal of special goods and should be paved from budget specially distributed.

Re. 115 (112)

Fiscal Year 1946

Ministry of Finance

Matters we caused them correct

Matters that they consumed the incomes caused by disposal of Released Articles as the Sufferers Support Expense.

Name of Office	Account & Item	Amount	Particular
	Gen. Acc.		In Yamanashi Prefecture,
	Rev. Extra. Div.		the authorities transfered
Yamanashi	Extra. Misc. Income		
Prefecture	Spec. Misc. Income	¥185,000	

¥185,000 that was a part of the income caused by disposal of Released Articles to the provincial account of the prefecture on Oct. 1946 and the said money was being consumed for the Sufferers Support Expenses and others. We discovered this fact at the spot audit on Aug. 1947, and concluded that it is the expense not concerned with disposal of Released Articles and the money ought to be paid into the revenue of the national treasury. Therefore we admonished them to correct it, according to which the authorities paid the above money into the national treasury on Dec. 1947.

Re. 85 (118)

Fiscal Year 1946

Finance Ministry

The matter that we caused them to correct

The matter that they used the revenue secured by disposition of the released goods as the bonus to officials

Name of office	Account and Items	Amount
Nagasaki Pref.	Gen. Acc.	
	Extra. Rev.	
	Extra. Miscel. Rev.	
	Spec. Miscel. Rev.	¥ 75,600

Particulars

The above-mentioned prefectural Office paid on Dec. 1946 to the chief of commerce and industry section and other 19 persons as gratuity the amount of ¥ 75,600 among the revenue secured by disposition of the released goods: but as the expenditure as this cannot be recognized as necessary directly for disposition of the released goods, we warned them, and the said prefectural office refunded the total amount to the national treasury on Nov. 1947.

Re. 12 (8)

Fiscal year 1943

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Fuse Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 69,135

particulars

On deciding the amount of income tax of a certain Tanaka in Osaka for the fiscal year 1943, an allowance of ¥ 113,274 in the nature of bonus which was received by him from Tanaka Vehicles Co. was inadvertently omitted.

Re. 21

Taxation office	Fiscal year	Item	Short collection
Matsudo	1943	Ord. Div Tax Income Tax	¥ 64,819

As to ¥ 180,718 of allowance in nature of bonus which Osawa received from the Osawa Gum Co., the decision on income as of 1941 was not made and also subsequent decision was not made.

No. 14 (2)

Fiscal year 1944

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Chukyo Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 24,231

Particulars

On deciding the amount of income of a certain Yashiro and his inmate family in Kyoto for the fiscal year 1944, the income of interests on loan of ¥ 30,982 which was received by them from the Yojin Co. was inadvertemtly omitted.

Re. 35

Taxation office	Fiscal year	Item	Short collection
Akita	1944	Ord. Div.	
		Tax	
		Income Tax	¥ 20,648

On deciding the income as of 1944 of a certain Tsuji and his inmate families, ¥ 17,000 of dividents which he received from Tsuji Co. was inadvertently omitted and on deciding the income of 1942 and 1943, ¥ 8,500 of the dividents of the same company respectively was inadvertently omitted, and yet the subseqyent decision was not made.

Re. 22

Taxation office	Fiscal year	Item	Short collection
Ashikaga	1944	Ord. Div. Tax Income Tax	¥ 13,520

On deciding the income as of 1941 and 1942 of a certain Oshima, the allowances in nature of bonus of ¥ 26,000 for 1941 and ¥ 20,000 for 1942 which he received from the Oshima Textile Co. was inadvertently omitted and yet the subsequent decision was not made.

Re. 121 (35)

Fiscal year 1944

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Takasaki Taxation Office	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 11,275

particulars

To the income of dividends of ¥ 85,980 for the fiscal year 1944 (come under Article 8 of Income Tax Law) which a certain Nakasone and other 2 persons in Takasaki city received as a result of dissolution of Kokumatsu Co. imposing tax was erroneously omitted.

Re. 88 (179)

Fiscal year 1944

Finance Ministry

The matters which we caused them to correct

Name of Office	Account and Items	Short collection
Yonezawa Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 11,342

Particulars

On deciding the amount of income of a certain Hamada in Yamagata prefecture for the fiscal year 1944, the income of dividents of ¥ 37,260 which was received by him from the Hamada Brewery had erroneously been calculated as ¥ 32,229 and then on deciding the amount of income for the fiscal year 1942 of the above person, an allowance of ¥ 18,318 in the nature of bonus, which he received from the above company was inadvertently omitted, and yet a subsequent decision was not made.

Re. 88 (179)

Fiscal year 1944

Finance Ministry

The matters which we caused them to correct

Name of office	Account and Items	Short collection
Yonezawa Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 11,342

Particulars

On deciding the amount of income of a certain Hamada in Yamagata Prefecture for the fiscal year 1944, the income of dividents of ¥ 37,260 which was received by him from the Hamada Brewery had erroneously been calculated as ¥ 32,229 and then on deciding the amount of income for the fiscal year 1942 of the above person, an allowance of ¥ 18,318 in the nature of bonus, which he received from the above company was inadvertently omitted, and yet a subsequent decision was not made.

Re. 30 (45)

Fiscal year 1944

Finance Ministry

The matters we caused them to correct

Name of Office	Account and Items	Short collection
Kakogawa Taxation Office	Gen. Acc. Tem. Div. of Rev. Tax Extra. Profit Tax	¥ 11,970

Particulars

On the profit of ¥ 42,900 gained by transfer of immovable properties which a certain Sekino in Hyogo Prefecture sold to Banshu Brick Co. in Sep. 1943, a decision of profit for the fiscal year 1944 was not made.

Re. 47

Taxation office	Fiscal year	Item	Short collection
Shiba	1944	Ord. Div.	
		Tax	
		Corporation Tax	¥ 3,570
		Business Tax	232
		Extra. Profit Tax	28,827

On deciding the income, profit and business profit of the Taiheiyo Mining Co. for the term from Dec. 1942 to May 1943, ¥ 44,350 equivalent to 50% of Coal Mining Development Subsidy to be deducted from profit under the Temporary Taxation Disposal Law was already deducted in the accounting of the company, and yet was double deducted.

Re. 104 (255)

Fiscal year 1946

Finance Ministry

The matters which we caused them to correct

Name of office	Account and Items	Short collection
Akasaka Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 28,462

Particulars

On deciding the amount of income of a certain Hibiya in Tokyo for the fiscal year 1945, the divident of ¥ 41,250 which he received from Hibiya Firm was omitted.

Re. 132 (25)

Fiscal year 1945

Finance Ministry

The matters we caused them to correct

Name of Office	Account and Items	Short collection
Kawagoe Taxation Office	Gen. Acc.	
	Ord. Div. of Rev.	
	Tax	
	Income Tax	¥ 26,511

Particulars

On deciding the amount of income of a certain Ishikawa in Saitama Prefecture for the fiscal year 1945, income of interests of loan of ¥30,000 which was received by him from Toyooka Airplane Co. was inadvertently omitted.

Re. 130 (23)

Fiscal year 1945

Finance Ministry

The matters we caused them to correct

Name of Office	Account and Items	Short collection
Kawagoe Taxation Office	Gen. Acc. Ord. Div. of Rev. Tax Income Tax	¥ 10,327

particulars

The classified tax of ¥ 73,768 on dividents which was received by the shareholders due to the dissolution of Hiraoka Co. in March 1944 and come under Article 8 of the Income Tax Law, was not collected from the company.

Re. 185

Taxation Office	Fiscal year	Item	Short collection
Takahagi	1945	Ord. Div. Tax Income Tax	¥ 23,206

On levying tax on the Tohoku Industry Co. for the the term from Jan. 1941 to Dec. 1943, the allowance in nature of bonus given to a certain Wakatame was managed as reserved fund in the company, and consequently the income of ¥ 15,370 was omitted on deciding his income for 1945, and moreover the omitted incomes of ¥ 44,485 of 1943 and ¥ 13,630 of 1944 were not decided subsequently.

Re. 150

Taxation Office	Fiscal year	Item	Short collection
Akasaka	1945	Extra. Div. Tax	
		Extra. Profit Tax	¥ 59,700

To the ¥ 169,000. the profit of transfer of immovable property which was appropriated to contribution to establishment of the Obunsha Co. by a certain Akao, the decision of profit for 1945 was not made.

Name of Office	Fiscal Year	Accountand Items	Shortcollection	Over Collection
Minami Taxation Office	1941	Gen. Acc. Ord.Div. of Rev. Tax Imome Tax		4,400
Matsudo	"	"		1,172
Asaki	"	1942	"	6,627
"	"	"		4,016
Chukyo	"	"	"	9,135
"	"	"		2,686
		Tem. Div. of Rev. Tem. Profit Tax Tem. Profit Tax	3,993	
Shimokyo Taxation Office	"	Ord. Div. of Rev. Tax Income Tax		6,477
Higashiyama	"	"		3,099
		Tem. Div. of Rev. Tem. Profit Tax Tem. Profit Tax	3,118	
"	"	Ord. Div. of Rev. Tax Income Tax		1,374
Urawa	"	"		4,352
Setagaya	"	"		2,796
"	"	"		2,090
Minami	"	1943	"	8,922
"	"	"		6,036
Urawa	"	"	"	8,146
"	"	"		5,427
Setagaya	"	"	"	4,665
Nagasaki	"	"	"	1,949
Tottori	"	"	Tem. Div. of Rev. Tax Tem. Profit Tax	7,000
Chukyo	"	1944	Ord. Div. of Rev. Tax Income Tax	5,140