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

GHQ/SCAP Records (RG 331, National Archives and Records Service)

Description of contents

(1) Box no. 2885

(2) Folder title/number: (5)
010 Tax

(3) Date: July 1949 - Dec. 1949

(4) Subject:

Classification	Type of record
9530	e

(5) Item description and comment:
i) Kinki
ii) Includes Contents List

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

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

SUBJECT	FROM	TO	DATE
Special Report - Kotobukiya Co., Ltd., Tax Evasion Case (Index)	OCAT	SCAP	8 Sept
Status of Japanese Tax Collection for F/Y 49-50	I Corps	I Corps ZR	12 Sept
Control of Anti-Tax Payment Activities	I Corps	"	19 Sept
Delinquent Tax	KCAR	All Team	22 Sept
Delinquent Tax	SCAT	KCAR	8 Oct
Status of Japanese Tax Collection for F/Y 49-50	I Corps	ea cat	14 Oct
Report on Investigation of Suspected Tax Evasion	KCAR	8th Army	1 Dec
REPORT	ORFB		
Request for Statement of Tax Deductions	35th Rcpt	SMGT	10 Dec 49

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

HEADQUARTERS, 35TH INFANTRY REGIMENT
APO 25, Unit 3

010 EP

(Date)

SUBJECT: Request for statement of Tax deduction 10 Dec 49

TO :

Commanding Officer
Hq Shiga Military Gov't Team
APO 25
ATTN: Personnel Officer

1. Request the following information from payrolls of your organization, on the following named EM.

a. Taxable income for months of _____.

b. Tax withheld for months of Mar 49.

c. Finance Officers symbol number. Mar 49

d. Voucher numbers of payrolls on which paid.

NAME	RANK	ASN	TAXABLE INCOME	TAX WITHHELD	MONTH
KLINGEL, ARCHIE F	Sgt	RA12109416			
Co B 35th Inf APO 25 Unit 3					

2. This information is needed to complete NME Form 99, and U.S. Treasury Depatment Form W-2, for above EM.

FOR THE COMMANDING OFFICER:

KENNETH E DOHLEMAN
1st Lt 35th Inf
Personnel Officer

File

95

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

BASIC: Ltr. Hq 35th Infantry Regiment, APO 25-3. Subj: "Request for statement of Tax deductions", dtd 10 Dec 49.

1st Ind HWT/ma

Hq Shiga Civil Affairs Team, APO 25, Unit 3 15 December 1949

TO: CO, 35th Infantry Regiment, APO 25-3
Attn: Personnel Officer

1. Subject EM was transferred into this orgn in Apr 49.

2. Mar 49 Pay Record of subject EM is not in the unit files. First payment made by this orgn to subject EM was for Apr 49.

FOR THE CHIEF:

HORACE W. TIMSON
Captain, FA
Adjutant

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

2d Ind

Hq 35th Infantry Regiment, APO 25, Unit 3 19 December 1949

TO: Commanding Officer Hq Shiga Civil Affairs Team, APO 25
Unit 3
Attn: Personnel Officer

1. Subject EM was transferred into your orgn 18 Mar 49.

2. Section 3 of EM Service Record shows statement on 8 Apr 49 that EM was last paid to include 31 Mar 49.

3. Request compliance with basic communication.

FOR THE COMMANDING OFFICER:

MERRILL J McCABE
WOJG USA
Asst Adj

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

Hq 35th Inf Reg
SUBJ: Request for statement
of Tax deductions

3rd Ind

Hq Kinki Civil Affairs Region, APO 25, 10 Jan 50

TO: CO, 35th Inf Reg, APO 25-3

1. Shiga Civil Affairs Team was inactivated on 30 Nov 49 and subsequently all files pertaining to that unit were retired to the appropriate records depository.

2. No information pertaining to subject matter is available in this headquarters.

FOR THE CHIEF:

STERLIN C. MOORE
Major Inf
Deputy Chief

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

CIVIL AFFAIRS ROUTING SLIP

CHIEF			PUBLIC WELFARE		ECONOMICS		
			PUBLIC HEALTH				
EXECUTIVE			PH NURSE				
			SAN ENGR		LABOR		
CHIEF CLERK							
			CIVIL EMC				
					LEGAL & GOVT	2	
			CIVIL INFO	1			

FILE 3 INFO ____ ACTION ____

FOR YOUR FILE & INFO ____

REMARKS: Info copy of Tax Report: C I - check with Your counterpart in SCAP (after they move) & determine "how much" we are to do - (Page 2) L & C - Look further into the use of Police & report - (Page 4)

PRO

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

INTERNAL REVENUE DIVISION
OSAKA REGIONAL FIELD BRANCH
APO #25 C/O PM SAN FRANCISCO CAL.

REPORT

I. Routine Commentary

A. Organization and General Administration

The Regional Bureau in an attempt to stimulate greater efficiency and better cooperation and coordination by the tax offices and tax office personnel, held meetings of tax chiefs at the Regional Bureau on 1 November and 21 November. Mr. Kubotani addressed the first meeting at length and advised the chiefs that unless there was substantial improvement in the general administrative activities of the offices, further personnel changes would be necessitated. He spoke very forcefully and aggressively of the problems facing the offices and of the criteria of performances expected of them. Mr. Shoji of the National Tax Agency also addressed this meeting expressing the Agency's concern with the current tax status in the Osaka area and exhorting the chiefs to do their utmost to better the situation. During the interim period between the meetings, 23 major personnel changes were effected. Five chiefs of chronically inferior offices were placed on duty with the Osaka National Tax Bureau pending separation. At the second meeting, Mr. Kubotani stressed primarily the need for greater cooperation between personnel and the efficient and effective use of all available personnel. Both meetings were attended by the Senior Tax Surveillance Officer of this Region, who addressed the group relative to current problems and further emphasized the matters outlined by the Regional Bureau officials.

B. Accounts and Collections

1. Collection activities - Personnel assigned recently to the Osaka Bureau on detached service from other Bureaus are being formed into five Special Delinquent Tax Clearance teams of 12 to 14 persons each to concentrate on delinquent collections. Three of the teams will be assigned to Osaka Tax Offices and one each to Kyoto and Kobe. A detailed and comprehensive program has been drawn up to direct and control the activities of these teams.

2. Reassessments - Three out of 84 Osaka Regional tax offices have completed reassessments on the June and October returns as of 30 November.

3. Reinvestigations and Appeals - It has been observed that the Investigation Section of the Bureau has been extremely tardy in returning cases to the tax offices for collection after the completion of their reinvestigation. The returns apparently are permitted to accumulate in the Investigation Section rather than being immediately forwarded to the tax offices. In some instances the returns are not received by the local tax offices for a month subsequent to that in which the taxpayer has formally agreed to make payment. The matter was brought to the attention of the Bureau chief for corrective action as warranted.

Usfo Copy for KCAR—

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4. Activities of Supervisors - Effective 15 November, the supervisors in the Region entered upon the third tax supervision program, concentrating primarily upon the progress of the self-assessed income tax investigation and personnel matters such as application of tax employees to their duties, etc. and generally, other problems as warranted such as sales transaction tax investigations, overpayment and refund settlements, and the status of office records. The supervisors are currently operating in teams of two and concentrating on those offices that particularly warrant intensive surveillance.

5. Records and Accounts - No comment

6. Delinquent Accounts - Delinquent accounts continue to be a serious problem in this area and despite the recent delinquency drive, there were still 793,845 cases totaling 11,435,809 billion yen outstanding as of 31 October. Cash receipts of clearance continues to be unsatisfactory, only 34 percent of the clearance for October represented cash collections. A comprehensive report on delinquent taxes and settlements by Region and prefectures for the month of October is forwarded herewith for information purposes.

C. Enforcement - Inspection Section - No comment

D. Enforcement - Investigation Section - A report recently received from the CIC working with the Japanese police in Wakayama Prefecture indicates that the investigators are continuing to use extremely high-handed and coercive measures in attempting to force the heavy taxpayers to pay amounts wholly beyond the realm of reason and equity, intimidating taxpayers with threats to the effect that they will be reassessed substantially heavier burdens if they do not accede to the demands of the investigators to pay the extremely heavy taxes they propose. A petition was presented to the Osaka National Tax Bureau requesting review of the attitudes of these investigators and signed by the Mayor and influential citizens of the prefecture. The attitude of these individuals is most detrimental to the revenue service and every precaution will be taken to preclude such conduct in the future. It is appreciated, however, that with the pressure for revenue collections these individuals must resort to abnormal devices to insure adequate collections.

E. Publicity - It is contemplated that this office will continue to coordinate with the Civil Information Section of the Civil Affairs Region to obtain widest publicity possible for the tax program.

F. Training - No comment

G. Personnel - The Senior Tax Surveillance officer visited Kansai University, 27 November, in the company of Mr. Joseph L. Speicher of the Civil Services Division, Government Section, SCAP, to observe the

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conduct of the civil service examination being held for potential tax employees. There were 1,007 applications for examination and 770 attended. The 23½ absentee percentage was rather high according to Mr. Speicher, but not abnormally so. The examinees were college and university graduates. The examination was held in 10 cities throughout Japan on this day. Total applications approximated 5,000 and the job positions to be filled numbered about 100 for the "A" type examination and 400 for the "B" type examination. This would indicate that there were approximately 10 applications for every job to be filled and 7 to 8 individuals taking the examination for these jobs. Those not qualifying for the positions will be placed on civil service rolls, thus creating a substantial potential source of high caliber personnel for future vacancies as they occur.

II. Summary of Selective Surveillance at Local Office Level

Surveillance of local offices during the past month was negligible due to lack of personnel.

III. Special Commentary

A. Anti-tax Movements

Lt. Speedy reported that on 18 November a group of 140 Communists and sympathizers appeared at the Kamikyo Tax Office in Kyoto. A representative of the group was interviewed by the General Affairs chief and received a copy of the demands of the group. These were (1) to postpone auctions; (2) to stop confiscation of taxpayer's properties; (3) to cease coercive measures and intimidation of taxpayers in getting them to sign inequitable agreements to pay taxes; (4) to reduce the reassessments; (5) a complaint that reinvestigations were not sincere and not thorough. The police notified the tax office of the proposed approach of the group which was very orderly and disbanded without violence. This is the first report of any concerted action of the taxpayers in this Region for sometime. It may indicate a revival of this type of approach and measures must be taken to discourage same as soon as practicable. The thought is suggested that if a monthly letter was issued by the head of the National Tax Agency for dissemination to all tax offices to be posted in prominent places discussing the current problems of the tax administration and discounting the demands of these organized groups, it would have a salutary effect upon the average taxpayer indicating a realistic appreciation of their problems and the attempts of the Agency to solve them. Currently, a tax newspaper is being printed and disseminated under the authority of the Finance Ministry which is very beneficial in instructing taxpayers of current conditions but lacks the human approach that a letter as proposed above from the director of the Agency would have.

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B. Monopoly Bureau Raid

The Monopoly Bureau conducted a raid on 17 November on the Korean community at Hirokata, Shikama-ku, Himeji City. 118 Monopoly Corporation officials, 438 national rural police and 186 municipal police participated in the raid. The raid was conducted at 5 A.M. and resulted in the arrest of 39 men and 19 women. Confiscated was 20 kan of leaf tobacco, 100 kan of cut tobacco, 120 thousand cigarettes and 7 tobacco cutters. The raid was conducted without incident or violence. It is estimated that the cost of the raid for additional police payments and hire of trucks, etc. was 1,600,000 yen. The raid was discussed with Mr. Scott of Legal and Government Section of Kinki Civil Affairs Region who stated that there may be repercussions on raids of this type where there is police participation in the actual raiding party, inasmuch as the use of the police in this respect may be construed as contrary to the national police law. It is essential, however, that the Monopoly Bureau agents and other national agencies have proper police protection in conducting these raids.since they normally result in violence.

L & C further check

C. Problems of Tax Offices

1. A special report is being prepared for submission to Mr. Monroe as requested in support of the budgetary needs for office renovation and construction. The report will be submitted as soon as necessary data has been obtained.

2. Tax offices still operating on "B" lines of electrical power are hampered in their activities, particularly during the winter months. It would be appreciated if the necessity for installing "A" lines in all tax offices because of the crucial nature of their activities could be coordinated with the national utility agency responsible for approval of such changes.

D. Trial of Foreign National

The Osaka Provost Court is currently conducting the tax evasion trial of Mr. Lieu Tsai Sen, a Chinese national. Further information on the result of the trial will be presented as soon as obtained. The Chinese Mission addressed a letter to Legal and Government Section of Kinki Civil Affairs Region requesting that they attempt to defer the collection of tax demanded by the tax office until the completion of the trial. The letter will be referred to the Provost Court and the information contained therein brought to the attention of Mr. Kubotani, Director of the Osaka National Tax Bureau.

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E. Organization of Tax Surveillance Activities

1. A new post office address has been established for this organization as follows:

Internal Revenue Division
Osaka Regional Field Branch
APO 25

2. Offices are currently occupied in the Yasuda Bldg. but will be transferred to the fifth floor of the Asahi Press Bldg. as soon as those offices are prepared for occupancy.

3. Through the effective and gracious cooperation of Colonel W. H. O'Mohundro, Chief of Kinki Civil Affairs Region, the administrative difficulties of establishing the field tax surveillance offices have been substantially minimized. Transportation, personnel, supplies, etc. are being made available to this office as expeditiously as practicable.

4. It is contemplated that close liaison will be maintained with Kinki Civil Affairs Region wherever possible to insure the broadest use of all facilities available to improve the effectiveness and efficiency of the tax surveillance program in this Region.

1 Incl:
Report on Delinquent
Taxes - October 1949

HARRY L. MANGERICH
Chief

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

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

SCM/rad

1 December 1949

SUBJECT: Report on Investigation of Suspected Tax Evasion

TO : Commanding General
Eighth Army, APO 343
ATTN: Civil Affairs Section

1. The attached report on the Kotobukiya Case is forwarded for your information.

2. Mr. Harry Mangerich, Chief of the Osaka Field Office, Bureau of Internal Revenue, ESS GHQ SCAP, has been informed of the contents of this report.

FOR THE CHIEF:

1 Incl:
Rpt of Kobobukiya Case

STERLIN C. MOORE
Major, Infantry
Adjutant

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

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

REC/mo

AG 012 - BA

14 October 1949

SUBJECT: Status of Japanese Tax Collections for Fiscal Year 1949-50

TO: See Distribution

1. Inclosure 1, a table of the status of tax collections as of 30 September 1949, was compiled from reports submitted by Civil Affairs teams having direct supervision over local Japanese tax administration agencies.

2. 93,184 million yen have been collected during the first six months of the fiscal year 1949-50. This is 34.1% of I Corps tentative tax goal. In order for the regions to attain the goal set, close liaison and surveillance relationship between the Civil Affairs Regional Offices and their respective prefectural tax offices must be established now and continuously maintained.

3. Delinquent tax collections remain an outstanding problem for Japanese tax officials. They launched a drive on 1 July 1949 to reduce the number of delinquent tax accounts. This drive has produced a reduction of 25% in the number of cases within I Corps zone responsibility. This indicates that the Japanese officials are endeavoring to solve this problem; however, the tax specialist of each Regional Civil Affairs Team must maintain surveillance and offer proper guidance.

4. Jail sentences for prominent tax evaders must be sought and publicized by the Japanese. This will give impetus to prompt filing of correct tax returns and discourage potential tax evaders.

BY COMMAND OF MAJOR GENERAL COULTER:

C. C. CARTER
Colonel, AGD
Adjutant General

1 Incl:
As noted above

DISTRIBUTION:
2 ea CA Region & Team
I Corps Z/R
3 AG Rec, I Corps
2 F & CP file

(6)
211P

CO	E.O.	ADJ	C/C	SUPPLY	PERS SEC	P.W.	P.H.	C.I.	C.E.	ECON	LABLR	LEG & GOVT	F & CP	COPIES REC'D	DIST MADE	FILE

	S.A. Period Quota 1 Apr-30 Sept	S.A. Period Collections 1 Apr-30 Sept	% of S.A. Period Collections	N.T. Period Quota 1 Apr-30 Sept	N.T. Period Collections 1 Apr-30 Sept	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections 1 Apr-30 Sept	% of Total Goal Collections
KINKI REGION									
Shiga	1.140 *	.351 *	30.4	2.364 *	1.297 *	54.8	4.739	1.297 *	27.5
Hyogo	4.548	1.227	26.9	13.560	10.230	75.3	27.128	10.230	37.7
Kyoto	4.248	1.097	25.9	9.456	5.193	54.9	18.914	5.193	27.5
Osaka	8.898	2.143	24.1	24.858	18.910	75.9	49.716	18.910	38.1
Wakayama	1.350	.271	20.1	2.532	1.212	47.8	5.069	1.212	23.8
Nara	1.104	.244	22.1	1.932	.865	44.7	3.869	.865	22.3
Region Total	21.288	5.333	24.9	54.702	37.707	68.8	109.435	37.707	34.5
CHUGOKU REGION									
Shimane	.696	.240	34.5	1.302	.817	62.7	2.611	.817	31.3
Yamaguchi	2.112	.569	27.1	4.656	3.195	68.7	9.319	3.195	34.3
Hiroshima	2.622	.686	26.2	5.952	4.060	68.3	11.910	4.060	34.1
Okayama	2.100	.567	27.0	3.756	2.322	61.8	7.519	2.322	30.9
Tottori	.474	.159	33.5	.912	.568	62.4	1.826	.568	31.2
Region Total	8.064	2.221	27.4	16.578	10.962	65.9	33.185	10.962	32.9

* - In Billions

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	S.A. Period Quota 1 Apr-30 Sept	S.A. Period Collections 1 Apr-30 Sept	% of S.A. Period Collections	N.T. Period Quota 1 Apr-30 Sept	N.T. Period Collections 1 Apr-30 Sept	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections 1 Apr-30 Sept	% of Total Goal Collections
TOKAI REGION									
Toyama	1.212 *	.362 *	29.9	2.544 *	1.444 *	56.8	5.089	1.444 *	28.4
Ishikawa	1.026	.293	28.5	2.598	1.769	68.1	5.196	1.769	34.0
Fukui	.492	.212	43.1	1.518	1.255	82.7	3.034	1.255	41.4
Mie	1.464	.668	45.6	3.276	2.079	63.5	6.558	2.079	31.7
Gifu	1.788	.631	35.3	3.414	2.233	65.4	6.827	2.233	32.7
Aichi	5.328	2.253	42.3	14.490	10.446	72.1	28.983	10.446	36.0
Region Total	11.313	4.419	39.1	27.840	19.226	69.0	55.687	19.226	34.5
SHIKOKU REGION									
Kagawa	.948	.436	46.0	1.938	1.278	65.8	3.877	1.278	33.1
Ehime	1.308	.478	36.7	2.910	1.673	57.4	5.820	1.673	28.7
Tokushima	.732	.261	35.7	1.470	.812	55.3	2.946	812	27.5
Kochi	.810	.223	27.5	1.680	.828	49.3	3.366	.828	24.7
Region Total	3.798	1.398	36.9	7.998	4.591	57.5	16.009	4.591	28.7

* - In Billions

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	S.A. Period Quota 1 Apr-30 Sept	S.A. Period Collections 1 Apr-30 Sept	% of S.A. Period Collections	N.T. Period Quota 1 Apr-30 Sept	N.T. Period Collections 1 Apr-30 Sept	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections 1 Apr-30 Sept	% of Total Goal Collections
KYUSHU REGION									
Nagasaki	1.650 *	.509 *	30.8	3.270 *	2.505 *	76.6	6.550	2.505 *	38.2
Miyazaki	.786	.261	33.2	1.548	.909	58.7	3.106	.909	29.3
Saga	1.200	.360	30.0	2.118	1.324	62.5	4.239	1.324	31.2
Fukuoka	4.800	1.343	27.9	12.870	10.660	82.8	25.748	10.660	41.4
Oita	1.380	.376	27.2	2.430	1.199	49.3	4.869	1.199	24.6
Kumamoto	2.448	.720	29.4	4.242	2.312	54.5	8.494	2.312	27.2
Kagoshima	1.326	.450	33.9	2.922	1.788	61.2	5.852	1.788	30.5
Region Total	13.590	4.019	29.6	29.400	20.697	70.4	58.858	20.697	35.2
4 CORPS Z/R	58.050	17.393	29.9	136.518	93.184	68.2	273.174	93.184	34 1

- In Billions

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 745013

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

In Reply
Refer to

HEADQUARTERS
SHIGA CIVIL AFFAIRS TEAM
APO 25, Unit 3, (Otsu, Honshu)

012

8 October 1949

SUBJECT: Delinquent Tax

TO : Chief
Kinki Civil Affairs Region
APO 25
Attn: Finance & Civil Property Section

In compliance with letter, Headquarters Kinki Civil Affairs Region, subject: "Delinquent Tax", dated 22 September 1949, following reports for the Otsu and Kusatsu Tax Offices are submitted.

2 Incls:
As indicated

John E. Evans.
JOHN E. EVANS
Lt Col, Inf
Commanding

(5)
10301C

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

OK

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

HLJ/ms

012

22 September 1949

SUBJECT: Delinquent Tax

TO: All Teams

1. The great number of delinquent tax cases still existing continues to present considerable concern despite substantial reductions effected in old tax delinquencies during the first tax delinquent drive for the months June, July and August. There has been little net gain in reduction due to the creation of new tax arrearages. The situation presents a serious threat to the entire system of self-assessment. It appears that there are too many of the tax employees engaged in general office routine and not enough working in the field on actual collection of taxes. It is desirable that this situation be reviewed in all the tax offices with a view toward encouraging the use of all qualified tax personnel in the field on collection activities with the greatest extent practicable.

2. In July, the Tax Administration Agency distributed to all tax offices, two letters of notice of demand to be sent to delinquent taxpayers. The letters are printed on postcard forms. The first directs the attention of the taxpayers to his delinquency and sets an appointment date. The second is sent those taxpayers who fail to keep the first appointment and sets a second specific appointment with the chief of the tax office. The second letter states that failure to keep the appointment will result in immediate steps for attachment and sale of the delinquent's property. The instruction from the Tax Administration Agency to the National Tax Bureaus concentrate the proper use of the demand letters, attached hereto as Inclosure 1.

3. Investigations and reports indicate that the instructions from the National Tax Agency are not being properly observed. The first notice should be sent out in sufficient quantity to insure full use of the time of the personnel in the tax office, but not to such an extreme as to result in having large groups of taxpayers waiting long periods for attention in the office. The second letter should follow the first letter within 48 hours upon failure of the taxpayer to comply with the appointment date. When both letters are ignored by the taxpayer, it should be stressed that it is incumbent upon the tax chief to arrange for attachment of the property as soon as practicable. Any deviation from this program will seriously militate against the effectiveness of the demand letters.

(4)

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BASIC: Ltr, KEAR, file 012, subj: "Delinquent Tax", dtd 22 Sep 49

4. Information is desired relative to the response to the demand letters during the months of August and September. It is requested that a separate report be prepared for the months of August and September for each of two representative tax offices in your prefecture following the form attached hereto as Inclosure 2. It will be noted that Item e and subsequent items should total the same as the figure set forth in Item d. This report will be incorporated with the information previously requested to be submitted to replace the MG-13 reports of the Teams.

BY ORDER OF COLONEL O'MCHUNDRO:

2 Incls:
1. SO CHO 2-26
2. Sample Form

GEORGE MINARIK
Captain GE
Adjutant

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

SO-CHO 2 - 26 14 July 1949

FROM: Chief, National Tax Administration Agency.

TO: Chiefs, National Tax Administration Bureaus.

SUBJECT: Re-Demand for Payment.

In view of the accumulation of delinquent taxes, the first special drive to clean up the delinquency was recently made. Not withstanding this drive, the problem of a huge tax delinquency still confronts us. If this critical condition continues at the present rate, even though the first provisional returns have already been filed, we will have to face an even more critical problem of being unable to meet the budget requirements.

Taking this circumstance into consideration, I directed a second special delinquent tax clean-up drive be made beginning 1 August. Economic and Scientific Section, Internal Revenue Division is greatly interested in eliminating the delinquency and has suggested ways to best use the "Demand Letters" to delinquents, as mentioned below. You should carefully observe these suggestions in carrying out the second clean-up drive.

The first letter shall be dispatched, first, to those persons whose delinquency is the greatest, or those whose attitude toward tax collection has been the most belligerent, and second, to the minor delinquents.

If a delinquent who has received the first "Demand Letter" fails to come to the office, the second "Demand Letter" shall be dispatched. The second "Demand Letter" shall require the delinquent to report tothe Chief of local Tax Office, who will personally take charge of the case. (Second Demand Letters shall be Stamped "Final Warning" in red ink.)

In fixing the date after which the actual attachment will be done, deliberate consideration shall be made according to the circumstances such as the extent of the delinquency, character of the delinquent, overall plan of the special drive, prior instructions issued by this agency, and the capacity of the respective tax offices.

"Demand Letters" will be printed by this agency, and forwarded to your office in the near future.

Incl. 1

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_____ TAX OFFICE
_____ PREFECTURE

TOTAL DELINQUENCIES AT 31 JULY 1949

NO. OF CASES _____
AMOUNT _____

	First Demand Letter		Second Demand Letter	
	Number of Taxpayers (1)	Tax Amount (2)	Number of Taxpayers (3)	Tax Amount (4)
a. Demand letters sent 1 Aug to 31 Aug				
b. Demand letters returned undelivered				
c. Demand letters reaching taxpayers				
d. Appointment kept as set				
e. Full cash payment made				
f. Partial cash payment made				
g. Payment promised				
h. Liability cancelled in full because of bookkeeping or assessment error				
i. Uncollectible: To be charged off				
j. Turned over for attachment				
k. Others:				

(Similar form for month of September)

Incl. 2

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

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

REC/mo

19 September 49

AG 012 - BA

SUBJECT: Control of Anti-tax Payment Activities

TO: See Distribution

1. Transmitted herewith is a copy of a report received from the Kyoto Liaison and Coordination Office, dated 8 September 1949, subject: "Tax Practitioner's Law as applied for the Control of Activities of Tax Payment Democratization League." It may prove useful in the Civil Affairs Surveillance and guidance of Japanese Tax Offices.

2. For your information the references made in the report are as follows:

a. The Japanese Income Tax Law:

Article 64: "Tax officials may, when necessary for the inquiries concerning income tax, ask information from an organization of entrepreneurs on matters relating to the income of members thereof."

b. The Practitioner's Law:

Article 1: "Tax practitioner makes it his profession to frame the documents to be submitted to taxation authorities or act in another name or become a party to a consultation at another's request in respect to the request for reinvestigation, present of petition and other matters (excluding lawsuit) concerning the income tax, the corporation tax and other taxes as may be prescribed by Ordinance."

Article 18: "In case the tax practitioner violated present law Ordinances issued pursuant to the present law or the regulations of the Tax Practitioners' association or did the action which loses the character of the tax practitioner or did the dishonest action in the management of business, the competent Minister may cancel his authorization or order the suspension of the tax practitioners' business within one year."

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

Article 21: "A person who carried on the tax practitioner's business without obtaining the authorization as referred to under Art. 4 par. (1) shall be imprisoned for not exceeding six months or fined not exceeding 1,000 yen, and the same shall apply to person who carried on the tax practitioners' business within the suspension period of the tax practitioners' business as referred to under Art. 18."

BY COMMAND OF MAJOR GENERAL COULTER:

C. C. CARTER
Colonel, AGD
Adjutant General

1 Incl:
as indicated

DISTRIBUTION:
2 ea CA Region & Team
I Corps Z/R
3 AG Rec, I Corps
2 F & CP file

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

KYOTO LIAISON AND COORDINATION OFFICE

KLCO Information No. 277

8 September 1949

Tax Practitioners' Law As Applied for
the Control of Activities of Tax
Payment Democratization League

This office made inquiries with the Supreme Public Procurator's Office on the subject matter, and has now received its reply to the following effect:

1. In July a conference was held in Tokyo with all public procurators of Japan who are in charge of tax affairs. At this conference the procurators were instructed by the Supreme Public Procurator's Office to carry out the following measures:

a. To enforce strict control over anti-tax organizations.

b. To curtail and control all practices that conflict with the Tax Practitioners' Law.

c. To exploit the controls granted by the Tax Practitioners' Law over all organizations, regardless of names, not exempted by Article 64 of the Income Tax Law.

2. It is the policy of the Supreme Public Procurator's Office of apply the Anti-National Tax Evasion Law and the Tax Practitioner's Law in controlling the activities of the Tax-Payment Democratization League and other similar organizations. The Tax-Payment Democratization League was not chosen intentionally as example. However, combined studies by the Supreme Public Procurator's Office and the Special Investigation Bureau of the Attorney General's Office are being held to arrive at a workable solution for controlling the activities of this League.

3. Reference is made to the preceding paragraph 1 of the report to clarify the legal interpretation of Article 64 of the Income Tax Law. The Supreme Public Procurator's Office and the Procuratorial Affairs Bureau of the Attorney General's Office have made the following rulings:

a. The term "organizations of intrepreneurs" as used in Article 64 of the Income Tax Law defines such organizations as trade associations, trade guilds, chambers of commerce and industries. The benefits obtained by members of these organizations on tax matters does not mean that the said organizations are adhering completely to the policies set forth in the Tax Practitioners' Law. The activities of these organizations will be considered illegal if they do not abide by the policies set forth in Article 64 of the Income Tax Law.

Incl 1

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

b. The term "business" as used in Articles 1 and 21 of the Tax Practitioners' Law is interpreted as "practices done by organizations for the purpose of 'profit-making' as defined in the commercial code." The Tax Administration has observed that although organizations are performing these services free of charge, they are being governed by the policies as defined by the Tax Practitioners' Law. However, the higher procuratorial authorities have rendered a decision that certain habitual acts performed by these organizations are done with spirit and purpose of doing business on profit basis.

4. The Supreme Court recently rendered a decision confirming this legal interpretation as stated in paragraph 3b on a case in which a Communist was convicted by a District Court for lacking the qualifications of a tax practitioner in performing a gratuitous act in another's behalf on tax matters.

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

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

REC/mo

AG 012 - BA

12 September 1949

SUBJECT: Status of Japanese Tax Collections for Fiscal Year 1949-50

TO: See Distribution

1. Inclosure 1, a table of the status of tax collections as of 31 August, was compiled from reports submitted by Civil Affairs teams having direct supervision over local Japanese Tax Administration agencies.

2. The tax collections for the period 1 April to 31 August amount to 27.7% of the tentative tax goal set for the I Corps Zone of Responsibility. It is realized that those areas affected by typhoon damages may suffer a delay in obtaining their tax quotas for September. In order to offset a possible feeling of frustration within the Japanese tax offices, the Civil Affairs teams of the effected areas are urged to increase surveillance and give proper guidance to the officials.

3. The problem of delinquent accounts remains the outstanding problem of tax collections. All cases should be processed first by the Inspection Section before being referred to the Procurator's Office. Cases originally handled by the Investigation Section must go through the Inspection Section for decision to prosecute. When the Inspection Section feels that prosecution is not advisable, it will refer the case back to the Investigation Section. The tax specialist of each Regional Civil Affairs Team must maintain close surveillance and give proper guidance to these sections.

4. Annex F, Surveillance of Japanese Tax Administration, to the Civil Affairs Monthly Activities Report for the month of August will be the last report required by the teams. Beginning September these reports will be made by the regional offices.

BY COMMAND OF MAJOR GENERAL COULTER:

C. C. CARTER
Colonel, AGD
Adjutant General

1 Incl:
as noted above

DISTRIBUTION:
2 ea CA Region & Team
I Corps Z/R
3 AG Rec, I Corps
2 F & CP file

	S.A. Period Quota 1 Apr-31 Aug	S.A. Period Collections 1 Apr-31 Aug	% of S.A. Period Collections	N.T. Period Quota 1 Apr-31 Aug	N.T. Period Collections 1 Apr-31 Aug	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections thru 31 Aug	% of Total Goal Collections
KINKI REGION Shiga	.950 *	.331 *	34.8	1.970 *	1.118 *	56.8	4.739 *	1.118 *	23.7
Hyogo	3.790	1.110	29.3	11.300	8.149	72.1	27.128	8.149	30.1
Kyoto	3.540	.983	27.8	7.880	4.184	53.2	18.914	4.184	22.1
Osaka	7.415	1.801	24.3	20.715	14.980	72.3	49.716	14.980	30.1
Wakayama	1.125	.246	21.8	2.110	1.013	48.3	5.069	1.013	20.0
Nara	.920	.220	23.9	1.610	.721	44.8	3.869	.721	18.7
Region Total	17.740	4.691	26.5	45.585	30.165	66.3	109.435	30.165	27.5
CHUGOKU REGION Shimane	.580	.215	37.1	1.085	.682	62.8	2.611	.682	26.1
Yamaguchi	1.760	.485	27.1	3.980	2.578	64.6	9.319	2.578	27.6
Hiroshima	2.185	.585	26.7	4.960	3.304	66.7	11.910	3.304	27.7
Okayama	1.750	.503	28.7	3.130	1.922	61.5	7.519	1.922	25.6
Tottori	.395	.141	35.8	.760	.464	61.3	1.826	.464	25.4
Regior Total	6.670	1.929	23.9	13.915	8.950	64.3	33.185	8.970	26.9

* - In Billions

Incl 1

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

	S.A. Period Quota 1 Apr-31 Aug	S.A. Period Collections 1 Apr-31 Aug	% of S.A. Period Collections	N.T. Period Quota 1 Apr-31 Aug	N.T. Period Collections 1 Apr-31 Aug	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections thru 31 Aug	% of Total Goal Collections
TOKAI REGION									
Toyama	1.010 *	.330 *	32.7	2.120 *	1.173 *	55.5	5.089 *	1.173 *	23.1
Ishikawa	.855	.278	32.5	2.165	1.429	65.9	5.196	1.429	27.8
Fukui	.410	.199	48.5	1.265	1.033	81.7	3.034	1,033	34.1
Mie	1.220	.654	53.7	2.730	1.842	67.4	6.558	1.842	28.1
Gifu	1.490	.579	38.9	2.845	1.887	66.4	6.827	1.887	27.7
Aichi	4.440	2.108	47.4	12.075	8.600	71.3	28.983	8.600	29.7
Region Total	9.425	4.148	44.9	23.200	15.964	68.7	55.687	15.964	28.7
SHIKOKU REGION									
Kagawa	.790	.396	50.3	1.615	1.096	67.7	3.877	1.096	28.3
Ehime	1.090	.406	37.3	2.425	1.365	56.3	5.820	1.365	23.5
Tokushima	.610	.217	35.7	1.225	.658	53.7	2.946	.658	22.3
Kochi	.675	.184	27.3	1.400	.685	48.8	3.366	.685	20.4
Region Total	3.165	1.203	38.1	6.665	3.804	57.3	16.009	3.804	24.0

* - In Billions

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

	S.A. Period Quota 1 Apr-31 Aug	S.A. Period Collections 1 Apr-31 Aug	% of S.A. Period Collections	N.T. Period Quota 1 Apr-31 Aug	N.T. Period Collections 1 Apr-31 Aug	% of N.T. Period Collections	1949-1950 Goal	Accumulative Collections thru 31 Aug	% of Total Goal Collections
KYUSHU REGION									
Nagasaki	1.375 *	.453 *	32.9	2.725 *	2.104 *	78.5	6.550 *	2.104 *	32.3
Miyazaki	.655	.214	32.7	1.290	.738	57.3	3.106	.738	23.7
Saga	1.000	.320	32.1	1.765	1.111	62.9	4.239	1.111	26.3
Fukuoka	4.000	1.122	27.9	10.725	8.582	80.0	25.748	8.582	33.3
Oita	1.150	.326	28.4	2.025	.972	48.4	4.369	.972	20.1
Kumamoto	2.040	.620	30.4	3.535	1.819	51.5	8.494	1.819	21.4
Kagoshima	1.105	.353	31.9	2.435	1.387	57.1	5.852	1.387	23.7
Region Total	11.325	3.408	30.7	24.500	16.713	68.7	58.858	16.713	28.4
I CORPS Z/R	48.325	15.382	31.8	113.865	75.597	66.5	273.174	75.597	27.7

* -- In Billions

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

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

FILE UNDER NO.
012

INDEX SHEET
SYNOPSIS

SUBJECT: Special Report - Kotobukiya Co., Ltd., Tax Evasion Case

FROM: OCAT

TO : SCAP

DATE: 8 Sept 49

DOCUMENT FILED UNDER NO. 319.1 Special Report

(1)

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

	SUBJECT	FROM	TO	DATE
	Augut			
1.	Personnel Investigator Regulations and Activities	KCAR	8th Army	2 Aug 49
2.	Consumption Tax Imposed on Nishijin Textile Industry	I Corps	KCAR	3 Aug 49
3.	Tax Surveillance Activities	KCAR	All Teams	4 Aug 49
4.	Japanese Tax Personnel Training Program	KCAR	8th Army	4 Aug 49
5.	Tax Embezzlements and Preventive Measures	KCAR	8th Army	8 Aug 49
6.	Tax Evasion Case	I Corps	KCAR	29 Aug 49

Aug

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

HEADQUARTERS I CORPS
APO 301 (Kyoto, Honshu)

CDO'C/sjm/mo

29 AUG 49

File

AG 012 - BA

SUBJECT: Tax Evasion Case

TO: Chief
Kinki Civil Affairs Region
APO 25

The attached report, Report on Tax Evasion Case of Maki Shoe Industry Company, is forwarded for your information

BY COMMAND OF MAJOR GENERAL COULTER:

/s/ Charlie Ramsey
CHARLIE RAMSEY
CWO USA
Asst Adj Gen

1 Incl:
As stated

012 1st Ind HLM/km

Hq Kinki Civil Affairs Region, APO 25, 2 September 1949

TO: CG, I Corps, APO 301
Attention: Civil Affairs Section

FOR FILE

1. The report attached contains essentially the same information and reasons for failure to prosecute Mr. Maki on his individual tax return, as that contained in the report submitted by this office for transmittal to the Commanding General, Eighth Army, on 8 July 1949.

2. The report was originally prepared and forwarded primarily to advise the Enforcement Section of ESS Internal Revenue, SCAP, of the facts of the case, and general treatment of these cases by the Japanese courts. As stated in the previous report, it appears that the procurator has assumed an incongruous and inconsistent attitude in his failure to prosecute the individual for individual income tax evasion on showing of

KM

(6)

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

BASIC: Ltr, Hq I Corps, AG 012 - BA, subj: "Tax Evasion Case", dtd 29 Aug 49

facts outlined in the procurator's report. It was the purpose of this office to present these facts for consideration and review in order to enable the Enforcement Section of SCAP to weigh the attitude of the courts in the various regional areas. Tax evasion prosecutions generally have not been too successful to date, and it may be necessary for the Enforcement Section ultimately to recommend new approaches or changes in the law in order to insure uniform and equitable consideration of tax evasion cases in all the courts in Japan.

3. The report as prepared, was considered recently at the tax conference held in Tokyo on 11-12-13 August, although the SCAP officials were not familiar with the nature of the case inasmuch as they had received no information thereon.

FOR THE CHIEF:

1 Incl:
n/c

GEORGE MINARIK
Captain CE
Adjutant

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

O.K

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

HLM/ms

8 August 1949

012

SUBJECT: Tax Embezzlements and Preventive Measures

THRU : Commanding General
I Corps
APO 301

TO : Commanding General
8th Army
APO 343

1. Tax embezzlements and defalcations, bribery, and other forms of misconduct by tax personnel continue to pose a serious problem in the tax program of this Region. The matter has been discussed at length on several occasions with officials of the Osaka National Tax Bureau with the purpose of adopting adequate preventive and corrective measures.

2. There are inclosed reports of the Regional Bureau reflecting the methods of misappropriations brought to light at the various tax offices, the amounts embezzled, the number of officials involved and the punitive action taken. (Inclosure 1 and 2.) During the calendar year 1948, there were 169 staff members responsible for and subjected to administrative action for defalcations in excess of seven million yen; for the period January to May 1949, 152 staff members involved in cases wherein defalcations exceeded 11 million yen. The increase in prosecutions apparently may be ascribed to better supervision and investigation procedures rather than due to any material increase in the incidence of cases on behalf of the personnel.

3. A study of the cases and motives discloses many factors that contribute to this condition (see Inclosure 3); low wage scale for the tax officials and clerks (see Inclosure 4); inadequate and impersonal supervision by heads of sections, restrictions on promotion beyond tax chief unless graduated from the schools formerly known as the Imperial Universities in Tokyo and Kyoto, and administrative problems in general as outlined monthly in the Teams' MG-4 reports such as lack of trained, experienced personnel, working conditions at tax offices, incomplete records, etc.

(5)

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

BASIC: Ltr, KCAR, 012, subj: "Tax Embezzlements and Preventive Measures," dtd 8 August 1949

4. Osaka National Tax Bureau has set out to correct this deplorable situation by improving investigation and detection methods thereby increasing the prosecution (See Inclosure 5), and by requiring better security for important papers and documents, stricter supervision and guidance of lower staff members, establishing a system of cash accounting whereby officials are required to affix seals in order to improve internal system of control in accounting procedures, and a system of inquiry letters sent to taxpayers in event there is any suspicion of irregular or illegal conduct by any official or clerk. (Inclosures 3, 5 and 6)

5. A review of some of the cases of embezzlement discloses that on some occasions ingenius schemes are devised requiring collusion between several parties that make them extremely difficult to unearth. Some are relatively simple resorts, constituting nothing more than petty thievery that come to light after a short time and in some cases, gullible and avaricious taxpayers seeking to have their taxes reduced, however they may, are fleeced and swindled by individuals posing as tax officials. (See Inclosures 7 and 8)

6. The number of embezzlements disclosed so far indicate the potential of a serious loss of revenues thru this source. In addition to the revenue loss, however, there results a critical destruction of tax employee morale and public goodwill. Defalcations of tax revenues are normally given wide publicity and create an ardent distrust of all tax officials by the public, further complicating the program of obtaining public confidence and cooperation.

7. It appears highly desirable and essential that these matters be made the subject of special study and coordination by the supervisors and personnel investigators of the National Tax Agency on duty with the Regional Bureau. Only by a closely coordinated study of the devices resorted to for these purposes and broad dissemination of the findings thereon can adequate safeguards be established to eliminate or at least minimize the serious nature of these peculations.

FOR THE CHIEF:

GEORGE MINARIK
Captain CE
Adjutant

8 Incls:
1. Report on Misappropriation Cases in Jan-Dec 1948
2. " " Jan-May 1949
3. Prevention of Frequent Government Money Misappropriation Cases
4. OFB No. 214
5. OFB No. 236
6. NTB No. 4
7. DAIKYOKU 5050 (SO) No. 25
8. OFB No. 253

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

REPORT ON MISAPPROPRIATION CASES IN JAN-DEC 1948

Osaka Finance Bureau
26 May 1949

Office	Amount of Enbezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases Prosecuted				
				No. of Staffs	Guilty		Under Trial	
					Dis-charged	Suspension	Dis-charged	Suspension
Osaka Finance Bureau	84,420	21,500	3	2	1	1		
Higashi	-10,000- 481,954		1	1	1			
Nishi	-796,816- 796,816		1	1	1			
Minami		137,600	5	5		5		
Kita		245,940	8	5		4		1
Konohana		38,300	4	3	3			
Osaka-Fukushima	1,641,782	62,500	4	4	2		2	
Ikuno		33,500	3	2		2		
Higashinari		59,000	5	3		3		
Asahi		4,566	2					
Joto		134,766	20	8		8		
Abeno		71,700	3	2		2		
Nishinari		25,300	3					
Sumiyoshi	-35,624- 35,624	88,100	4	4		2	2	
Yodogawa		9,750	1					
Ibaragi	-93,000- 157,790	92,800	3	3	1	2		
Tondabayashi		1,800	1	1	1			
Fuse		2,920	1					
Hirakata		217,000	1	1		1		
Osaka Custodian Office		(Robbery by Govt. Property) 97,270	7	7	7			
Osaka Pref. Total:	-935,440- 3,198,386	-97,270- 1,247,042	80	52	17	30	4	1

Ans. /

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

	Criminal Cases						Others			
	Not Prosecuted			Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers			
	No. of Staffs	Dis-charged	Trans-ferred	No. of Staffs	Dis-charged	Pend-ing	No. of Staffs	Dis-charged	Trans-ferred	Under Invest.
-	1	1								
-										
-										
-										
-	1		1				2		1	1
-	1	1								
-										
-	1	1								
-	1		1				1		1	
-	1	-	1				1		1	
-							12	8	3	1
-	1		(1)							
-	3	3								
-										
-							1		1	
-										
-										
-	1		1							
-										
-										
	11	6	(1) 4	-	-	-	17	8	7	2

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

Office	Amount of Embezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases: No. of Staffs	Guilty: Discharged	Guilty: Suspension	Under Trial: Discharged	Under Trial: Suspension
Kamikyo	-10,000- 10,000	39,900	4	3			1	2
Nakagyo	-140,466- 451,719	145,293	16	11			2	9
Shimokyo		57,500	4	4			4	
Ukyo	170,340	26,550	3	3	1		1	1
Higashi-yama	-417,321- 1,182,493		4	4	2		2	
Sakyo	90,568	65,850	3	3			1	2
Fushimi		14,076	4	1				1
Fukuchiyama		17,200	2	2				2
Miyazu		25,000	2	1	1			
Maizuru		10,600	3	1	1			
Kyoto Pref. Total:	-567,787- 1,905,120	403,069	45	33	5	-	11	17
Kobe		69,940	6	3	3			
Nada		66,250	6	6		3	3	
Hyogo		49,082	2	2			2	
Nishinomiya		7,000	1					
Ashiya		7,000	1					
Itami		34,573	3					
Amagasaki		228,987	6	2			2	
Akashi	10,000	-	1	1	1			
Wadayama		1,500	1					
Hyogo Pref. Total:	10,000	464,332	27	14	4	3	7	-

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

Criminal Cases						Others			
Not Prosecuted			Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers			
No. of Staffs	Dis- charged	Trans- ferred	No. of Staffs	Dis- charged	Pend- ing	No. of Staffs	Dis- charged	Trans- ferred	Under Invest.
–						1		1	
–	5	2	3						
–									
–									
–									
–									
–	1		1			2		1	1
–									
–	1		1						
–	2		2						
–	9	2	7	-	-	-	3	-	2	1
–	3	2	1						
–									
–									
–	1	1							
–	1		1						
–	3		(1) 2						
–	4		4						
–									
–	1		1						
–			(1)						
–	13	3	9	-	-	-	-	-	-	-

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

Office	Amount of Embezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases Prosecuted: No. of Staffs charged	Guilty: Dismission	Guilty: Suspension	Under Trial: Discharged	Under Trial: Suspension
Nara	348,524	79,000	3	3	2			1
Sakurai		7,000	1	1	1			
Nara Pref. Total:	348,524	86,000	4	4	3			1
Kokawa	28,000	15,000	2	1	1			
Gobo		94,771	3	3	2	1		
Tanabe		23,028	5	4	4			
Shingu		2,000	1	1	1			
Wakayama Pref. Total:	28,000	134,799	11	9	8	1		
Minaguchi		2,100	1	1				1
Imazu		(Disturbance on official duty)	1					
Shiga Pref. Total:		2,100	2	1				1
Grand Total:	-1,503,227- 5,490,030	-97,270- 2,337,342	169	113	37	34	22	20

Note: (A) Means of Embezzlement.

1. On receipt of delinquent taxes the proper receipts were issued to the tax papers and no taxes have been paid to the National Treasury: Higashi, Nishi, Kamikyo Offices.

2. On receipt of delinquent taxes the false receipts were issued to the tax papers and embezzled: Ibaragi Office.

3. Embezzled the tax by means of 1 and 2 jointly: Fukushima, Higashiyama.

4. Robbed the money from the safe kept by the General Affairs Section of Tax Office: Sumiyoshi, Nakagyo Tax Offices.

5. Defrauded the tax from taxpayers by issuing the false official letters:
Osaka Finance Bureau. Nara, Ukyo, Sakyo, Kokawa Tax Offices.

(B) 1. Figures in brackets represent the amount refunded by embezzlers.

2. Figures with hyphens represent the number of staffs to whom the actions are being considered by the Bureau.

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

Criminal Cases						Others			
Not Prosecuted			Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers			
No. of Staffs	Dis-charged	Trans-ferred	No. of Staffs	Dis-charged	Pend-ing	No. of Staffs	Dis-charged	Trans-ferred	Under Invest.
-									
-									
-	-	-	-	-	-	-	-	-	-
-						1	1		
-									
-						1		1	
-									
-	-	-	-	-	-	2	1	1	-
-									
-									
-	1		1						
-	1	-	1	-	-	-	-	-	-	-
34	11		(2) 21	-	-	-	22	9	10	3

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

REPORT ON MISAPPROPRIATION CASES IN JAN-MAY 1949

Osaka Finance Bureau

26 May 1949

Office	Amount of Embezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases Prosecuted: Quiety: No. of Staffs	Quiety: Discharged	Quiety: Suspension	Under Trial: Discharged	Under Trial: Suspension
Osaka Finance Bureau	-24,905- 69,805	1,080	9					
Osaka Fukushima	-462,060- 475,571	---	3	1	1			
Nishi-yodogawa	---	63,500	2					
Higashi-nari	-308,404- 696,789	5,000	10					
Asahi	-15,000- 15,000	---	2					
Joto	---	8,600	2					
Abeno	-31,000- 330,231	50,000	4	1			1	
Higashi-sumiyoshi	-23,391- 23,391	---	1					
Nishi-nari	-46,500- 378,415	7,000	5	1			1	
Yodogawa	-138,571- 482,640	---	6					
Toyono		-5,000- 5,000	1					
Sakai	-560,793- 5,061,615		15					
Izumisano			1					
Tondabayashi	500,000	6,000	2					
Hirakata	-62,520- 1,173,172		8	8			1	7
Osaka Pref.	-1,673,144-	-5,000-						
Total	9,208,620	146,150	71	11	1		3	7

Encl. 2

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

Criminal Cases						Others			
Not Prosecuted			Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers			
No. of Staffs	Dis-charged	Trans-ferred	No. of Staffs	Dis-charged	Pend-ing	No. of Staffs	Dis-charged	Trans-ferred	Under Invest.
1	1		6	6		2	-		2
						2	-	1	1
			1	1		1	1		
						10	1	1	8
						2	-	2	
			1	1		1	-	1	
1	1					2	2	-	
						1	1	-	
						4	4		
						6	5	1	
						1	1	-	
			2		2	13			13
						1	1		
			1		1	1	1		
2	2		11	8	3	47	17	6	24

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

Office	Amount of Embezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases Prosecuted			
				Guilty		Under Trial	
				No. of Staffs	Dismissed	Suspension	Dismissed	Suspension
Kamikyo	166,936		1				
Nakagyo		35,000	2				
Ukyo			3				
Higashiyama		83,000	6				
Sakyo		51,750	4				
Sonobe	111,243		1				
Miyazu	-85,000- 85,000		1				
Nada	-188,612- 201,612		3				
Suma	-32,435- 32,435		1				
Hyogo			8				
Nagata	-90,000- 210,650	143,120	9	2		1	1
Nishinomiya			1				
Ashiya	-50,000- 647,000		3				
Sanda			1				
Amagasaki			1				
Toyooka		3,950	2	(2)			(2)
Wadayama	325,543		1				
Katsuragi		30,000	3				
Wakayama	153,524		3				
Kainan			11				
Gobo		5,000	1				
Tanabe			2	(2)			(2)

- cont'd -

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

Criminal Cases						Others			
Not Prosecuted			Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers			
No. of Staffs	Discharged	Transferred	No. of Staffs	Discharged	Pending	No. of Staffs	Discharged	Transferred	Under Invest.
			1		1				
			2		2				
			2		2				
						1	1		
			4	2	2	2	1	1	
			3		3	1		1	
						1	1		
						1	1		
						3	3		
						1	1		
			8		8				
			3		3	4	4		
						1	1		
						3	3		
						1		1	
						1	1		
			1	1					
			3	3					
2		2				1			1
(11)		(11)							
						1	1		

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

Office	Amount of Embezzlement	Amount of Bribery etc.	No. of Staffs Involved	Criminal Cases Prosecuted: Guilty: No. of Staffs	Guilty: Discharged	Guilty: Suspension	Under Trial: Discharged	Under Trial: Suspension
Shingu		5,900	1					
Otsu		8,500	2	1			1	
Omihachiman			4					
Otsu Branch Office		58,175	6	4			1	3
Total	11,142,563 -2,119,191-	570,545 -5,000-	152	22	1		6	11 (4)

Note: (A) Means of Embezzlement:

1. Assumption of checks forwarded and mutual aid association fund. Osaka Finance Bureau.

2. Received the delinquent taxes by issuing the proper official receipts to the taxpayers and no money was forwarded to the National Treasury. Yodogawa, Sumo, Nagata, Ashiya Tax Offices.

3. A portion of tax collected were stated in the original collection book and embezzled the balance.
Higashinari, Hirakata, Asahi Tax Offices.

4. Received the tax by issuing proper receipts, destroyed original collection records and embezzled the tax without forwarding it to the National Treasury.
Higashinari, Nishinari, Hirakata, Abeno, Wadayama Tax Offices.

5. No proper official receipts were issued to the taxpayer when the tax was received. Fukushima, Hirakata, Sakai Tax Offices.

6. Assumpted the tax which was requested by the payer to forwarded to the tax office. No receipts were issued.
Sakai, Tondabayashi, Hirakata, Nada Tax Offices.

7. Assumpted the checks or promissory notes attached.
Sakai, Wakayama Tax Offices.

8. False statement was made on the account books and assumpted the office money. Higashisumiyoshi, Sonobe, Miyazu Tax Offices.

(B) 1. Figures in brackets represent the amount refunded by embezzlers.

2. Figures with hyphens represent the number of staffs to whom the actions are being considered by the Bureau.

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

Criminal Cases						Others		
	Not Prosecuted		Under Investigation			Cases Revealed by Bureau and Refunded by Embezzlers		
No. of Staffs	Dis-charged	Trans-ferred	No. of Staffs	Dis-charged	Pend-ing	No. of Staffs	Dis-charged	Trans-ferred	Under Invest.
1		1							
1		(1)							
			3		3	1		1	
2		(1) 1							
19	2	4 (13)	42	14	28	69	34	10 (25)	

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

PREVENTION OF FREQUENT GOVERNMENT MONEY MISAPPROPRIATION CASES

Account Dept., Osaka Finance Bureau

Last year government money misappropriation cases happened at no less than ten local tax offices under the supervision of the Bureau. These deplorable cases were mostly ~~the~~ results of the thoughtless conduct of unexperienced junior staffs under the age of twenty-five as well as of the lack of controlling power on the part of senior staffs who have to bear the responsibility to lead and guide their subordinates.

In view of the above deplorable happenings, the Bureau is going to enforce the following measures in an effort to stem out such regrettable cases in the future.

A. Cause of misappropriation ~~cases~~.

(1) Approximately 80 percent of the tax officials of local offices are under the age of twenty-five and they have only one or two months experience in their work. It is quite natural that their work lacks in efficiency.

(2) It is a general phenomenon that younger generation has weak mind and on the other hand is fonds of indulging in pleasures, mostly under the bad influence of the war. One night pleasures requires a large amount of money nowadays, while young people's income or wages are too small to afford ~~such a expense~~.

(3) Senior officials are neglecting to guide their subordinate to the proper course of doing work.

(4) Taking advantage of the above unfavorable conditions junior staffs are inclined to commit illegal ~~conduct~~ acts which ~~is~~ are hard to ~~find out~~ discover.

(5) At local tax offices custody of important official document or accounts books has not been satisfactory, so senior responsible persons ~~have~~ difficulty in finding if some one has manipulated the figures registered in the Income Tax Investigation Book or the Tax Collection Registry.

(6) It is not unusual ~~thing~~ that the total amount of the Tax Collection Registry classified by Taxpayers does not coincide with the total amount of collected and collectible tax written on the Master Registry for Tax Collection.

- cont'd -

Encl. 3

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

(7) The total amount of the Investigation Book kept by the Direct Tax Section also does not coincide with that of the Tax Collection Registry kept by the General Affairs Section.

(8) If staffs of the Direct Tax Section and the General Affairs Section in conspiracy ~~[illegible]~~ the Investigation Book, Tax Collection Registry, Delinquent Tax Registry and Coercive Collection Slips at the same time, it is almost impossible to discover such a cunning tactics.

(9) ~~A lot of~~ Official documents ~~is~~ are usually piled higher on office chief and other responsible senior staffs' desks waiting their approval. ~~And~~ The disposal of these documents is carried out in the bureaucratic manner, affixing the personal seals on them paying the least attention upon the subjects. In some cases, responsible person don't care about the custody of official seals.

B. Strict Measures to be Enforced.

The following procedures shall be put into effect regarding income tax administration where these cases most frequently occur:

(1) As misappropriation cases are committed almost always by unexperienced staffs of low grade, strict supervision and guidance on the part of office chief and other senior staffs are required.

(2) The Income Tax Investigation Book and Tax Collection Registry will hereafter be integrated and filed by a card system. The administrative work in the Direct and General Affairs Sections will be more unified with outside collection and investigation work clearly separated.

(3) The Income Tax Investigation Book and Registry file will be separated into groups of 300 taxpayers with each group assigned to a responsible official.

(4) The Delinquent Tax Registry will be merged with this Income Tax Investigation Book and Registry and officials conducting collection of delinquent taxes will not be concerned with the registry thus avoiding and preventing illegal cases.

(5) Taxpayers will be numbered in consecutive order on the Income Tax Investigation Book and Registry to prevent and easily detect loss or theft of these cards.

(6) All important documents will be kept in boxes for custody purposes and locked after office hours by a designated administrative supervisor.

(7) In order that these documents may be easily kept track of each official responsible will be required to affix his seal in the designated space provided.

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

(8) In case of deleting figures in the Tax Collection Registry and Ledger by delivering a notice of receipt to a taxpayer, a responsible person other than the readjustor must examine it and affix his seal beside the deleted figures.

(9) In order to clarify the collected amount and collectible amount as well as for the convenience of book keeping, both index and summary sheet should be prepared, and contents of official documents should be examined and acknowledged by responsible persons in charge at the end of every month.

(10) The current cash book audit should be strictly observed and at least ten competent inspectors must be sent to each local tax office.

(11) The Bureau will inquire 50 to 100 taxpayers chosen at random about the amount of tax paid for checking purposes. These inquiries should be kept in secret toward tax collectors concerned.

(12) Short term lecture course on systematic office work will be opened for junior tax officials in an attempt to let them familiar with the daily taxation work.

(13) The current inspection system should be enlarged and strengthened in order to establish effective measures to prevent illegal cases.

It is a matter of course to put into effect the above instructions on important points, but it is also necessary to observe the directives (see attached sheets) pertaining to the prevention of illegal conduct in order to minimize the happening of law violation cases.

Attached Sheet 1. (Translation)

Kei Cho 1/No.173 Date: 12 March 1949

TO : All Tax Office Chiefs.

SUBJECT: Special Instruction on Cash Accounting.

In view of the fact that the amount of revenue to be handled at local tax offices has considerably increased recently, you are directed to observe strictly the following instructions as well as to comply with the directive of this Bureau, Kei Cho 1/No.11, dated 8 January 1949, pertaining to the supervision of subordinate officials directly in charge of tax collection.

1. Cash receipt accounts book should be prepared in the following form in order to make sure the status of cash received.

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

(Example)

Date	Seal of Office Chief	Seal of Sec. Chief	Seal of Official in Charge	Received	Disbursed	Balance	
1 Mar 49	(Seal)	(Seal)	(Seal)	1,000		1,000	x
22 Mar 49	(")	(")	(")		Mark 50	950	x
15 Mar 49	(")	(")	(")		Mark 50	900	x
17 Mar 49	(")	(")	(")	Mark 32		932	x

Remarks	Seal of Receiver
x Received from Account Official of Articles	(Seal)
x Transferred to Account Official	(Seal)
x Handed over to so and so Official	(Seal)
x Received from so and so Official because of resignation from his post.	(Seal)

Other accounts books also should be prepared in the same form as above and kept together.

Having these accounts books is one of the fundamental things for bookkeeping, but local offices are neglecting this most important matter.

2. Coercive Collection Slips should be kept in a box with key and only responsible officials in charge can register the slips. The final Collection Slips of revenue officials should also be prepared and kept in order.

3. Revenue gained by coercive collection must handled over to the treasurer and kept in a safe within the day the revenue is received. Only with the permission of section chief or senior official in charge, revenue official can go to distant places for tax collection and hand over the receipt to the treasurer the following day.

4. Delinquent Tax Disposition Record and Cash Accounts Book are to be presented everyday for inspection parposes to office chief or other responsible officials in charge, whose duties are to examine if transfer of receipts to the treasurer is precisely registered in the Delinquent Tax Disposition Record as well as to check if any delay in the transfer of cash revenue to the treasurer is registered in the Cash Account Book. Any delay in the transfer of cash revenue is found, the revenue official concerned will be forced to give the office chief a detailed account of explanation about his delay.

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

5. When a revenue official returns to the office from tax collection, his original cash receipt slips must be examined by the responsible official in charge as well as the actual cash received, and then placed in custody.

6. As to securities mailed from a tax payer, it must be transferred to the treasurer immediately after registering the amount in the Received Securities Accounts Book. Receipt slip should be mailed to the taxpayer concerned without delay.

/signed/ Tosuke Yoshida
Director General
Osaka Finance Bureau

Attached Sheet 2 (Translation)

Kei Cho 1/No.219

Date: 30 March 1949

TO : All Tax Office Chiefs

SUBJECT: Prevention and Early Discovery of Illegal Cases in Respect to Cash Accounts.

Reference to the directive of the Bureau, Kei Cho 1/No. 173, dated 12 March 1949, subject: Supervision of Cash Accounts.

You are hereby directed to observe the following instructions.

1. If you suspect any revenue official or accounting clerk of illegal conduct, you or General Affairs Section Chief must send letter of inquiries to certain number of taxpayers (may be 50 taxpayers will be sufficient) to make sure whether any illegal conduct is committed by the person in question. In quiries should, of course, be secretly conducted by office chief or General Affairs Section Chief himself. Although there might be no suspicious persons in the office, such inquiries as above is necessary to be conducted every or every other months.

2. Seals of revenue officials and accounting clerks must be placed in strict custody by separating them from others. And they can be used in the responsibilities of the General Affairs Section Chief. In addition, seals must be affixed on both edges of the Receipt Book and the original slip.

3. Cash Receipt Books should be examined before handed over to revenue officials if any leaf or mark is missed.

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

4. Always keep eyes on the behavior of revenue officials and accounting clerks in order to prevent beforehand the happening of law violation cases.

/s/ Tosuke Yoshida
Director General
Osaka Finance Bureau

Attached Sheet 3. (Translation)

Kei Cho 1/No.236 Date: 5 April 1949

TO : All Tax Office Chiefs

SUBJECT: Progress Report on Prevention and Early Discovery of Illegal Cases pertaining to Cash Accounts.

1. Reference to the directive of this Bureau, Kei Cho 1/No.219, dated 29 March 1949.

2. In the above directive, the sentence of (may be 50 taxpayers will be sufficient) is deleted and insert the following sentence there.

(As to ordinary tax offices 50 to 100 taxpayers; in the case of the office where revenue officials handle rather a large number of taxpayers, 100 to 200 taxpayers should be chosen).

3. You are hereby directed that a monthly progress report on prevention and early discovery of illegal cases in regard to cash accounts will be submitted to the Director of the Accounts Department of this Bureau by 10th of the following month.

4. The monthly report should contain the following items.

a. Number of cases letter of inquiries sent to taxpayers.

b. Number of cases replies of taxpayers received.

c. Number of cases letter of enquiries failed to reach the destination.

d. Number of illegal cases discovered.

If any illegal conduct is discovered, immediately send report on the name (s) of the revenue official(s) or accounting clerk(s) as well as a detailed statement of discovery.

FOR THE DIRECTOR GENERAL

K. Noguchi
Chief of Liaison Section

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

OSAKA FINANCE BUREAU
(Osaka)

6 March 1949

OFB No. 214

TO : Mr. Mangerich
Kinki Military Government Team.

SUBJECT: Summary Translation of Pay Scale Law.

TRANSLATION

Law No. 46, 1948.

Summary of the law concerning the anforcement of the new scale of pay for government workers. (Revised by Law No. 265, 1948).

Article 1. The law shall be established on the fundamental principle that the average amount of pay (including salary, family allowance, service area allowance and special service allowance and excluding the factor other than the above) is yen 6,307. --- per month.

Article 9. The workers' service shall be divided into 15 classes and the contents of the standard service which will be the standard of this classification shall be decided by the chief of new scale pay enforcement headquarters.

2. The pay lists, regulated by this law, will be divided into regular salary list and special salary list, and no other pay lists shall be authorized.

(1) Regular salary list: (Enclosure 1)

(2) Special salary list:

a. Classified salary list for taxation workers and economic investigation workers. (Enclosure 2)

b. Classified salary list for police workers, maritime safety bureau's workers (confined to workers regulated by the regulation of Government Officials Board) and prison workers. (Enclosure 3)

- cont'd -

Incl. 4

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

c. Classified salary list for seaman (Enclosure 4).

d. Classified salary list for railway field workers (Enclosure 5).

(3) The amount indicated in the above salary lists shall be rendered monthly.

(4) The regular salary list shall be applied to all workers other than those workers being applied by the special salary list.

Article 16. The family allowance shall be granted to all workers with dependents.

2. Regarding the payment of family allowance, the following persons who are chiefly sustained by the workers and have no other occupations, shall be considered as dependents.

(a) Spouse (Also includes persons not formally registered but of common law nature, etc.)

(b) Child and grand child under 18 years of age.

(c) Parents or grandparents over 60 years of age.

(d) Brothers or sisters under 18 years of age.

(e) Physically or mentally disabled persons.

3. The monthly amount of the family allowance shall be granted to the above (a) yen 600.--, and to the person mentioned above (b),(c),(d) and (e) yen 400.--. But yen 600.-- shall be granted to one child under 18 years old among the children.

(Service Area Allowance)

Article 17. The service allowance shall be granted to the workers, serving in the specific area where the cost of living is remarkably high.

2. The monthly amount of the service area allowance shall be the amount that multiple of following regulated percentage to the total of monthly salary and family allowance.

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

Special area : 30 %

A area : 20 %

B area : 10 %

C area : none

3. The percentage of the allowance and the classification of the area shall be the same as in the past.

Article 20. In case a worker does not appear for work (except where given official permission) his salary shall be reduced accordingly as stipulated in Article 24.

(Overtime allowance)

Article 21. If a worker is ordered to serve his duty exceeding the regular service hour, he shall be granted overtime pay in accordance with Article 24 in the following manner:

(1) For overtime work not exceeding 8 hours a day, it will be 100 per cent.

(2) For each hour of overtime exceeding the above 8 hours of extra duty, it will be 125 per cent. However, in case the overtime includes the period from 10 p.m. thru 5 a.m. it will be 150 percent.

(Holiday Allowance)

Article 22. Although the service day is a holiday, the regular pay shall be granted to the worker.

2. In case a worker is ordered to serve his duty within the regular service hour on holiday, he shall be granted 125 per cent of his regular pay per one service hour regulated by Article 24. However, there will be no allowance given for overtime performed during holidays.

3. The holiday, mentioned in the above two paragraphs, is the day designated by the Law No. 178, 1948, concerning national celebration days.

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

(Night Work Allowance)

Article 23. The worker who is ordered to serve from 10 p.m. thru 5 a.m. the following day, shall be granted for the whole hours 125 per cent of his regular pay as regulated by Article 24 for night work allowance.

(Calculation of pay per one service hour.)

Article 24. The pay per one-service hour regulated by the above 4 articles is determined by multiplying the total of monthly base pay and service area allowance by 12. This amount is divided by the numberof working hours per week times 52.

TOSUKE YOSHIDA
Director General

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

EXAMPLE (Based on ¥ 6,307 new salary Base.)

Rank.	Tax Office Chief.	
Class of Tax Office.	The Eighth Class.	
Educational Career.	Middle School Graduate.	
Age.	56 Years Old.	
Years in Official Service.	34 Years and 9 Months.	
Numberof Dependents.	Wife and Two Children.	
Present Class of Salary.	Tax Official Six Grade of Eighth Class.	
Classification of Serving Area.	Special Area.	
Salary (Unit Yen).	Basic Salary.	10,717
	Dependent Allowance.	1,600
	Serving Area Allowance.	3,695
	Total.	16,102 (Including Tax)

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

Rank.	Section Chief.	
Class of Section.	The Seventh Class.	
Educational Career.	Middle School Graduate.	
Age.	45. Years Old.	
Years in Official Service.	23 Years and 3 Months.	
Present Classof Salary.	Tax Official Third Grade of Seventh Class.	
Number of Dependent.	Wife and Three Children.	
Classification of Serving Area.	Special Area.	
Salary (Unit Yen).	Basic Salary	9,047
	Dependent Allowance.	2,000
	Serving Area Allowance.	3,314
	Total:	14,361 (Including Tax)

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Rank.	Chief of the Unit	
School Career	Middle School Graduate	
Age	32 Years Old	
Years in Official Service	11 Years and 7 Month	
Present Classof Salary	Tax Official Fourth Grade of Fifth Class	
Numberof Dependent	Wife and a Child	
Classification of Serving Area	Special Area	
Salary (Unit Yen)	Basic Salary	6,633
	Dependent Allowance	1,200
	Serving Area Allowance	2,349
	Total	10,182 (Including Tax)

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

Rank	Official	
School Career	Middle School Graduate	
Age	26 Years Old	
Years in Official	4 Years and 5 Month	
Present Class of Salary	Tax Official Fifth Grade of Third Class	
Numberof Dependent	0	
Classification of Serving Area	Special Area	
Salary (Unit Yen)	Basic Salary	5,002
	Serving Area Allowance	1,500
	Total	6,502 (Including Tax)

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

Rank	Clerk	
School Career	Middle School Graduate	
Age	20 Years Old	
Years in Official Service	10 Months	
Present Class of Salary	Tax Official Fourth Grade of First Class	
Numberof Dependent	None	
Classification of Serving Area	Special Area	
Salary (Unit Yen)	Basic Salary	3,096
	Serving Area Allowance	928
	Total:	4,024

(Including Tax)

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

CLASSIFICATION OF SALARY OF OFFICAL AND CLERK (EXCEPT SENIOR OFFICIAL)

Category: Tax Official

	CLERK					OFFICIAL				
Educational Career	Primary School Graduate	Junior High School Graduate	Senior High School Graduate	College Graduate	University Graduate	Primary School Graduate	Senior High School Graduate	Revenue Official Training Institute Graduate	College Graduate	University Graduate
First Class	Less than four years experience	Less than four years experience	Less than three years experience	---	---	---	---	---	---	---
Second Class	Experience More than Four years	Experience More than Four years	Experience More than Three years	No experience	No experience	Experience less than Three years	Experience less than Two years	Experience less than Two years	Experience less than Two years	---
Third Class	---	---	---	---	---	Experience more than Three years	Experience more than Two years	Experience more than Two years	Experience more than Two years	Experience less than one year
Fourth Class	---	---	---	---	---	Experience more than Seven years	Experience more than Five years	Experience less than Four years	Experience less than Four years	Experience more than one
Fifth Class	---	---	---	---	---	Experience more than thirteen years	Experience more than Ten years	Experience more than Seven years	Experience more than Seven years	Experience more than Four years

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

CLASSIFICATION OF SALARY OF OFFICIAL AND CLERK (EXCEPT SENIOR OFFICIAL)

Category: Ordinary Official

	CLERK					OFFICIAL			
School Career	Primary School Graduate	Junior High School Graduate	Senior High School Graduate	College Graduate	University Graduate	Primary School Graduate	Senior High School Graduate	Graduate	University Graduate
First Class	---	---	---	---	---	---	---	---	---
Secand Class	Less than three years experience	Less than Two years experience	Experience one year	---	---	---	---	---	---
Third Class	Experience more than three years	Experience more than Two years	Experience more than one years	Experience less than one years	---	---	---	---	---
Fourth Class	Experience more than six years	Experience more than Five years	Experience more than Four years	Experience more than one years	No experience	Experience less than three years	Experience less than Two years	Experience less than Two years	---
Fifth Class	---	---	---	---	---	Experience more than three years	Experience more than two years	Experience more than two years	Experience less than one year
Six Class	---	---	---	---	---	Experience more than seven years	Experience more than five years	Experience more than four years	Experience more than one year
Seven Class	---	---	---	---	---	Experience more thirteen years	Experience more ten years	Experience more seven years	Experience more than four years

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDC NO. 74-5013

CLASSIFICATION OF SALARY OF TAX OFFICIAL

Monthly Salary

	First Grade	Secoond Grade	Third Grade	Fourth Grade	Fifth Grade	Sixth Grade	Seventh Grade	Eighth Grade	Ninth Grade	Tenth Grade	Eleventh Grade	Twelfth Grade
First Class	2,844	2,926	3,009	3,096	3,184	3,275	3,369	3,466	3,565			
Secound Class	3,369	3,565	3,772	3,991	4,223	4,468	4,727	4,863				
Third Class	4,223	4,468	4,727	4,863	5,002	5,145	5,292	5,444				
Fourth Class	5,145	5,292	5,444	5,600	5,760	5,925	6,094	6,269	6,448	6,633	6,823	7,018
Fifth Class	6,094	6,269	6,448	6,633	6,823	7,018	7,219	7,426	7,638	7,857	8,082	8,313
Sixth Class	7,018	7,426	7,857	8,313	8,796	9,047	9,306					
Seventh Class	8,313	8,796	9,047	9,306	9,573	9,847	10,129					
Eighth Class	9,306	9,573	9,847	10,129	10,419	10,717	11,024					
Ninth Class	10,419	10,717	11,024	11,339	11,664	11,998						

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

CLASSIFICATION OF SALARY OF ORDINARY OFFICIAL

	First Grade	Second Grade	Third Grade	Fouth Grade	Fifth Grade	Sixth Grade	Seventh Grade	Eighth Grade	Ninth Grade	Tenth Grade
FIRST Class	2,400	2,470	2,541	2,613	2,688	2,765	---	---	---	---
Secound Class	2,541	2,613	2,688	2,765	2,844	2,926	3,009	---	---	---
Third Class	2,844	2,926	3,009	3,096	3,184	3,265	3,369	---	---	---
Fouth Class	3,184	3,275	3,369	3,466	3,565	3,667	3,772	---	---	---
Fifth Class	3,565	3,667	3,772	3,880	3,991	4,105	4,223	4,344	4,468	4,596
Sixth Class	4,223	4,468	4,727	4,863	5,002	5,145	5,292	5,444	5,600	5,760
Seventh Class	5,145	5,292	5,444	5,600	5,760	5,925	6,094	6,269	6,448	6,633
Eighth Class	5,925	6,094	6,269	6,448	6,633	6,823	7,018	7,219	7,426	7,638
Ninth Class	6,823	7,018	7,219	7,426	7,638	7,857	8,082	8,313	8,551	8,796
Tenth Class	7,857	8,313	8,796	9,047	9,306	9,573	9,847	---	---	---
Eleventh Class	9,573	9,847	10,129	10,419	10,717	11,024	---	---	---	---
Twelfth Class	11,024	11,339	11,664	11,998	12,341	12,655	---	---	---	---
Thirteenth Class	12,695	13,056	13,432	13,816	14,212	14,619	---	---	---	---

- cont'd -

	First Grade	Second Grade	Third Grade	Fouth Grade	Fifth Grade	Sixth Grade	Seventh Grade	Eighth Grade	Ninth Grade	Tenth Grade
Fouteenth Class	14, 619	15,037	15, 467	15,910	16,365	18,634	-----	---	---	---
Fifteenth Class	18,320	19,940	21,700	23,620	---	---	---	---	---	---

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

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

HOW TO COUNT THE NUMBER OF WORKED YEARS
(For Ordinary Government Employees)

I. Official.

a. In case a person was in official service at any government agency, his number of served years will be counted as 100%, that is when a person was in occicial service for ten years at a government agency his number of years is counted as ten years.

b. In case a person worked at any private company, the number of years worked will be counted as follows.

(1) Primary school graduate.

Eighty per-cent of the number of worked years less four years, i.e., ten years at a private company equals to 4.8 years at a government agency.

(2) High school graduate.

Eighty per-cent of the number of worked years at a private company less two years, i.s., ten years at a private company equals to 6.4 years at a government agency.

(3) University or college graduate.

Eighty per-cent of the number years worked at a private company less one year, i.e., ten years at a private company equals to 7.2 years at a government agency.

II. Clerk.

One hundred per-cent of the number of years worked at any government agency or private company.

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

STANDARD OF SALARIES OF SENIOR OFFICIALS

1. Classification of salaries of the following senior officials of regional Finance Bureau and local Tax Office will be applied after the permission of the Director of the New Salaries Enforcement Board.

a. Section chief of a regional Finance Bureau.

b. Tax Office chief.

c. Section chief of a local Tax Office.

2. Regarding to the salaries of such personnel as assistants to section chiefs of the regional Finance Bureau and Tax Offices, the following classifies standard which was decided by the Director of the New Salaries Enforcement Board will be applied.

a. A person whose salary was above No. 17 salary as of January 1, 1948 will be placed on 7th Class.

b. A person whose salary was above No. 13 salary as of the same date will be placed on 6th Class.

c. A person whose salary was above No. 10 salary as of the same date will be placed on 5th Class.

d. A person whose salary was above No. 10 salary as of the same date will be placed on 4th Class.

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

HOWTO COUNT THE NUMBER OF WORKED YEARS
(For Government Employees in charge of Taxation)

I. Official

a. The number of years of a person who worked at the Japanese Taxation Organizations, that is the Finance Ministry, Regional Finance Bureaus or local Tax Offices, will be counted as 100%.

b. The number of years of a person who worked at a foreign taxation office, custom house, monopoly bureau or taxation section of local public organization will be counted as 80%, i.e. ten years served at the above organizations equals to eight years service at the Governmental taxation organizations.

c. In case a person served at a government agency other than the governmental taxation organizations, his served years equals to 70% of those at the governmental taxation organizations.

d. The number of years worked at a private company will be counted as follows.

(1) Primary school graduate.

Seventy per cent of the number of years worked at a private company less four years, i.e. ten years at a private company equals to 4.2 years at the governmental taxation organizations.

(2) High school graduate.

Seventy per cent of the number of years worked at a private company less two years, i.e. ten years at a private company equals to 5.6 years at the governmental taxation organizations.

(3) College graduate.

Seventy per cent of the number of years worked at a private company less one year, i.e. ten years at a private company become 6.3 years at the governmental taxation organizations.

(4) University graduate.

Seventy per cent of the number of years worked at a private company.

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

II. Clerk.

a. The number of years of a person who worked at the Finance Ministry, Regional Finance Bureau, Custom House, Foreign or Local Taxation organization will be 100%.

b. The number of years worked at other government agencies or private companies will be counted as eighty percent.

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

OSAKA FINANCE BUREAU
(Osaka)

5 April 1949

OFB No. 236

TO : Mr. Mangerich,
Kinki Military Government Team.

SUBJECT: Supplement Report on Prevention and Detection of Dishonest Tax Collection.

In supplement to the report to your Headquarters, subject "Revised System to Prevent Illegal Tax Collection", dated 25 March 1949, the Bureau wishes to report that the following directive has been sent out to each tax office:

TRANSLATION

SUBJECT: Prevention and Immediate Detection of Dishonesty Concerning Cash Collection Accounts.

In reference to supervision and direction of handling cash accounts the directive Keicho Ichi No. 173, dated 12 March 1949, all tax office chiefs are requested to strictly enforce the following information in connection with the above subject.

1. The tax office chief or the general affairs section head of each tax office will personally conduct and send out, either monthly or twice a month, inquiry by letters to tax payers (The number to be spot checked is from 50 to 100, in case of large tax offices from 100 to 200. Naturally the cases suspected or in doubt will be positively and completely investigated).

2. The receipt stamps issued to collection officials and cashiers will be kept in separate custody under direct responsibility of the general affairs section head. Furthermore the seal will be affixed on the edges of both the original and duplicate receipt copies.

3. The cash collection receipt form books will be carefully checked for any possible typographical errors before issuance to tax collection officials.

4. The tax office chief and/or general affairs section head will keep watch on the regular attendance and behavior of tax collection officials and cashiers to avert incidents.

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Furthermore the following report form will be submitted to this Bureau each month not later than the 10th.

Date_____

Report on Prevention and Immediate Detection of Dishonest Tax Collection.

Letters Sent Out	Replies Received	No Returned Undelivered	Non Reply	Detection	Remarks

Note: When a case is detected a detailed report on the tax collection official or cashier concerned and action taken by the tax office is required.

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The following is a report on cases of receipt in cash during February conducted by the tax collection officials of every tax office under the Bureau's Jurisdiction and the estimated additional inquiries if about 5 per cent of the receipt cases are checked.

Pref.	Number of Tax Office	Case Handled During Feb.	Estimated Case of Inquiry	Estimated Case of Inquiry Each Tax Office	In Case of 50 Cases are checked by Every Tax Office
		cases	cases	cases	cases
Osaka	28	23,166	1,158	41	1,400
Kyoto	13	11,360	568	43	650
Hyogo	24	8,455	422	17	1,200
Nara	4	864	43	10	200
Wakayama	7	1,283	64	9	350
Shiga	7	2,936	146	20	350
Total:	83	48,064	2,401	28	4,150

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

Study on Employment

SUPERVISOR'S OSAKA BRANCH ROOM

July 19, 1949

NTB No. 4

TO : Kinki Civil Affairs Region.

SUBJECT: Measures to be Taken to Prevent Peculation.

Regarding the above subject this Branch Room hereby respectfully submit to your office the following measures to be taken to prevent peculation:

TRANSLATION

Measures to be Taken to Prevent Peculation.

1. In general, newly appointed staffs are apt to misconduct themselves, therefore, they should be inquired into their antecedents as much as possible when they are appointed at first.

2. The actual business training course as to handling of their internal business should be given to the officials so that they may be well acquainted with their business.

3. Every tax office chief, section chief and sub-section chief should take charge of their staffs in handling their business and also look after the staff's condition of life and conducts all the time.

4. Each collection book shall be adjusted correctly and swiftly by the official concerned.

5. In case of reduction in the investigation book, collection book, registered book of tax in arrears and disposition of tax in arrears sheet concerned sign by the official who registered it in the book concerned shall be made so that he may be responsible for it.

6. Acceptance, delivery, and keeping of disposition of tax in arrears sheet shall be strictly conducted.

7. Inspection on accounting business should be done at least once a month picking up 50 to 100 tax payers from a tax office, they shall be inquired and investigated in strictest secrecy about whether they have finished their tax payment or how much their taxes have been collected.

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

Regarding Measures to Be Taken to Reform and Improve Officials Business

As a result of our recent supervising practice conducted, the following matters shall be summarized as measures to be taken to reform and improve officials business.

1. From the general point of view, disposition of staffs should be taken into consideration so as to balance the actual numbers of staffs arranged to the qunatity of their business at the earliest convenience.

2. Examination to every staffs' business ability regarding every kind of his business shall be managed taking advantage of every opportunity.

3. Considerating the making arrangement of business and circulating the instructions, instructions, policies, planning, and handling which are especially important should thoroughly be understood by the following officials in charge of their business.

4. External business, for instance such as actual investigation on income tax should be taught to the staffs whose service years are rather short.

5. Instruction of business to the staffs on internal duty should be done and also improvement of their efficiency on business shall be planned.

6. Officials who are serving in the well-equipped office are in general, making good records in their business, therefore, the tax office of which building and equipment are not so well, shall be improved as soon as possible.

7. Officials in a newly established tax office divided from the main office seem to be inferior to those in the former office in number and quality so that the disposition of staffs to a newly-established tax office should be considered in future.

8. Equipments of officials dwelling houses and dormitories should be expanded.

9. Traveling expenses for the officials shall be increased and allowance for cashiers shall be paid.

10. As to tax payment publicity, not only the means of posters but also some advanced measures like tax payment education, for instance, training course for book-keeping or night school for tax payment shall be put into enforcement as much as possible.

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WITHDRAWAL NOTICE

ACCESS RESTRICTED

The item identified below has been withdrawn from this file:

File Designation RG 331 BOX 2885 FOLDER: 010 TAX (CA)

Date ~~BEGIN & AUG~~ 1 JULY 1949

Subject ~~From~~ REGARDING PREVENTION OF REVENUE OFFICIALS

~~To~~ IMPOSTERS FROM THEIR PREVALENCE

In the review of this file this item was removed because access to it is restricted. Restrictions on records in the National Archives are stated in general and specific record group restriction statements which are available for examination. The item identified above has been withdrawn because it contains:

☐ Security-Classified Information

☒ Otherwise Restricted Information

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FOIA 6
Authority

2/4/80
Date

MJS
NNOR

GENERAL SERVICES ADMINISTRATION

GSA FORM 7117 (2-72)

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

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

HLM/ms

012

4 August 1949

SUBJECT: Japanese Tax Personnel Training Program

THRU: Commanding General
I Corps
APO 301

TO: Commanding General
8th Army
APO 343

There are attached informational directives issued by the Osaka National Tax Bureau relative to training programs for Japanese tax personnel.

FOR THE COMMANDING OFFICER:

GEORGE MINARIK
Captain CE
Adjutant

3 Incls:
1. DAI KYUKU SCSO 1/6
2. SCSO 7-5
3. Plan for Enforcement of Revenue Officials Training class for F/Y 49-50
4. DAIZEI KOKO No. 8
5. Taxation Officials Training Plan for Fiscal Year 1949-50
6. Points on Enforcement Plan as to Correspondence Courses

FOR FILE

(4)

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

(DAI KYUKU SOSO 1/6)

7 June 1949

TO: Tax Office Chief

SUBJECT: Regarding the training course for transaction sales tax business

In regard to the above, a training course will be conducted under the following program; this Bureau wishes you to submit a report to the general affairs Section, of the well-qualified persons among your tax office staffs, who are engaged in transaction sales tax business by the 15th of this month, on the following form.

Statement:

Staff recommended for the training course of transaction sales tax business

ORDER OF RECOMMEN-DATION	NAME	AGE	CLASS OF SALARY	NAME OF SCHOOL FROM WHICH STAFF GRADUATED & DATE OF GRADUATION	PRESENT BUSINESS IN CHARGE OF	SERVICE YEARS	ADDRESS	WHETHER DORMITORY OF NATIONAL TAX BUREAU UTILIZED FOR THE STAFF CONCERNED	REMARK
						CLERK OFFICIAL			

Regarding the training course of transaction sales tax business

The training course will be conducted by experienced qualified personnel who are engaged in transaction sales tax business. Purpose is to make selected persons well acquainted with the investingation business inside and outside as well as to review their fundamental knowledge of transaction sales tax:

Statement:

1. Staffs to be trained:

/INCL/

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Those who are now engaged in transaction sales tax business or who will be expected to engage in that kind of business in future whose class of salary is between 3 and 5 (include sub-section chief) or who have experience of two to six years in taxation business, having recommendation of the tax office concerned.

2. Students to be trained: 83 persons at one time.

3. Period of training to be held:

First time: From 4 July 1949 To 15 July 1949
Second time: From 18 July 1949 To 29 July 1949

4. Terms for the training: For 11 days

5. Place for the training: Osaka National Tax Bureau Auditorium

6. Subjects to be trained and training hours:

A.	Practical business for transaction sales tax:	21 hours
B.	Point of investigation for corporation tax:	14 hours
C.	Book-keeping, Accountancy:	35 hours
D.	Others	7 hours
	TOTAL	77 hours

7. Lectures:

Osaka National Tax Bureau Staffs or outside lecturer

8. Others:

An examination will be held for them after the training course is over.

Director-General
Osaka National Tax Bureau

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(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:

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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 consolidating 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 Revwnue 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.

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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 subnects 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 starfs 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 chall 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

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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 alzo 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

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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 the starting of National Tax Investigators System and other circumstances.**

Director of National Tax Board.

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

I. Basic 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 coordinate the training courses, various 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

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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 to the 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. Instructiors: 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	Number of 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

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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	

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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 2nd grade	3rd grade	4th grade	Total	Officials of Tax Office Taxation 1st grade	Taxation 2nd grade	Total	Total	Allocation of Attendants	Attendants
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	2,087	19,645	18,790	38,435	40,522	5,000	5,000

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(TRANSLATION)

DAIZEI KOKO NO. 8

23 July 1949

TO: Every Tax Office Chief

SUBJECT: Correspondence Education as to Tax Business

This institute is expecting to carry on the above subject beginning Sept. in compliance with the Training Plan for tax officials for the fiscal year 1949 thru 1950. Therefore, you are requested to report to the Revenue Official Training Institute Osaka Branch, Attached to Osaka National Tax Bureau, regarding the tax officials of 2nd grade or 6th grade in your tax office, on the form attached, by July 31.

Chief of Revenue Official Training Insitute
Osaka Branch

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Report on Investigation as to Officials who are to Undergo the Correspondence

BY SECTION	BY UNIT	NAME	AGE	GRADE	NAME OF SCHOOL, THE OFFICIAL LAST FINISHED & DATE OF GRADUATION	PRESENT BUSINESS IN CHARGE	SERVICE YEAR
GENERAL AFFAIRS SECTION	OFFICIAL IN CHARGE OF GENERAL AFFAIRS						
	OFFICIAL IN CHARGE OF TAX COLLECTION (1)						
	OFFICIAL IN CHARGE OF TAX COLLECTION (2)						
DIRECT NATIONAL TAX SECTION	OFFICIAL IN CHARGE OF INCOME TAX						
	OFFICIAL IN CHARGE OF CORPORATION TAX						
	OFFICIAL IN CHARGE OF IMMOVABLE PROPERTY						
INDIRECT NATIONAL TAX SECTION	OFFICIAL IN CHARGE OF LIQUOR TAX						
	OFFICIAL IN CHARGE OF CONSUMPTION TAX						
	OFFICIAL IN CHARGE OF TRANSACTION SALES TAX						

Remarks

1. The officials name shall be registered in regular order beginning from the 2nd grade official to 6th grade official.

2. In the column Lecture-Class and training institution, name of the training class and it's kind which the official attended before, shall be stated.

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nce Education.

TAX OFFICE CHIEF.

BUSINESS EXPERIENCE ALLOT- MENT	YEARS	SERVICE RECORD	CAREER NOT IN TAX OFFICE	LECTURE CLASS OR TRAINING INSTITUTES	SUBJECT WISHED TO BE INSTRUCTED	REMARKS
					1. 2.	

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1/

TAXATION OFFICIALS TRAINING PLAN FOR FISCAL YEAR 1949-50

The various classes, to make its principal object to the primary education for the students in the regular course and to the primary education and to the re-education for the tax officials in the tax offices under the Osaka National Tax Bureau, will be held to develop the basic knowledge of the tax laws and to contrive the full preparation of the taxation business by cultivating the prominent officials after the acquisition of systematical and efficient ability.

1. Primary education

   a. Nine months long term shall be conducted for the students in the regular course of the Revenue Official Training Osaka Branch Institute.

   b. Tax laws and the practical business knowledge required in the operation of the newly established investigation officials and national tax collection officials shall be educated.

   c. The fundamental knowledge or various tax laws shall be taught to newly appointed hired help at the National Tax Bureau and the tax offices.

2. Education for officials actually on duty.

   a. External business class.

      External investigation and tax collection work shall be emphasized thoroughly and positively to the main staff of the National Tax Bureau and the tax offices.

   b. Internal business Class

      The operating method of the systematical and efficient business shall be educated to the staffs chiefly engaged in the internal business in the tax office and at the same time build up the core of responsible staffs in internal administrative business.

3. Correspondence Lessons

   Correspondence lessons shall be carried out to fill up the shortage of the education facilities and to widely educate the taxation business to the taxation staffs.

4. Special Education

   a. Capacity of the abacus calculation shall be educated to the staffs in the National Tax Bureau and tax offices who have little experience in the abacus calculation at each department of the National Tax Bureau or at each tax office.

   b. Besides the above, the necessary education of the taxation shall be carried out.

INCL 3

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Attached Sheet

Educational condition of the pupils in the ordinary course of revenue official training institute.

Terms	Date of Graduation	No. of Students	Years of Studies	Remarks
5 term	31 Mar 1946	292	9 months	
6 term	10 Mar 1947	135	10 months	
7 term	24 Dec 1948	99	1 year and 9 months	
	Total:	526		
8 term	Aug end 1949	108	1 year and 4 months	
9 term	Dec end 1949	117	9 months	
	Total	225		

2. Educational condition of taxation staffs of National Tax Bureau

Items	Training Period	Times of Course Trained	Days for Training Course	No. of Students	Remarks
Educational plan for the fiscal year 1949-1950	From April 1949 To Dec. 1949	18	372	2,000	External Business 10 Times Internal Business 6 Times National Tax Collecting Official 1 Time National Tax Investigating Official 1 Time
Educational evidence for the fiscal year 1949-1950	From April 1949 To July 1949	0	85	522	Business Concerning Tax Collection 2 Times Income Tax Business 1 Time Corporation Tax Business 1 Time Transaction Sales Tax Business 1 Time National Tax Investigating Official 1 Time

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Points on Enforcement Plan as to Correspondence Courses

(April 25, 1949)

1. The object of tax correspondence courses is to fill the need for a training institution for tax officials, and at the same time, to give a thorough professional tax education to the general staffs. The education shall be carried on by means of delivering text books every month to the students according to the following points, then, by means of correcting and critiqueing the examination paper sent in.

2. The correspondence course shall be divided into junior and senior class and the subjects are as follows:

(1) Junior Class

Subject: Outline of Tax and Junior book-keeping and accounting.

(2) Senior Class

Subject: Income Tax Law and its practical application
Corporation Tax Law "
Estate Tax Law "
Transaction Sales Tax Law "
Commodity Tax Law "
Liquor Tax Law "
National Tax Collection Law "
National Tax Violation Controlling Law "
Senior Book-keeping and Accounting "

3. The junior correspondence course shall be given primarily to the tax officials of 2nd and 3rd grade. It is the object of the correspondence course to acquaint the officials with the fundamental knowledge necessary; that is, an outline of the taxation business and book-keeping and accounting which they must know at any cost as national tax investigating officials or national tax collecting officials. In future one of the requirements to be met before taking a promotion examination will be the completion of the junior correspondence education course. (For example the examination for national tax investigating official and national tax collecting official)

4. The object of the senior correspondence course is to give to the officials, over grade 4, a thorough professional education in tax laws and book-keeping necessary to the enforcement of tax business. In the future, the prerogative to take the correspondence course shall be limited to those officials who have the standard qualifications (For example national tax investigating officials) and gradually, they shall study each lesson. The above should be considered when contemplating promotion.

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