AMENDMENTS TO THE ANTI-NATIONAL TAX EVASION LAW FOM 148

1. Delete following:

Art 3-(2)
Art 17-(2)
Art 21

2. Inform Ministry that steps should be taken at once for the writing of a new bill for submission at a later date

- -

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 87-6010)

January 31, 1950

1. FOM Number: 43

2. Name of Bill:

Bill for Partial Amendments to the Securities and Exchange Law.

3. Competent Ministry: **Finance Ministry**
(Securities and Exchange Commission)

4. Date of Cabinet Approval:
January 27, 1950

5. SCAP Section concerned:
Mr. T.F.M. Adams.
Money and Banking Branch, Japanese Finance Div., ESS.

6. Remarks: (Reference:)

See Next Sheet

7. G.S. Reviewers:

GS: ESS
AS/AAJ

Received by GS

Date 1/31/50

(18)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.	From: Govt Sec To: LS/L&J Date: 1 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Securities and Exchanges Law

C. W.

P & P DIV

R.H. Neptune - 2635-479
Date: 3 February 1950

From: LS To: GS

2. 1. There are no legal objections

1 Incl
w/d

- A.C.C. - - - - - - - - - - - -

Reid GS 2/8

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No. 1.

From: Govt Sec To: ESS Date: 1 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to
Securities and Exchanges
Law

C. W.

Mr. Adams, 33-7045
WHW/EBJG/JGS/EMA/emb
6 FEB 1950

From: ESS/ERS To: Govt Sec

2. ESS takes no present objection to the introduction of subject legislation.

1 Incl
a/i

- N. F. H. - - - - - - - - - - - - - -

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 87-6010)

February 23, 1950

1. FOA Number: 144

2. Name of Bill: Bill concerning Transfer and Payment from Special Accounts, etc. to the General Account for Appropriation for the Retirement Allowances to be paid to the Retired Officials

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 9, 1950

5. SCAP Section concerned:
Mr. Harrison, Public Finance Branch, Finance Division, ESS.

6. Remarks: (reference:)

.....

.....

.....

.....

.....

7. G.S. Reviewers:

GS:ESS

Received by GS

Date 2/23/50

CIVIL SERVICE DIVISION
Government Section

1 March 1950

MEMORANDUM TO: Parliamentary and Political Division,
Government Section

SUBJECT : Bill Concerning Transfer and Payment from Special Accounts, Etc. to the General Account for Appropriation for the Retirement Allowances to be Paid to the Retired Officials

(Finance)

Civil Service Division objects to the wording of Article 1 of subject bill. The introductory phrase should specify more clearly exactly which retirement allowances are referred to.

It is recommended that the phrase "for appropriation for payment of the retirement allowances to be paid to government officials who retired and are unemployed" be revised to read as follows: "for appropriation to pay retirement allowances corresponding to the differential amount as established in Article 10 of Cabinet Order for the Temporary Measures for Separation Allowances in Consequence of the Execution of the Consolidated Balanced Budget for the Fiscal Year 1949-50 (Cabinet Order No. 264 of 1949) to the government officials who retired and are unemployed".

W. PIERCE MacCOY
Acting Chief,
Civil Service Division

WPM:GWP:rj

Sent GS 3/2

Referred to Mr Yoshe, CLO
3/2 cb

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris

Note No. 1. From: Govt Sec To: ESS 26-6076 Date: 23 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Transfer & Payment from Special Accounts, etc. to Gen. Account for Appropriation for Retirement Allowances to be paid to Retired Officials

C. W.

010(23 FEB 1950 D)ESS/PF

Mr. Herbster, 26-6070
WFW/EMR/JWH/LRH/ftk

From: ESS To: Govt Sec 1 MAR 1950

2. ESS has no objection to the introduction to the Diet of the draft bill concerning Transfer and Payment from Special Accounts, etc. to the General Account for Appropriation for Retirement Allowances to be paid to the Retired Officials.

1 Incl
n/c

W. F. M.

Rec'd 3/1

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: ESS | Date: 13 March 1950 revised

1. | 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Finance.

2. Your prompt comment is requested.

1 Incl
Transfer & Payment from
Special Acct. to Gen. Acct.
for Appropriation for Retire-
ment Allowances to be Paid
to Retired Officials

C. W.

Mr. Herbster, 26-6070

010( )ESS/FF WFM/ECH/JMH/LLH/ttk

From: ESS To: Govt Sec

2. | ESS has no objection to the introduction to the Diet of the revised draft bill concerning Transfer and Payment from Special Accounts etc. to the General Account for Appropriation for Retirement Allowances to be Paid to the Retired Officials.

1 Incl
n/c

Rec'd GS 3/16

W. F. M.

CIVIL SERVICE DIVISION
Government Section

10 March 1950

MEMORANDUM FOR: Parliamentary and Political Division
Government Section

SUBJECT : Bill Concerning Transfer and Payment From Special Accounts, Etc. to the General Account For Appropriation For the Retirement Allowances to Be Paid to the Retired Officials

Civil Service Division would not object to modification of Article 1 of subject bill to read as shown in the attached copy. Articles 2, 3 and 4 are essentially financial in character and not of concern to this division.

W. PIERCE MacCOY
Acting Chief

Att.
WPM:GWP:gb

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.	
1.	From: Govt Sec To: ESS Date: 27 December 1949 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Budget of Gen. Account for Fiscal Year 1950-51 C. W.
2	File: 010(27 Dec 49)ESS/FF From: ESS To: Govt Sec WHB/HMR/RMM/eb Mr. McGlauflin, 26-6054 5 JAN 1950 1. No objection is made to the immediate introduction of attached budget for JFY 1950-51. 2. Subject budget is in accordance with that approved by SCAP for adoption. 1 Incl: n/c W.F.M.

٢

٥د

BUDGET

TO BE SUBMITTED FOR G.S. APPROVAL

Legislative Affairs Section, Ministry of Foreign Affairs

December 23 , 1949

1. FOM No. 1

2. Name of Budget: Budget of General Account for Fiscal Year 1950-51.

3. Competent Authority: Ministry of Finance.

4. Date of Cabinet Approval: December 23, 1949.

5. SCAP Section Concerned: Public Finance Branch, Finance Division, ESS.

Mr. Reed

6. G.S. Reviewers:

Received by GS

Date 12/23/49

Cleared 12/23

CB

Bill

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 57-6010)

March 7, 1950

1. FOA Number: 165

2. Name of Bill: Bill for Partial Amdnemtn to the Law concerning the Decision or Revision of the Fixed Prices of Manufactured Tobacco

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 7, 1950

5. SCAP Section concerned:

W. H. Bass, Economic and Scientific Section,
Internal Revenue Division

6. Remarks: (Reference:)

See attached paper.....

.....

.....

.....

.....

7. G.S. Reviewers:

CC:
CSS

Received by GS

Date 3/7/50

21

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

CW/JN/JW/CHN/vs

Subject: Draft Legislation

Captl Norris 26-6076

1 From: Govt Sec To: ESS Date: 7 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendment of Law re
Decision or Revision of Fixed
Proces of Manufactured Tobacco

C. W.

2 From: ESS To: Govt Sec WEM/LT/WHB/CSE/sg
Orval S. Berliner 26-8483
Date: 10 March 1950

There is no objection to the introduction of the bill "for Partial Amendment of the Law concerning the Decision or Revision of the Fixed Prices of Manufactured Tobacco" in the Diet.

1 Incl
n/c

W.F.M.

Rec'd GS 3/13

11 MAR

B111

to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL.57-6010)

February 15, 1950

1. FOM Number: 104

2. Name of Bill: Bill for Partial Amendments to the Finance Law

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: January 31, 1950

5. SCAP Section concerned:
Mr. Harrison, Public Finance Branch, Finance Divion, E.S.S.

6. Remarks: (Reference:)
Finance Law (Law No. 34 of 1947) Official Gazette; March 31, 1947
Postal Services Special Account Law (Law No. 109 of 1949) Official Gazette; May 28, 1949
Telecommunications Services Special Account Law (Law No. 110 of 1949), Official Gazette; May 28, 1949

7. G.S Reviewers:

GS: ESS
AS/AMJ

Received by GS

Date 2/15/50

(22)

[illegible] 179012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris

Note No. | From: Govt Sec To: LS/LAJ 26-6076 Date: 16 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to
the Finance Law

C. W.

P & P DIV

[illegible] SECT. 3(2) AND 3(3) OR (2) AND [illegible] 170612

2/16

Amdt to Finance Law

(Fin Min)

Mr. Brunckhorst 2635-420

2. From: LS To: GS Date: 28 Feb 50

1. This bill makes some minor technical changes in the Finance Law.

2. LS has no legal objections.

Incl: w/d

Spec GS 3/1

A. C. C.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/ve

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. 1. From: Govt Sec To: ESS Date: 16 February 1950

1: Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Finance Law

C. W.

J. W. Harrison, 26-6070
WFM/EMR/JWH/ftk

010 (16 FEB 1950) ESS/PP 21 FEB 1950

From: ESS To: Govt Sec

2. ESS has no objection to the introduction in the Diet of the Bill for Partial Amendments to the Finance Law.

1 Incl
n/c

W. F. M.

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 47-6010)

February 2 ,1950

1. FOA Number: 52

2. Name of Bill: **Mint Agency Special Account Bill**

3. Competent Ministry: **Ministry of Finance**

4. Date of Cabinet Approval: **February 1, 1950**

5. SCAP Section concerned:

Mr. Harrison; Public Finance Branch, Finance Division, E.S.S.

6. Remarks: (reference:)

1. .Finance .Law .(Law .No. .34 .of .1947) .Official .Gazette, March 31, 1947
.....
2. Coins Law (Law No. 16 of 1897) herewith inclosed.
.....
3. Extraordinary Currency Law (Law No. 86 of 1938) herewith inclosed.....
4. .Mint .Agency .Special .Account .Law .(Law .No. .9 .of ... 1915) herewith inclosed.

7. G.S. Reviewers:

GS:

ESS
LS/LJ.

Received by GS

Date 2/2/50

(23)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JR/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.	From: Govt Sec To: LS/L&J Date: 3 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Mint Agency Special Account Bill

C. W.

P & P DIV

Subject: Mint Agency Special Account Bill.

From: LS To: GS C.J.Smith-2635-405
Date: 13 February 1950

2. 1. This Section has no legal objections to subject bill which, among other things, provides for the abolishment of former Mint Special Account Law (No. 9 of 1915, as amended by Law No. 24 of 1929, No. 14 of 1944, No. 37 of 1947, and No. 92 of 1947).

2. The capitalizing, budgeting, accounting, and other fiscal aspects of the bill are matters of primary concern to ESS/Finance.

1 Incl. w/d

- A.C.C. - - - - - - - - - -

Recd GS 2/14/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CFG/vs

Subject: Draft Legislation

Note No.	
1.	From: Govt Sec To: ESS Capt. Guida 26-6076 Date: 3 February 1950 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Mint Agency Special Account Bill
	C. W.
2.	010(3 FEB 1950)ESS/PP Mr. Harrison 26-6070 Forestry Bldg. 107 WFM/EMR/JWH/ftk From: ESS To: Govt Sec 11 FEB 1950 1. Certain provisions of the attached bill are not satisfactory and discussions are being held with the Ministry of Finance in an attempt to develop acceptable revisions. 2. Pending conclusion of these discussions it is requested that approval of the bill be withheld. 3. Upon conclusion of discussions which are expected to require one week, final reply will be made to C/N 1 above. 1 Incl n/c
	W. F. H.

Declassified 3/13/52

Referred to Fin. Min. Chem
Mr. Yoshi, CLCO. Revised
text expected.

2/15 B.

Mr. Harrison, 26-6070

WFM/EHR/JWH/ftk

010(11 Feb 50)ESS/PF

Draft Legislation

24 FEB 1950

ESS

Govt Sec

1. 1. The draft of the Mint Agency Special Account Bill submitted for comment by your C/N dated 3 Feb 50 was rejected by this office by C/N dated 11 Feb 50.

2. The revised bill, submitted by the Japanese Government and forwarded by your office on 21 Feb 50, is acceptable and there is no objection to the introduction in the Diet of this revised bill.

1 Incl
Revised Mint Agency
Special Account Bill w/d

W. F. M.

Bill

---

to be submitted for GS approval
Legislative Affairs Section, PO.
(TEL. 47-6010)

Feb. 3 ; 1950

1. FOL Number: 61

2. Name of Bill: Bill for Abolishment of the Securities Transfer Tax Law.

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: Jan. 27

5. SCAP Section concerned: Mr. Sanow:
Internal Revenue Division, ESS.

6. Remarks: (Reference:)

.....

.....

.....

.....

.....

7. G.S. Reviewers:

CS:

ESS
LS/AJ

Received by GS

Date 2/3/50

(29)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CR/JR/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris

Note No. | From: Govt Sec To: ESS Date: 3 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Abolishment of Securities
Transfer Tax Law

C. W.

P & P DIV

(Tim Berry)

Abolishment of Securities Transfer Tax Laws

K.P.Sanow 26-8515
WFM/LMM/KPS/CCG/lrk
Date: 14 Feb 50

2. From: BSS To: Govt Sec

There is no objection to the introduction of the "Abolishment of Securities Transfer Tax Law".

1 Incl
m/c

- - - - - - - - - - - - - - - - W. F. M. - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHM/vo

Subject: Draft Legislation

Note No. | From: Govt Sec To: LS/L&J Date: 3 February 1950

Capt. Norris
26-6076

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Abolishment of Securities
Transfer Tax Law

C. W.

P & P DIV

SUBJECT: Abolishment of Securities
Transfer TaxLaw

R. T. Brunckhorst
2635-420

2. From: LS/L&J To: Govt. Sec. Date: 10 February 1950

This Section has no legal objections to subject bill.

1 Incl
w/d

- A. C. C. - - - - - - - - - - - -

fwd GS
2/14/50

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOR.
(TEL. 87-6010)

Feb. 3 , 1950

1. FOR Number: 59

2. Name of Bill: Bill for Partial Amendments to the Liquor Tax Law.

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: Jan. 27

5. SCAP Section concerned: Mr. Bronfenbrenner: Internal Revenue Division, ESS.

6. Remarks: (Reference:)
Reference Provisions for Revision of the Liquor Tax Law are enclosed herewith.

7. G.S. Reviewers:

GS:
ESS
AS/LJ

Received by GS

Date 2/3/50

(15)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) GS/JR/JW/GS[illegible]/ve

Subject: Draft Legislation .

Note No. | From: Govt Sec | To: ESS | Date: 3 February 1950

Capt. Norris
26-6076

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Liquor Tax Law

P & P DIV

C. W.

(For 2nd)

Amdmt to Liquor Tax Law

K.P. Taylor 26-3515
WFM/LMM/KPS/CCG/lrk
Date: 14 FEB 1950

2. From: BSS To: Govt Sec

There is no objection to the introduction of the "Partial Amendments to the Liquor Tax Law".

1 Incl
m/c

- - - - - - - - - - - - - - - - - - W. F. M. - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHM/vs

Subject: Draft Legislation

Note No. | From: Govt Sec To: LS/LAJ Date: 3 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Liquor Tax Law

C. W.

P & P DIV

Subject: Partial Amendments to the Liquor Tax Law

From: LS To: GS C.J.Smith-2635-405
Date: 13 February 1950

2. 1. Subject bill, amending the Liquor Tax Law (No. 35 of 1940, as amended), is concerned only with extending the scope of regulation of the alcoholic beverage industry, including the revision of rates of taxation upon the various products.

2. This Section has no legal objections to the proposed legislation.

Read GS 2/14/50

1 Incl. w/d

- A.C.S.- - - - - - - - - - - - -

B111

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 87-6010)

February 10, 1950

1. FOR Number: 83

2. Name of Bill: Bill concerning the Special Account for the U.S. Aid Commodities, etc. to Japan

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 7, 1950

5. SCAP Section concerned:
Mr. Harrison, Public Finance Branch, Finance Division, E.S.S.

6. Remarks: (reference:)
See attached paper.

7. G.S. Reviewers:

GS:
ESS
LS/LJ

Received by GS

Date 2/10/50

(26)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JK/JW/CHN/vs

Subject: Draft Legislation

Capt. Morris

Note No. 26-6076

From: Govt Sec To: LS/LaJ Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Special Account for the
U.S. Aid Commodities,
etc. to Japan

C. W.

P&PD DIV

Jmaire

US Aid Commodities
sts to Japan

From: LS To: GS R H Neptune - 2635-479
Date: 23 February 1950

2

1. This bill (a) establishes a special account distinct from the general account to facilitate acquisition and disposition of USA aid commodities, the account to be administered by the Minister of International Trade and Industry;

(b) prescribes the revenues and expenditures and management features of the account, including the carrying forward of undisbursed amounts for the fiscal year, making an exception to Article 43 of the Finance Law, No. 34, 1947. (Article 43, supra, requires an explanation and notice to Finance Minister in the event of carrying over from one fiscal year to the next);

(c) places the aid commodities sub-account of the Foreign Trade Special Account to the credit of this account;

(d) amends The Foreign Trade Special Account Law (Law No. 41 of 1949) by:

(1) excluding matters referring to the US Aid Commodities

(2) eliminating references to "sub-accounts"

(e) amends the Law Concerning the Special Account for Counterpart Fund of US Aid to Japan, Law No. 40, 1949, so that references therein are consistent with this bill.

Rec'd GS 2/27/50

2. There are no legal objections.

1 Incl:
w/d

- A.A.C. - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/vs

Subject: Draft Legislation

Note No.	From: Govt Sec To: ESS	Capt. Morris 26-6076 Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Special Account for the
U.S. Aid Commodities, etc.
to Japan

C. W.

A IDA & PDA

2/10

Spec. Acct for U.S. Aid Commodities etc to Japan.

(Fuchi Mem)

O1O(10 Feb 50)ESS/PP

From: ESS

To: Govt Sec

WPM/ESS/ABM/ATM/eb
Mr. Middleton, 26-6155
27 FEB 1950

2

There is no objection to immediate introduction in the Diet of the attached draft bill, Special Account for the U.S. Aid Commodities, Etc. to Japan, as proposed by the Finance Ministry.

1 Incl:
n/c

- - - -

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 87-6010)

February 18, 1950

1. POL Number: 127

2. Name of Bill: Bill for Readjustment of Laws and Orders pursuant to the Amendments of the Income Tax Law, etc.

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 14, 1950

5. SCAP Section concerned:
Mr. Sanow, E.S.S. I.R.D.

6. Remarks: (reference:)
Reference copies are attached herewith.
.....
.....
.....
.....
.....

7. G.S. Reviewers:

CS:
ESS

Received by GS

Date 2/18/50

67

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JH/CHH/ohn

Subject: Draft Legislation

Note No. | From: Govt Sec | To: ESS | Capt Herrie 26-6076 | Date: 18 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by Ministry of Finance

2. Your prompt comment is requested.

1 Incl

Bill for Readjustment of Laws and Orders pursuant to the Amendments of the Income Tax Law, etc.

C. W.

P & P DIV

Readjustment of Laws & Orders
Pursuant to Amendments of
Income Tax Law

M. Brodtfrenbrenner 26-8515
WFW/LHB/GT/MB/dn
Date: 23 February 1950

From: MBS To: Govt Sec

2 MBS offers no objections to the introduction of the attached bill to the Dist.

1 Incl
n/c

- - - -

B111

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 87-6010)

February 2 , 1950

1. FOR Number: 53

2. Name of Bill:
Bill for Abolishment of the Law concerning the Collection of Commissions, etc. on the Assignmnet of Goods.-

3. Competent Ministry: **Ministry of Finance.-**

4. Date of Cabinet Approval: **February 2, 1950.-**

5. SCAP Section concerned:
Mr. McGlauflin,
Public Finance Branch,
Finance Division, E.S.S.

6. Remarks: (Reference:)
1. Law concerning the Collection of Commissions, etc. on the Assignment of Goods (Law No.152 of 1948), Official Gazette, July 12, 1948.-
2. Law concerning the Temporary Adjustment of Demand and Supply of Commodities (Law No.32 of 1946), Official Gazette, September 30, 1946.-

7. G.S. Reviewers:

G.S:
ESS
LS/LJ

Received by GS
Date 2/2/50

58

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CS/JM/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida

Note No.	From: Govt Sec To: LS/L&J Date: 3 February 1950 26-6076
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Abolishment of Law re Collection of Commissions, etc. on the Assignment of Goods
	C. W.

P & I DIV

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida

Note No.	From: Govt Sec To: LS/LAJ Date: 3 February 1950 26-6076
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Abolishment of Law re Collection of Commissions, etc. on the Assignment of Goods
	C. W.

P & P DIV

Subject: Bill for Abolishment of the Law Concerning the Collection of Commissions, etc. on the Assignment of goods.

From: LS To: GS F.C.Goodman-2635-269

2. This Section has no legal objections to subject bill.

1 Incl. w/d

- - - - - - - - - - - - - - - - - - A.C.C.- - - - - - - - - - - - - -

Recd GS 2/16/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/3R/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.	From: Govt Sec To: ESS Date: 3 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Abolishment of Law re Collection of Commissions, etc. on the Assignment of Goods

C. W.

P & P DIV.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No. | From: Govt Sec To: ESS Date: 3 February 1950

1. 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Abolishment of Law re Collection of Commissions, etc. on the Assignment of Goods

C. W.

J. W. Harrison, 26-6070
WFM/EMR/JWH/ftk
25 FEB 1950

010( )ESS/FF

From: ESS To: Govt Sec

2. There is no objection to the introduction in the Diet of the Bill for Abolishment of the Law concerning the Collection of Commissions, etc. on the Assignment of Goods.

1 Incl
n/c

W. F. M.

Recd 9S
2/25/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CM/JM/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida

Note No.	
1.	From: Govt Sec To: ESS Date: 27 December 1949 26-6076 1. Immediate introduction of the attached draft Bill in the Diet is proposed by the Finance Ministry. 2. Your prompt comment is requested. 1 Incl Budget of Special Account for Fiscal Year 1950-51 C. W. [signature] File: 010(27 Dec 49)ESS/FF WHW/EMR/AMM/eb Mr. McClaughlin, 26-6054 From: ESS To: Govt Sec 5 JAN 1950 1. No objection is made to the immediate introduction of attached budget for JFY 1950-51. 2. Subject budget is in accordance with that approved by SCAP for adoption. 1 Incl: n/c -N.F.N.-
2	

29

BUDGET

TO BE SUBMITTED FOR G.S. APPROVAL

Legislative Affairs Section, Ministry of Foreign Affairs.

December 23, 1949

1. FOM No. 2
2. Name of Budget: Budget of Special Account for Fiscal Year 1950-51.
3. Competent Authority: Ministry of Finance.
4. Date of Cabinet Approval: December 23, 1949.
5. SCAP Section Concerned: Public Finance Branch, Finance Division, ESS.

Mr. Reed

6. G.S. Reviewers:

Received by G5

Date 12/23/49

Cleared 12/23
OB

B111

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 47-6010)

Feb. 16, 1950

1. FOA Number: 115

2. Name of Bill: Export Credit Insurance Special Account Bill.

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: ~~Jan.~~ Feb. 14

5. SCAP Section concerned: Mr. Middleton:
Public Finance Branch, Finance Division, ESS.

6. Remarks: (Reference:)
Law No. 34 of 1947(Finance Law): Official Gazette dated Mar. 31, Extra (3).

7. G.S. Reviewers:

GS: ESS
LS/LJ

Received by GS

Date 2/16/50

(30)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/ve

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: ESS | Date: 17 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Export Credit Insurance
Special Account Law

C. W.

F & P DIV

Enclosure
2/17

Export Credit Special
Account Law

File: 010(17 Feb 50)ESS/PF

From: ESS To: Govt Sec

WPM:EMR/AEB/ATH/eb
Mr. Middleton, 26-6155

10 MAR 1950

2 There is no objection to the immediate introduction in the Diet of the attached draft bill, Export Credit Insurance Special Account Law, as proposed by the Finance Ministry.

1 Incl:
n/c

- - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CK/JM/JW/CHN/vs

Subject: Draft Legislation

Capt. Morris
26-6076

Note No. | From: Govt Sec | To: LS/LAJ | Date: 17 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Export Credit Insurance
Special Account Law

C. W.

P & P DIV

Ironside

R H Neptune - 2635-479
Date: 28 February 1950

From: LS To: GS

2

1. The Export Credit Insurance Special Account Law:

a. Establishes a special account distinct from the general account to facilitate the management of export credit insurance, the account to be administered by the Minister of International Trade and Industry.

b. Provides for the management of the account.

2. There are no legal objections. LS has not concerned itself with the fiscal policy involved.

Recd GS 3/3/50

1 Incl:
w/d

- - - -

B111

to be submitted for GS approval
Legislative Affairs Section, PO.
(TEL. 37-6010)

Feb. 16 ,1950

1. POL Number: 114

2. Name of Bill: **Bill for Partial Amendments to the Insurance Business Law.**

3. Competent Ministry: **Ministry of Finance**

4. Date of Cabinet Approval: **Feb. 16**

5. SCAP Section concerned: - **Mr. R. M. Catlin: Money and Banking Branch, Finance Division, ESS.**

6. Remarks: (reference:)
Reference copies are attached herewith.

7. G.S. Reviewers:

GS:
ESS
LS/RJ

Received by GS

Date 2/16/50

(31)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JW/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris

26-6076

Note No. | From: Govt Sec | To: ESS | Date: 17 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Insurance Business Law, etc.

C. W.

P & P III V

Partial amendment to the Insurance Business Law, etc.

2/17

2. From: LS To: GS R.T. BRUNCKHORST-2635-420
Date: 9 March 1950

1. This bill partially amends the Insurance Business Law. The amendment to Article 5, Para. 1, allows an insurance company to act as claims settlement agent or as an underwriter for either a domestic company or a foreign insurance company.

The amendment to Article 12 provides that an insurance company can own 1/10th of the stocks of another joint stock company or a "Kabushiki Goshi-Kaisha" (Joint Stock Limited Partnership Corporation) in either a domestic or foreign company. Formerly an insurance company was not allowed to acquire stock in another company in excess of 5% under Law No. 54, 1947— Prohibition to Private Monopoly and Methods of Preserving Fair Trade Law. This gives an insurance company more latitude in investments. Prior to the surrender, insurance companies could invest up to 20% in other companies and with permission of the Prime Minister up to 99%. This section does not abrogate Article 11-1 of the Law No. 54, 1947, prohibiting companies from investing in other companies engaged in the same field of financial business.

Rec'd GS 3/10/50

The amendment to Article 144 (2) penalizes the employer for acts of the employee. Under the insurance company set-up, it is impossible for an employee to perform said act of pledging stocks for a loan or buying stock in violation of Article 12 (2) above, without the knowledge and consent of the company and therefore we have no legal objection to said amendment.

The amendment to Article 12-1, publicizes the calculation

Partial Amendments to the Insurance Business Law

2. (Cont'd) of premium rates in a particular company.

2. Legal Section objects to the following provisions of subject bill:

a. The first amendment states that an insurance company should not be allowed to do business in foreign countries unless at the end of three years it has a profit or surplus at the close of the last settlement period. It was pointed out to the Japanese that as written a company could have one cent profit and be eligible. Apparently at the present time there is no systematic overall accounting system to ascertain a policy reserve of a company. Under these circumstances the article appears meaningless unless it prescribes a minimum of surplus policy reserve and there is a possibility of control.

b. The law of Foreign Insurers (Law No. 184 of 1949), is amended so that a foreign insurer intending to do business in Japan has to have been in business for a period of three years in addition to showing a profit at the end of the last settlement period. It is the opinion of this Section that such a provision is unconstitutional as a discrimination against foreigners. It may be argued that Japanese legislation in the amendment to Law No. 41 of 1939 forces Japanese firms to comply with a similar provision when seeking to do business in a foreign country. But this argument overlooks the fact that this provision does not allow foreigners in Japan to compete with insurance companies in Japan who do not have to comply with such a provision. It is the present policy to allow foreigners to compete in business on the same basis in Japan as the Japanese.

This Section has no other legal objections to said subject bill.

Incl: w/d

- A.C.C. - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
25-6076

Note No. 1. From: Govt Sec To: ESS Date: 17 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Insurance Business Law, etc.

C. W.

WFM/TRJG/JCS/al

2. From: ESS To: Govt Sec. 28 February 1950

No objection as amended, Article 1-(2). Minimum time requirement amended from three to five years.

1 Incl
n/c

W.F.M.

Recd GS 3/3

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 57-6010)

February 27, 1950

1. FOA Number: 152

2. Name of Bill: Bill for Partial Amendments to the National Tax Collection Law

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 14, 1950

5. SCAP Section concerned:
Mr. Monroe, Economic Stabilization Section,
Internal Revenue Division

6. Remarks: (reference:)
National Tax Collection Law (Law No. 21, ...
March 26, 1897) is attached herewith. .....
.....
.....
.....

7. G.S. Reviewers:

CS: ESS
NS/Ld.

Received by GS

Date 2/27/50

(32)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: LS/L&J | Date: 27 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
National Tax Collection
Law

C. W.

GS P & P DIV

Partial Amendments to the National Tax Collection Law

Finance
2/27

From: LS To: GS R.T. MRUNCKHORST-2635-420
Date: 18 March 1950

1. The partial amendment to the National Tax Collection Law makes the following changes or additions:

a. Priorities of national and local tax liens;

b. Penalties (civil) on delinquent tax;

c. A 75% exemption from tax attachment of salary, allowance, annuity, etc. per pay period;

d. Investigation of the taxpayer and people owing him money;

e. Administrative appeal;

f. Provisions for obtaining and calculating over-payments of income and corporation taxes; and

g. Criminal penalties.

Read GS
3/21/50

2. It is suggested that the amendment to Article 16 include an arbitrary minimum amount of monthly salary that would be subject to the exemption and that everything over and above such exemption would not be exempt from attachment.

Partial Amendments to the National Tax Collection Law

LS GS 18 March 1950

2. (Contd)

3. Legal Section objects to the following amendments:

a. Article 31(4) (last two paragraphs) in its present language is ambiguous and should be clarified. As the provision reads now it appears to set up rules for the courts on the priority of evidence during the suit. This interferes with judicial independence.

b. In connection with Articles 21-(2) and 32-(2), Legal Section strongly repeats objections to compulsory self-incrimination, as made in connection with the review of similar provisions in office taxation laws. It is suggested that Article 21-(2) should be rewritten as follows: "No persons shall thereafter be prosecuted or subjected to any criminal penalty or forfeiture for or on account of any transaction, matter or thing concerning which he shall be compelled to testify or produce evidence, documentary or otherwise, in the course of such inspection or examination, except that he shall not be exempt from punishment for making any false statement."

c. LS objects to the 4th paragraph of Article 32 because, in effect, this provision would create a conclusive presumption of guilt on the part of an employer (natural or juridical) for the criminal acts of his employees or agents even in cases where in reality the individual employer or the responsible officers of the juridical person are completely innocent.

Incl: w/d

- A.C.C. - - - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JW/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: ESS | Date: 27 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
National Tax Collection
Law

C. W.

P & P DIV

2/27

Amdmts to Nat'l Tax Collection Laws (Fin Min)

Ray E. Davis 26-8476
WFM/LHM/JEM/RED/my
1 March 1950

From: ESS To: Govt Sec

2.

There is no objection to the introduction of the bill "Law for Partial Amendments to the National Tax Collection Law", in the Diet.

1 Incl
n/c

- - - -

AMENDMENTS TO THE NATIONAL TAX COLLECTION LAW FOM 152

1. Article 16 should include an arbitrary minimum amount of monthly salary that would be subject to the exemption and that everything over and above such exemption would not be exempt from attachment.

2. Article 31 (4) (last two paragraphs): In its present language, it is ambiguous and should be clarified. As the provision reads now, it appears to set up rules for the courts on the priority of evidence during the suit. This intereferes with judicial independence.

3. Articles 21 (2) and 32 (2) provide for compulsory self-incrimination. Article 21 (2) should be rewritten as follows: "No persons shall thereafter be prosecuted or subjected to any criminal penalty or forfeiture for or on account of any transaction, matter or thing concerning which he shall be compelled to testify or produce evidence, documentary or otherwise, in the course of such inspection or examination, except that he shall not be exempt from punishment for making any false statement."

4. Article 32 (4): This provision, in effect, creates a conclusive presumption of guilt on the part of an employer (natural or juridical) for the criminal acts of his employees or agents.

Agreement reached between
Mr Brumbaugh, LS and
Davis, ESS, that bill be
cleared as soon as
other tax bills contain the
above objectionable provisions
It is understood arrangement
will be made to notify the
Min of Finance of objection
raised on tax bill so that amdmt
may be considered for next bill
before

CB
3/14

NATIONAL TAX COLLECTION LAW

Art. 31 - (4) thereof, has parallel provisions:

	Accessions Tax	Art. 48
	Net Worth Tax	Art. 30
	Corpn. Tax Amend.	Art. 38
	Income Tax Amend.	Art. 52
(not checked)	Revaluation Tax	Art. 76

Art. 32 - P. 4 thereof, has parallel provisions:

	Net Worth Tax	Art. 45
	Accessions Tax	Art. 71
	Inc Tax Law	Art. 72
	Corpn. Tax Law	Art. 51
(Provision for double punish't)	Liquor Tax Law	Art. 67
	Sugar Excise Law	Art. 17
(Penalty of responsibility)	Commodity Tax Law	Art. 22
(Not checked)	Gasoline Tax Law	Art. 21
(Not checked)	Revaluation	Art. 130

Art. 21 - (2) & 32 - (2) thereof, has parallel provisions:

	Net Worth Tax	Art. 37 and 44
	Accessions Tax	Art. 60 and 70
	Inc Tax Tax Law	Art. 63 and 70
(Not checked)	Revaluation Tax	Art. 122 and 126

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL. 57-6010)

March 1, 1950

1. FOM Number: 157

2. Name of Bill: Bill for Share Transfer

3. Competent Ministry: Ministry of Finance
Attorney General's Office

4. Date of Cabinet Approval: February 14, 1950

5. SCAP Section concerned:

Mr. L. A. Randoll, E.S.S. Anti Trust and Cartels Division

6. Remarks: (reference:)

See attached paper.....

.....

.....

.....

.....

.....

7. G.S. Reviewers:

CS:
ESS
LS/LJ

Received by OS

Date 3/1/50

(33)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

CW/JM/JW/CHM/mlc

(Do not remove from attached sheet)

Subject: Draft Legislation

Capt. Morris

Note No. 26-6076 From: Govt Sec To: GS Date: 1 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Share Transfer

C. W.

A d d

7 March

Share Transfer
3/1/50

3.

From: RSS/[illegible] To: GS

Mr. [illegible] 26-6671
WFW/RCW/lmm
15 March 1950

1. Reference is G/N 1 above from GS to RSS dated 1 March 1950 subject Draft Legislation requesting comment on the Bill for Share Transfer.

2. RSS offers no objection to the reference Bill.

Read GS 3/18/50

1 Incl
w/d

- - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/mk

Subject: Draft Legislation

Capt. Morris

Note No. 25-3076

From: Govt Sec To: ES/LJ Date: 1 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Share Transfer

AD P & P DIV

C. W.

Share transfer
Insurance
3/1

From: LS To: GS

R H Neptune - 2635-479
Date: 16 March 1950

2

1. This bill (a) provides for the business of transfer agent, who carries out the transfer of registered shares. Business can be carried out by persons having capital of one million yen. Banks, trust companies, savings banks, and insurance companies may become "agent" (making exception to various backing and insurance laws), (b) provides for application of transfer agent, registration, and notice and hearing before refusal or cancellation of registration, (c) provides for keeping of book for share transfers, (d) prescribes penalties up to 30,000 yen fine.

Ned GS 3/17

2. Par 2, Art 17, creates a conclusive presumption of guilt on the part of an employer for the criminal act of his employee even in cases where in reality the individual employer is completely innocent, and the Article is therefor objectionable. There are no other legal objections.

1 Incl:
w/d

- A.C.C. - - - - - - - - - -

FOR USE SEC. 3(2) AND 3(3) OR (2) ONLY # 179012

Bill

---

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 57-6010)

March 27 , 1950

1. FOR Number: 191

2. Name of Bill: Bill for partial Amendment to the Foreign Exchange and Foreign Trade Control Law

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: March 25, 1950

5. SCAP Section concerned:
Mr. J. R. Allison;
Finance Division of Economic and Scientific Section

6. Remarks: (reference:)
The Foreign Exchange and Foreign Made Control .....
Law (Law No. 228 of 1949), Official Gazette .....
Extra No. 135, dated December 1, 1949. .....
.....
.....

7. G.S. Reviewers:

CSI ESS

Received by GS

Date 3/27/50

(34)

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

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/gb

Subject: Draft Legislation

Capt. Norris
26-6076

From: Govt Sec To: ESS Date: 27 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Amendments of Foreign Exchange and Foreign Trade Control Law

C. W.

WFM/JRA/vms
Mr. Allison 26-8723

From: ESS To: GS Date: 30 MAR 1950

1. Reference is made to previous transmission of Check Note from ESS which stated no objection to the introduction into the Diet of the "Bill for Partial Amendment of the Foreign Exchange and Foreign Trade Control Law".

2 Incl
Amend. of For. Ex.
& For. Tr. Ctl. Law
C/N ESS to GS

Recd 6 5
3/30/50

W. F. M.

DECLASSIFIED AUTH: NSDC SEC. 3(E) AND 3(D) OR (E) NNDC # 779012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CHECK SHEET

Mr. Allison 26-8723
WFM/JRA/vms

(Do not remove from attached sheets)

File No.: Subject: Bill for Partial Amendment of the Foreign Exchange and Foreign Trade Control Law

Note No.:	From: ESS To: GS Date: 28 March 1950
1	1. ESS has no objection to the introduction into the Diet of the "Bill for Partial Amendment of the Foreign Exchange and Foreign Trade Control Law". It is recommended however, that the final date for implementation of the law be June 30, 1950 rather than September 30, 1950 as proposed in the subject amendment.

W. F. M.

Rec'd 9S
3/28/50

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG # 719012

Bill

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 87-6010)

February 10, 1950

1. FOL Number: **89**

2. Name of Bill: **Bill for Partial Amendments to the Certified Public Accountant Law**

3. Competent Ministry: **Ministry of Finance**

4. Date of Cabinet Approval: **February 7, 1950**

5. SCAP Section concerned:

Mr. Robinson, Exchange and Banking Division, E.S.S., G.H.Q., S.C.A.P.

6. Remarks: (Reference:)

The Certified Public Accountant Law (Law No. 103 of 1948)

Amended by { Law No. 217 of 1948 / Law No. 275 of 1948 / Law No. 276 of 1948 / Law No. 209 of 1949 } is attached herewith.

7. J.S. Reviewers:

GS:
ESS
AS/AJ

Received by GS

Date 2/10/50

(33)

DISTRIBUTED IAW: 11652 SEC. 3(E) AND 3(D) OR (E) NNDB # 775012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No.	From: Govt Sec To: LS/L&J Date: 10 February 1950
	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.
	2. Your prompt comment is requested.
	1 Incl Partial Amendments to the Certified Public Accountant Law

C. W.

P & P DIV

Insaine
Certified Public Accountant
Law.

From: LS To: GS R H Neptune - 2635-479
Date: 22 February 1950

2 1. The basic law (a) provides for a Certified Public Accountant Examination, and for Registration
(b) establishes a CPA Administration Commission for the Regulation of the business of Accountants, and
(c) prescribes penalties.

There is no record that this Division or Legal Section reviewed the basic law.

2. This amendment, among other things,
(a) rewrites the Chapter establishing the Administration Commission, setting out in detail its responsibilities, powers, and organization, including the power to issue regulations (which generally will take the place of Ministry of Finance ordinances). The Commission will be an external organ of the Ministry of Finance, members being appointed by the Minister for three year terms from among persons having the qualifications of CPA
(b) provides saving clauses which will permit Public Accountants licensed under the old Public Accountants Law to continue their business, as "Public Accountants", and makes them subject to the Law's regulations and penalities in some cases.

Read GS 2/27/50

3. There are no legal objections.

1 Incl:
w/d
- - - - - - - - - - - - - - - - - - A. C. O. - - - - - - - - - - - - -

DECLASSIFIED DATE 11052 SEC. 3(E) AND 3(D) OR (E) NNDG # 719012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris

Note No. | From: Govt Sec To: ESS 26-6076 Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the Certified Public Accountant Law

C. W.

Mr. Robinson, 33-7052
WFM/FHJC/JCS/HJR/emb

From: ESS To: Govt Sec. 20 FEB 1950

2. 1. No objection is offered to the introduction of the attached draft bill in the Diet, provided the following changes are made:

a. The name "Public Accountant Administration Commission" be changed to "Certified Public Accountant Administration Commission."

b. Article 39, Par. 1, the phrase "or have the qualifications of a Certified Public Accountant" be changed to "or who have qualified as a Certified Public Accountant."

1 Incl
n/e

W. F. M.

Reid GS 2/21

DECLASSIFIED AUTH: 11652 SEC. 3(E) AND 3(D) OR (E) NNSC # 779012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHN/gb

Subject: Draft Legislation

Capt. Morris
26-6076

Note No. | From: Govt Sec | To: GS | Date: 17 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Councillors.

2. Your prompt comment is requested.

1 Incl
Amendment to Amending
the Certified Public
Accountant Law

Cy to LS/LJ C. W.

P & P DIV

[illegible] 77012

HC - Finance

3/17

CPA Bill

(AMADA)

CLO(17 MAR 1950)ESS

WFM/WTR/FRJG/JCS/HJR/lr
Mr. Robinson 33-7052

2 4 MAR 1950

2 From: ESS To: CS

1. The suggested amendment permits others than CPAs to serve as commissioners so that the entire group of commissioners could be non-CPAs. This principle is not in accord with the desire to build a strong CPA system in Japan, especially when the commissioners have the power to determine the administration of the CPA examination, including subjects and details; to supervise CPAs and take disciplinary action; to make recommendations to CPAs; to make necessary adjustments to the system related to inspection or certification, etc.

2. ESS advises against the proposed amendment, as no justifiable reasons have been presented which would warrant such a change.

Recd CS 3/24/50

1 Incl
n/c

- W. F. M. - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/gb

Subject: Draft Legislation

Capt. Morris
26-6076

Note No. | From: Govt Sec | To: LS/LJ | Date: 17 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Counsillors.

2. Your prompt comment is requested.

1 Incl
Amendment to Amending
the Certified Public
Accountant Law

Cy to ESS

C. W.

P & P DIV

DECLASSIFIED AUTH: PROJ SEC. 3(E) AND 3(D) OR (E) NNDB # 779012

Finoure
Certified Public Accountant
3/17

R H Neptune - 2635-479

From: LS To: CS Date: 17 March 1950

2 1. This amendment simply changes the qualifications for CPA Administration Commissioners, so that they need not be CPAs. There are no legal objections.

1 Incl:
w/d

- - - - - - - - - - - - - - - - - A.C.C. - - - - - - - - - - - - - -

Read GS
3/18/50

ATTACHED TO PAPER DOC. 3(E) AND 3(B) OR (E) KNOW # 1 10012

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) GW/JH/JM/CHM/gb

Subject: Draft Legislation

From: Govt Sec To: LS/LJ Capt. Morris
26-6076
Date: 30 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Representatives.

2. Your prompt comment is requested.

1 Incl
Amendment to Amendments to Certified Public Accountant Law

Cy to GSS

C. W.

P & P DIV

SHOULD BEAR 3(2) AND 3(3) OR (2) AND 3(3) OR (2) AND 3(4) ? [illegible] 1 1 3 0 1 2

3/30

Accountant & CPA laws

HR.

From: LS To: GS

R H Neptune - 2635-479
Date: 3 April 1950

1. This bill amends the CPA law to require that three of the five members of the CPA Administration Commission be CPAs. Previous status of the amendment was that none of the members were required to be CPAs. There are no legal objections.

1 Incl:
w/d

- A.C.C. - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHW/gb

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. 1. From: Govt Sec To: ESS Date: 30 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Representatives.

2. Your prompt comment is requested.

1 Incl
Amendment to Amendments to Certified Public Accountant Law

Cy to LS/LJ C. W.

Mr. Robinson, 33-7052
WFM/TRJG/JCS/HJR/zl

2. From: ESS To: Govt Sec 7 APR 1950

1. Reference is Check Note No. 2 from ESS to Govt Sec dated 24 March 1950, same subject.

2. Referenced Check Note pointed out that the Certified Public Accountant Commission should consist entirely of CPAs, since the Commissioners have the power to determine the administration of the CPA examination, including subjects and details; to supervise CPAs and take disciplinary action; to make recommendations to CPAs; to make necessary adjustments to the system relative to inspection or certification, etc.

3. ESS does not concur with the proposed amendments which would permit two non-CPAs to become Commissioners. No justifiable reasons have been presented which would warrant such a change and a reversal of policy established in referenced Check Note.

1 Incl
n/c

Rec'd CS 4/7

W.F.M.

to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 57-6010)

March 24, 1950

1. FOR Number: 186

2. Name of Bill: Bill for the Partial Amendments to the National Public Service Mutual Aid Association Law

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: February 7, 1950

5. SCAP Section concerned:

Mr. L.R. Anton, Social Security Division, P.H.W.
Mr. Dr. Angilii, Civil Service Division, G.S.
Mr. L.A. Herbster, Finance Division, E.S.S.
Mr. M. Bronfenbremer, Internal Revenue Div., E.S.S.

6. Remarks: (reference:)

The National Public Mutual Aid Association Law (Law No. 69 of 1948), Official Gazette Extra No. 1 of June 30, 1948

7. G.S. Reviewers:

GS:
PHW
ESS
LS/LJ
GS/CS.

Received by GS

Date 3/24/50

(36)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHN/ve

Subject: Draft Legislation

Capt. Norris

Note No. From: Govt Sec To: LS/LWJ 26-6076 Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Partial Amendment to Natl. Public Service Mutual Aid Assn Law

Cy to ESS, PH&W

C. W.

P & P DIV

Subject: Bill for Partial Amendment to National
Public Service Mutual Aid Association Law.

From: LS To: GS F.C.Goodman-2635-269
Date: 12 April 1950

2.

1. Subject bill amends numerous provisions of the National Public Service Mutual Aid Association Law (Law No. 69 of 1948). Said law itself was never sent to Legal Section for review prior to passage by the Diet. Legal Section subsequently raised serious constitutional objections to Article 84 of the law, which Article provides that: "This law shall, in all respects, be subject to the provisions of the National Public Service Law (Law No. 120, 1947) and shall not be deemed to supersede it in any particular. Any of the conflicting provisions of this law, therefore, shall cease to operate whenever any of the provisions of the National Public Service Law, inclusive of laws, cabinet orders and rules and ordinances of personnel commission to be issued thereunder come into effect".

2. Subject bill does not delete the aforesaid article but amends the Article as follows: "The term 'inclusive of laws, cabinet orders and rules and ordinances of personnel commission to be issued thereunder'," is amended as: "or laws to be issued thereunder".

Rec'd GS 4/14

3. Even as amended, however, said article provides, in effect, that any inconsistencies of the subject law with the National Public Service Law as such must be resolved in favor of the latter. This appears to be very poor legislative technique, to say the least. The general principle is that the subsequent law supersedes the preceding

(Cont'd)

2. Cont'd law. Therefore, if preference was given to the preceding law, namely, the National Public Service Law, it would have been the task of the drafters of this legislation to see to it that the provisions of the subsequent subject law did not conflict with the preceding law. A general and vague clause that whenever the subject law is inconsistent with the provisions of the National Public Service Law, the latter shall be controlling creates a very undesirable legal uncertainty, and leaves the door wide open to future controversies and disputes in the courts to whom is passed the whole burden of deciding on the question of conflict between two laws. Legal Section, therefore, maintains its opinion that Article 84 should be deleted.

4. Legal Section in check note to Government Section dated 20 April 1949, subject: Amendment of National Public Service Mutual Aid Association Law, called attention to the fact that subject bill did not provide for reasonable advance notice of hearings before the Board of Appeals, with the right to be represented by counsel and to present evidence. Objection was also made concerning Article 79 in subject bill, since no standard or limitation is provided by law for the remuneration or other necessary matters to be established by cabinet order. The Law should at least provide a maximum for the remuneration and should limit the other necessary matters to "necessary procedural or administrative matters".

1 Incl. w/d

- A.C.C. - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. From: Govt Sec To: ESS Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to
Natl. Public Service
Mutual Aid Assn Law

Cy to PHGW, LS/L&J C. W.

Mr. Herbster, 26-6070
WFM/ECH/JWH/LAH/rtk
30 MAR 1950

010(25 Mar 50)ESS/PF

From: ESS To: Govt Sec

2. ESS has no objection to the introduction of the draft bill for Partial Amendments to the National Public Service Mutual Aid Association Law.

1 Incl
n/c

W. F. M.

Recd 6S
3/30/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris

ote No. From: Govt Sec To: PH&W 26-6076 Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to
Natl. Public Service
Mutual Aid Assn. Law

Cy to ESS, LS/L&J C. W. Mr Anton 26-7057

2 From: PHW To: Govt Sec 28 March 1950

Public Health and Welfare Section enters no objection to the proposed bill, "Partial Amendments to National Public Service Mutual Aid Association Law.

1 Incl
w/d

- C. F. S. - - - - - - - - -

RECD 65
3/29/50

CIVIL SERVICE DIVISION
Government Section

11 April 1950

MEMORANDUM FOR: Parliamentary and Political Division
Government Section

SUBJECT: The Bill for the Partial Amendment to the National Public Service Mutual Aid Association Law (1950)

1. Civil Service Division does not object to subject bill.

W. PIERCE MACCOY
Acting Chief

WPM/GWP/feb

Rec'd GS 4/11

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 57-6010)

Feb. 3, 1950

1. FOM Number: 60

2. Name of Bill: Bill for Partial Amendments to the Travelling Tax Law.

3. Competent Ministry: Ministry of Finance

4. Date of Cabinet Approval: Jan. 27

5. SCAP Section concerned: Mr. Sanow:
Internal Revenue Division, ESS.

6. Remarks: (reference:)
Travelling Tax Law (Law No. 43 of 1940):
enclosed herewith.

7. G.S. Reviewers:

GS:
ESS
LS/LJ.

Received by GS

Date 2/3/50

(57)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CFG/va

Subject: Draft Legislation

Note No. 1

From: Govt Sec To: CTS

Capt. Guida
26-6076
Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to
the Travelling Tax Law

C. W.

2

From: CTS To: Govt Sec

Mr. Ogden, 26-6086
Date: 18 FEB 1950

1. The Chief, Civil Transportation Section strongly non-concurs in the proposed legislation for the following reasons:

a. The draft legislation is discriminatory as it fails to impose any tax on third class fares but does impose a heavy tax on first and second class fares. In this connection, two important considerations are involved:

(1) Second and first class accommodations required by the tourist trade cannot be supported by this trade alone as it is neither in sufficient volume nor sufficiently uniformly distributed. This will become an increasingly important factor as the strength of the Occupation forces in Japan decline. The Occupation forces now furnish more tourists, and in more uniform flow than the normal trans-Pacific travel furnished in pre-war days. We must have an indiginous patronage for first and second class accommodations if these services are to be provided by the railways.

Rec'd GS 2/20

(2) Neither second class nor first class accommodations, as at present provided by the Japanese railways, can be considered luxuries --with a possible exception of the few observation cars. All equipment is still of the public toilet facility type even in first class. The difference between second class and third class is primarily the crowding item--the higher fare leaving second class practically empty. There is little physical difference between second and third class. In fact, some third class equipment, perhaps 25%, is better than a corresponding percentage of second class equipment. There are no third class sleepers and the only way a traveler can get even minimum comfort on long trips is by going second class.

b. CTS is desirous of increasing the utilization of first and second class accommodations and to this end is striving to reduce the spread between second and third class fares and between the second and first class fares. At the present time the ratio is 1-3-6 for third, second and first class, respectively. The effect of the proposed legislation would be to change the ratio to 1-3.6-7.2, respectively in contrast to United States and British ratios of about 1:2:3, and would thus tend to discourage first and second class travel and increase the intolerably crowded conditions of third class accommodations. For example, for one of the top officials in the Japanese Civil Service--a secretary, first class, the cost one way from Tokyo to Osaka in a lower berth in an open second class car, under the proposed tax rate would be over one quarter of his monthly pay and allowances.

c. The Chief, CTS agrees with Dr. Shoup that there is no good reason for imposing a special tax on ordinary traveling. It follows that the traveling tax for all classes of travel should be repealed. This does not preclude imposing a tax on luxury expenditure connected with travel. Luxury expenditure in this sense should be defined as charges for berths, seats, and excess fares applying to express trains.

2. If SCAP approval of the discriminatory tax impact on the various classes of railway fares is not eliminated, it is requested that the Chief, CTS be afforded the opportunity to discuss this matter further with the C/S.

1 Incl w/d

- H. T. M. - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: LS/LeJ | Date: 3 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Travelling Tax Law

C. W.

P & P DIV

From: LS To: GS R.T. BRUNCKHORST-2635-420
Date: 20 February 1950

2. 1. Subject bill contains various technical and procedural amendments of the law. An important question arises in connection with Section 11(4) which introduces a civil fraud penalty.

2. The Shoup Mission in its report on Japanese Taxation recommends, in lieu of criminal prosecution in each case, a civil fraud penalty. Conferences were held with ESS/Internal Revenue Division; members of the Ministry of Finance; Attorney General's Office and with members of the Supreme Court Secretariat on the constitutionality of such a device. Although the Attorney General's Office holds a different view, Legal Section does not believe that said provision violates the constitutional prohibition of double jeopardy.

Rec'd GS 2/21

The question of a civil fraud penalty was settled in the United States in the case of Helvering vs. Mitchell (1938), 303 US 391, where it was held: "Congress may impose both a criminal and a civil sanction in respect to the same act or omission; for the double jeopardy clause prohibits merely punishing twice, or attempting a second time to punish criminally, for the same offense."

3. This section has no legal objections to the amendments.

Incl: w/d

- A.C.C. - - - - - - - - - - -

CW/JN/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris 26-6076

3 February 1950

From: Govt Sec To: ESS

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Finance Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Travelling Tax Law.

- C.W. - - - - - - - - - - - - - -

2. From: ESS To: Govt Sec

Lt. Comdr. Sanow 26-6515
WPM/[illegible]/KPS/CCG/lrk
Date: 14 Feb 50

There is no objection to the introduction of the "Partial Amendments to the Travelling Tax Law"

1 Incl
n/c

- - - - - - - - - - - - - - - - - - W.P.M. - - - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/gb

Subject: Draft Legislation

No. From: Govt Sec To: ESS Capt. Norris 26-6076 Date: 30 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Councillors.

2. Your prompt comment is requested.

1 Incl
Amendments to Amendments
to Traveling Tax Law

Cy to CTS

C. W.

P & P DIV