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Improving Business Environment Oriented Toward an International Financial Center

Environment improves for overseas companies in the areas of corporate tax, inheritance tax, income tax, registration procedures, etc.

Financial and Capital Market Research Dept.
Masahiro Nakamura

Summary

- As more Japanese cities enter the race toward becoming an international financial center, Tokyo has fallen from fourth place to seventh in “The Global Financial Centres Index” released in March. However, the difference in index ranking with London, which ranks 2nd, shrank, and while Tokyo still falls behind other cities in certain respects, the assessment of issues such as “evaluation from asset managers” has improved.
- During the 1st quarter of 2021, Tokyo announced that it would aim to become the overwhelming number one international financial city in Asia in its “Tokyo of the Future” strategy. Fukuoka was successful in attracting an asset management company from Hong Kong, and Osaka, which has somewhat lagged behind, held its first promotion organization meeting. These and other moves have been quite active.
- On the tax side, improvements are underway regarding constraints in the areas of corporate tax, inheritance tax, and income tax, while on the regulatory front, the registration process can now be carried out in English (one-stop service) and the partial acceptance of entry through notification has been made available. In the future, it is anticipated that efforts will be made to expand opportunities for access to Japan's pension market, as well as demonstrate Japan's initiative in the green finance field in Asia, and expand benefits for Japanese investors.

Attention

This report is a summary translation. The official document is only in Japanese.