

**United Kingdom/Japan Double Taxation Convention (SI 1970 Number 1948 and Protocol)**

**APPLICATION for relief at source from United Kingdom income tax and CLAIM to repayment of United Kingdom income tax**

*This form is for use by a company/concern in Japan receiving interest, royalties or other income arising in the UK.*

Please use the **Guidance Notes for form Japan/Company** to help you complete this form and

- Give **ALL** the information asked for in the form and Guidance Notes and **attach supporting documents** as requested. If you need more room, attach a separate sheet. Remember to sign the **declaration** in Part E, giving details of the capacity in which you sign.
- If you claim repayment on behalf of the company or concern, attach the **tax deduction certificates** (originals, not photocopies).
- Send the completed form Japan/Company to the **National Taxation Office in the district in Japan in which the head or main office of the company is situated.**

**Note:** *In making this application/claim, you are consenting to the National Taxation Office in Japan certifying to the UK Inland Revenue that the applicant/claimant is resident in Japan. See Guidance Note 3.*

If you need help with this form, please write to **Inland Revenue - Centre for Non-Residents, Fitz Roy House, PO Box 46, Nottingham, England NG2 1BD.** Or phone us during UK office hours, Monday to Friday. Our number is + 44 115 974 1945 if calling from outside the UK or 0115 974 1945 if calling from the UK.

**Part A Details of the Japanese company/concern and tax adviser (if any)**

Full name of the company/concern in Japan

\_\_\_\_\_

Full registered address (do not use 'care of' address)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone number \_\_\_\_\_

Fax number \_\_\_\_\_

Reference (if any)

Details of tax adviser (if any) or other authorised person whom the Centre for Non-Residents may contact about the information given on this form. See Guidance Note 4.

Name and address of adviser etc.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone number \_\_\_\_\_

Fax number \_\_\_\_\_

Reference (if any) or contact name

Please give

- the company's tax reference in Japan,
- the address of the National Taxation Office to which the company's latest tax return was sent, and
- the year of income to which the return related.

**For use by the National Taxation Office in Japan**

Please complete the statement below then sign and affix your official stamp. You may wish to take a copy of this form for your records.

I certify that \_\_\_\_\_  
is a company which has its head or main office in Japan.

Official Stamp

Signature \_\_\_\_\_

Date \_\_\_\_\_

## Part B Questions about the Japanese company

Please answer the following questions about the Japanese company. If you are completing this form on behalf of an unincorporated concern, please answer the questions as they apply to the concern. See *Guidance Note 2*.

*✓ where appropriate*

1 Is it a company created in, or organised under the laws of, Japan? Yes  No

2 Where is the company's business managed and controlled?

3 Is this the company's first application/claim of this kind? Yes  No

4 Is the company engaged in any trade or business from a permanent establishment situated in the United Kingdom? Yes  No

If **'Yes'**, give full details on a separate sheet, including the name and reference number of the UK tax office dealing with the permanent establishment or fixed base.

5 Is there any relationship between the company and the United Kingdom payer of the income, other than that of payee and payer? Yes  No

If **'Yes'**, give full details on a separate sheet.

6 Is this application/claim being made by the company as manager or trustee of an **approved investment fund**? Yes  No

If **'Yes'**, give the name of the Fund.

*Please answer question 7 if you include (at Part C2 or Part D of this form) **interest on securities**. See *Guidance Note 7*.*

7 Does the company or concern bear tax in Japan on interest from the securities? Yes  No

If **'No'**,

• has the company or concern sold, or made a contract to sell, any of the securities within **3 months** of the date they were bought? Yes  No

• give, on a separate sheet, the following details for each security

- a) the date(s) of the purchase(s) and the amount(s) purchased
- b) the date(s) of the sale(s) and the amount(s) sold.

**Part C Application for relief at source from UK income tax** See Guidance Note 6

- Complete Part **C1**, **C2**, or **C3** as appropriate, to apply on behalf of the company or concern for relief at source from UK income tax.
- If the company or concern has already received payments of the income with **UK income tax deducted**, please also complete **Part D** to claim repayment of the tax in excess of 10%.

**Part C1 Interest from loans** See Guidance Note 7

Complete the columns below, giving the information requested.

Name and address of the UK payer of the interest	Date of the loan agreement*	Amount of the loan	Due date(s) of the interest

\* Please attach a copy of the loan agreement(s).

**Part C2 Interest from UK securities** Important - see Guidance Note 7 before you complete this part.

Complete the columns below, giving the information requested.

Amount and full title of security	Name and address in which security is registered	Registrar's account number or reference	Due date(s) of the interest

**Part C3 Royalties** See Guidance Note 8

Complete **columns (a) to (c)** as appropriate, giving the information requested.

For **copyright royalties on literary, dramatic, musical or artistic works**

- Enter in **column (a)** a full description of the royalties.
- Enter in **column (b)** the date of the **licence agreement** between the company and the UK payer.
- Enter in **column (c)** the **payer's** name and address.  
If payments are made **through** or **by** an agent in the UK, also enter the agent's name and address.

For **other royalties**

- Enter in **column (a)** a full description of the royalties.
- Enter in **column (b)** the date of the **licence agreement** between the company and the UK payer **and attach a copy of the licence agreement.**
- Enter in **column (c)** the name and address of the UK payer of the royalties.

Column (a)	Column (b)	Column (c)

Is the Japanese company the **originator** of the work or product that has been licensed to the UK?

Yes

(<sup>✓</sup> as appropriate)

No

If **'No'**, please attach a copy of the licence, contract or assignment under which the rights sub-licensed to the UK payer have been acquired from the originator.

## Part D Claim for repayment of UK income tax deducted

- If the Japanese company or concern has already received payments of interest or royalties with UK tax deducted, please give details below. **The amount of UK tax repayable to the company will be less than the full amount of UK tax deducted. To work out the repayment due, please see Guidance Note 9.**
- Remember to attach the **original** tax deduction certificate for each item that you show. See *Guidance Note 10*.
- If no payments of the income have yet been made, go direct to the Declaration in **Part E**.

Source of income <i>For example 'Copyright royalties paid by [name of payer]'</i>	Date of payment of income	Amount of income before UK tax £		Amount of UK tax deducted £
<b>Totals</b>				

## Part E Declaration

*See Guidance Note 9 if you wish to work out the repayment*

- The company or concern is beneficially entitled to the income from the source(s) included in this form.
- The information I have given in this application/claim is correct and complete to the best of my knowledge and belief.
- On behalf of the company/unincorporated concern  
( **as appropriate**)

1. I apply for relief at source from UK income tax and undertake to tell Inland Revenue Centre for Non-Residents if there is any change to the information that I have given in this form. (See *Guidance Note 6*.)

2. I claim repayment of UK income tax **and**

(a) I have worked out that the amount repayable is £

or

(b) I want the Centre for Non-Residents to work out the amount repayable.

Signature

Date

*Please print your name here and say in what capacity you are signing.*

**Please send any repayment claimed**

( **as appropriate**)

direct to the company or concern

to our bank/agent in the UK.

*Name and address of UK bank/agent.*

*Account/reference number, if any.*

**For official use by the United Kingdom Inland Revenue**

*Amount repaid:*

Examined \_\_\_\_\_

£ \_\_\_\_\_ :

Authorised \_\_\_\_\_

*CNR Date stamp*

## Guidance Notes for form Japan/Company

Use these Notes to help you complete form Japan/Company. If you need further information, please contact **Inland Revenue – Centre for Non-Residents**. Our address, telephone and fax numbers are in Note 11.

### 1. Purpose of form Japan/Company

Form Japan/Company enables

- a Japanese company
- an *unincorporated* concern in Japan

receiving interest or royalties arising in the United Kingdom to apply for relief at source from UK income tax under the United Kingdom/Japan Double Taxation Convention. The form also provides for a claim to repayment of UK income tax in cases where payments of the income have been made with UK tax deducted.

### 2. Who can sign the declaration on the form

- A responsible officer of the company or concern should sign the declaration in **Part E** of the form Japan/Company.
- An agent (e.g. tax adviser), 'custodian' or other duly authorised person acting with the authority of the company or concern may sign the declaration behalf of the company or concern.

### 3. Approved Investment Funds

Article 28A of the Double Taxation Convention provides for the managers or trustees of an approved Japanese investment fund to make claims to relief from UK tax on behalf of the members of the fund. Where a claim form is being completed on behalf of such a fund it is important to give the **full name of the fund**.

Article 28A states that

*"...an approved investment fund of Japan means a securities investment trust as defined in Article 2 of the Securities Investment Trust Law (Law No. 198 of 1951) or a loan trust as defined in Article 2 of the Loan Trust Law (Law No. 195 of 1952), so far as these provisions were in force on, and have not been modified since, the date of the signature of the Protocol amending this Convention, or have been modified only in minor respects so as not to affect their general character."*

### 4. Evidence of residence in Japan and where to send the completed form

It is a condition of relief from UK income tax under the terms of the United Kingdom/Japan Double Taxation Convention that the beneficial owner of the income is resident in Japan.

Please send the completed form to the **National Taxation Office** in the district in Japan in which the head or main office of the company is situated. That Office will

- certify that the company/ concern has its head or main office in Japan and
- return the form to you.

Send the certified form to **Inland Revenue – Centre for Non-Residents, Fitz Roy House, PO Box 46, Nottingham, England NG2 1BD**.

### 5. Confidentiality

All the information that you provide to the Centre for Non-Residents is confidential. We can therefore only discuss the tax affairs of the company or concern with

- an officer of the company *and/or*
- any agent (e.g. tax adviser) who is nominated by the company or concern.

## 6. Relief at source from UK income tax on future income payments

Relief at source from UK income tax on future payments of income may be available in cases where the Centre for Non-Residents is able to exercise its discretion to issue a notice (under Statutory Instrument 1970 Number 488, as amended). The Centre for Non-Residents deals with each application on its merits. Where the Centre for Non-Residents cannot agree to allow relief at source, a company or concern resident in Japan can claim **repayment** of the UK tax deducted in excess of 10%.

If relief at source is granted, please tell the Centre for Non-Residents at the address in Note 11, without delay, if there is any subsequent change to the information you have given on the form Japan/Company.

## 7. UK Interest

UK source interest can be paid to the Japan company or concern, with 10% tax deducted. Any UK tax in excess of 10% that has been deducted can be repaid.

### ◆ **Interest from loans**

Where the interest is payable on a loan to a UK resident company or individual, the Centre for Non-Residents routinely asks the UK Tax Office dealing with the tax affairs of the payer of the interest for a report. We can do this **before** we receive the form JAPAN/Company certified by the National Taxation Office in Japan if you send us

- a copy of the loan agreement(s) *and*
- an advance copy of the completed form Japan/Company.

But please remember that the Centre for Non-Residents cannot finalise matters until we have received a satisfactory certified form.

### ◆ **Interest from securities**

UK tax is deducted from interest on loan stocks issued by

- companies which are **not quoted** on the Stock Exchange and
- local authorities.

We may be able to arrange for interest on these stocks to be paid with **tax deducted at 10%** as explained in Note 6.

Interest from the following UK sources is paid with no UK tax deducted, so there is no need to apply for relief from UK tax at source. Please **do not** enter in Part C2 of form Japan/Company

- interest from company loan stocks quoted on the Stock Exchange (*paid automatically without deduction of UK tax*)
- interest from UK government securities (*paid automatically without deduction of UK tax*).

### ◆ **Interest from securities that do not bear tax in Japan**

Where the beneficial owner of the interest

- does **not bear tax** in Japan on the interest *and*
  - sells (or makes a contract to sell) the security that gives rise to the interest within 3 months of the date of acquisition,
- no relief is available from UK tax on the interest.

## 8. UK Royalties

Most UK source royalties can be paid with a rate of 10% tax deducted. Any UK tax in excess of 10% that has been deducted can be repaid to the Japanese company or concern. The Double Taxation Convention allows relief only to the **beneficial owner** of the royalties. The beneficial owner is normally the originator of the work or product.

### ◆ **Copyright royalties for literary, dramatic, musical or artistic works**

If your company or concern is **not** the originator but has acquired the rights, please attach to the form Japan/Company a copy of the licence, contract or assignment under which the UK rights have been acquired. This will help the Centre for Non-Residents to check that the beneficial ownership condition in the Double Taxation Convention is satisfied.

If your company or concern is in the **publishing or music business** and uses a standard form of contract with all its authors or composers, please attach a copy of the standard contract. You need do this only the first time a form Japan/Company is completed.

### ◆ **Other royalties**

Where your company or concern is the originator of a process or design etc., please attach to the form Japan/Company a copy of the licence agreement between **yourselves** and the **UK payer** of the royalties. If your company or concern is **not** the originator of the product giving rise to the royalties but has acquired the rights, please also attach a copy of the licence, contract or assignment under which the UK rights have been acquired.

## 9. Working out the repayment of UK income tax where payments of interest and/or royalties have already been made

As explained in Notes 7 and 8, under the UK/Japan Double Taxation Convention UK income tax may be withheld at the reduced rate of **10%** from payments of **interest** and **royalties** payable to a resident of Japan. If the Japanese company or concern has received payments with UK tax deducted, it may claim repayment of the amount of UK tax in excess of 10%.

Please follow the instructions below to work out the amount of the repayment due to the company or concern. But if you do not wish to work out the repayment and do not enter an amount in **Part E2(a)** of the form Japan/Company, the Centre for Non-Residents will work out any repayment due.

- Enter in box **1** the amount of income before deduction of UK tax and in box **2** the amount of UK tax deducted (take these figures from the totals boxes in **Part D** of the form Japan/Company)

	Income		UK tax	
<b>1</b>	£		<b>2</b>	£

- Calculate 10% of the total amount of income (in box 1) and enter it in box **3**

<b>3</b>	£
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- Deduct the amount in box 3 from the amount in box 2 and enter the result in box **4**

<b>4</b>	£
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- Finally, take the amount you have shown in box 4 and enter it on the form Japan/Company at Part E 2(a). This is the amount repayable to the company.

## 10. Repayment claims and tax deduction certificates

If you have completed **Part D** of the form JAPAN/Company to claim repayment of UK income tax, you **must** attach the **original** UK tax deduction certificate(s) to the completed form. If you do not send the tax certificate(s) the claim will not be valid. The Centre for Non-Residents cannot accept photocopy certificates as evidence for repayment purposes.

## 11. Help or further information

If you need help or further information, please

- write to **Inland Revenue, Centre for Non-Residents, Fitz Roy House, PO Box 46, Nottingham, England NG2 1BD**
- or phone the Centre for Non-Residents during UK office hours, Monday to Friday.

Our phone number is

+ 44 115 974 1945 if calling from outside the UK, or 0115 974 1945 if calling from the UK

Our fax number is

+ 44 115 974 1918 from outside the UK, or 0115 974 1918 from the UK.

When contacting us, please quote the company's UK reference number, if it has one (for example 'FD43/A/123456').

## **Our service commitment to you**

The Inland Revenue and Customs & Excise are committed to serving your needs well by

### ***Acting fairly and impartially***

We

- treat your affairs in strict confidence, within the law
- want you to pay or receive only the right amount due.

### ***Communicating effectively with you***

We aim to provide

- clear and simple forms and guidance
- accurate and complete information in a helpful and appropriate way.

### ***Providing good quality service***

We aim to

- handle your affairs promptly and accurately
- be accessible in ways that are convenient to you
- keep your costs to the minimum necessary
- take reasonable steps to meet special needs
- be courteous and professional.

### ***Taking responsibility for our service***

- We publish annually our customer service aims and achievements.
- If you wish to comment, or make a complaint, we want to hear from you so we can improve our service. We advise you how to do this.

### ***We can provide better service if you help us by***

- keeping accurate and up to date records
- letting us know if your personal/business circumstances change
- giving us correct and complete information when we ask for it
- paying on time what you should pay.

Further information on customer service is available at Inland Revenue and Customs and Excise local offices, set out in our Charters, complaints leaflets (IR120 and Notice 1000) and Codes of Practice.

*These notes are for guidance only and reflect the UK tax position at the time of writing. They do not affect any rights of appeal.*