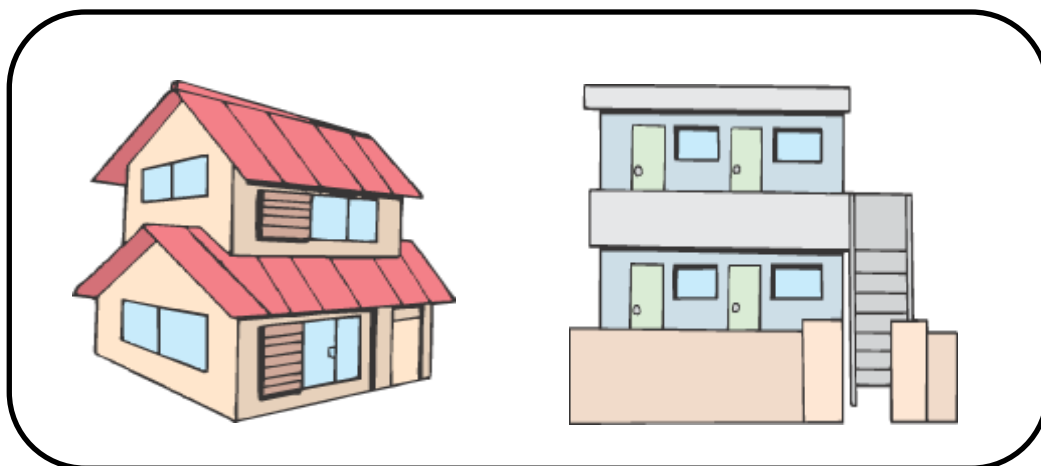


When you built, extended or
renovated a house
Higashihiroshima City



— Contact for Inquiries for Fixed Assets Taxes —

Property Tax Division, Financial Affairs Department,
Higashihiroshima City Office

8-29 Saijo Sakai-machi, Higashihiroshima City 〒739-8601

Tel.: 082-420-0911, Fax: 082-420-0430

<https://www.city.higashihiroshima.lg.jp>

Fixed Asset Tax is imposed on the owners of land, buildings and/or depreciable assets as of January 1 every year. The tax amount is determined based on the assessed value of fixed assets. The tax is paid to the municipal government where assets are located.

1. How to calculate the Amount of Fixed Assets Tax

(1) Evaluate a building to decide a price.

- Pursuant to the assessment value set by the national government, the rebuilding cost is calculated based on the structure, use and building materials, etc. of the building. Multiplying it by the design supervision fees and the depreciation rate, the assessed value (amount of tax base) is calculated.

(2) Amount of Tax Base × Tax Rate = Tax Amount

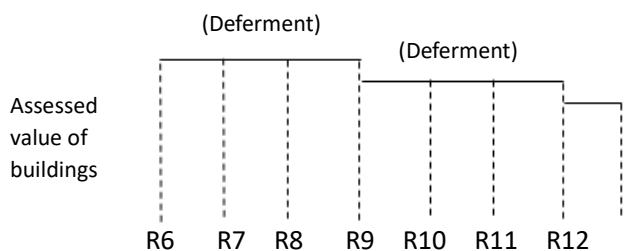
- Fixed Assets Tax = Amount of Fixed Asset Tax Base × Tax Rate 1.4%
- City Planning Tax* = Amount of City Planning Tax Base × Tax Rate 0.3%
- * City planning tax is levied on land and buildings in the urbanization promotion districts and use districts designed under the City Planning Act.

(3) Notification of Fixed Assets Tax with tax amount, etc. are sent

- The notification is mailed in early April of each year. Payment slips and detailed statements are enclosed in the notice.
- Please make tax payments four times a year by the due dates in April, July, December and February.
- Payment by account transfer is available. Please make the bank transfer application at financial institutions which handle municipal tax payments or Tax Collection Division of Higashihiroshima city office (tel.: 082-420-0912).

(4) Once every three years, an across-the-board revaluation is carried out to determine new prices

- In principle, the prices set in the basic taxable year are retained for three years in the fixed assets tax system.
- The prices of buildings are retained until the revaluation year: FY2027 (R9).



Note: If there is a sharp rise in the price of building materials, etc., the assessed value may be left unchanged even in the year of evaluation. The same applies when the age depreciation reaches the lower limit.

2. Reduction of Fixed Assets Tax for Newly Built Residential Buildings

- For newly built residential buildings, the fixed assets taxes will be reduced for a certain period after the new construction. Note that the reduction measure is not applicable to the city planning tax.

Category of Residential Buildings	Dwelling house/ Apartment house/ Multipurpose house(dwelling floor area take up to more than half of the total floor area)
Floor Space Requirements	Not less than 50 m ² * up to 280 m ² (*House for Rent: Note less than 40 m ²)
Reduction Range	1/2 of the floor space up to 120 m ² of the residential part
Applicable Preriod	Conventional house - 3 years(5years*) Fireproof house with three of more stories – 5years(7years*)

- * In case of long-term quality housing. In order to apply for the reduction measure of long-term quality housing, you need to file a separate application form.

3. Special Measures for Residential Land

- The special measures to reduce fixed assets tax and city planning tax are applied to residential land.
- However, if the land area is more than 10 times larger than the floor area of residential dwelling, the excessive area is exempt from the special measure.

Type of Residential Land	Fixed Assets Tax	City planning Tax
Small-scale Residential Land Residential land with up to 200 m ²	Assessed Value × 1/6	Assessed Value × 1/3
General Residential Land Residential land other than land for small-sized residence	Assessed Value × 1/3	Assessed Value × 2/3

As for land use as a site of municipal house (dwelling with shop, etc.), the application range of the special measure is determined by the proportion of dwelling space to the total floor space of one building as follows.

Proportion of dwelling space is 1/4 or more than 1/2 → 1/2 of the land is subject to the measure.

Proportion of dwelling space is 1/2 or more → All of the land is subject to the measure.

4. Demolition Notification

- Anyone who demolished all or part of residential building must give notice to the city office by filling the form “Demolish Notification” or contact us. Also, please contact us when you extend a house.

5. Real Estate Acquisition Tax (Prefectural Tax)

- The tax is imposed only once on the acquisition of land and/or buildings by the prefectural government.
- In case where certain predetermined conditions are met, you can receive “Tax Deduction for Residential Building Acquisition” by submitting necessary documents to the relevant prefectural tax office.

* Contact details

Hiroshima Prefectural Seibu Prefectural Tax Office Higashihiroshima Branch
(within Hiroshima Prefectural Government Higashihiroshima Office),
tel.: 082-422-6911 (switchboard).

(※Use the main entrance and go to the branch on the right side at the back.)

6. Income Tax Deduction for Residential Building Acquisition (National Tax)

- Taxpayers who take out housing loans to build/acquire/expand/renovate residential buildings, and who meet a certain set of requirements are entitled to income tax deduction.
- Those who take the deduction for housing loan must file a final return in the first year of application. After the second year, the deduction is available through the year-end tax adjustment at the workplace.

* Contact details

Saijo Tax Office, tel.: 082-422-2191

