

Real estate acquisition tax

A person who purchased or built a real estate, with or without registration, will be subject to taxation. The base of taxation refers to the fixed property valuations. However, in case the land was purchased by Mar. 31 2012, the fix property valuations would be reduced 50%.

1. Tax rate

Residence and/or land 3%

Non-residential building 4%

*tax rate on residence and/or land are 4% by main rules but are established as 3% by exception until 3/31 2012.

2. Exception

(A) Tax on residence will be cut off certain amount from the residential tax base if the house is corresponding to below.

(A-1) Newly-built house

Deduction amount	¥12million from residential tax base per unit.
Requirements	(a). Use for residence (Rent house acceptable).
	(b). Total floor size not less than 50m ² , not more than 240m ²

(A-2) Pre-owned house

Requirements	Deduction amount	
(a). Use for one's own residence. (b). Total floor size not less than 50m ² and not more than 240m ² . (c). Building age within 20 years or fire-proof building within 25 years. If overage, either the building must be conformed to safety standards of earthquakes or built after 1 JAN 1982. (d). Pre-owned house not used as a residence is acceptable.	Depends on the period of construction	
	Apr. 1 1976 ~ Jun. 30 1981	¥3.5million
	Jul. 1 1981 ~ Jun. 30 1985	¥4.2million
	Jul. 1 1985 ~ Mar. 31 1989	¥4.5million
	Apr. 1 1989 ~ Mar. 31 1997	¥10million
	Apr. 1 1997 ~	¥12million

(B) Tax on land for the house, falling under the exception above, will be deducted in case acquired under the conditions of below. The amount (a) or (b), whichever is larger will be deducted.

Classification	Acquisition	Conditions
Land for Newly-built house	With the house	Obtained an unused house within a year since construction.
	Before the house	Built a house within 3 years since acquisition
	After the house	Acquire the land within a year since construction.
Land for Pre-owned house	Before the house	Obtain a house within a year since acquisition
	After the house	Acquire the land within a year since obtaining the house

(a) ¥45,000

(b) Land appraisal value per m² × Double Floor size* × 3%

[*Maximum 200m²]

3. Calculation example

Real estate acquisition tax if you purchase a ¥50,000,000 house with land.

Fixed property valuations of the house = ¥15,000,000

Fixed property valuations of the land = ¥30,000,000

Floor size = 150m² Land size = 100m²

Land appraisal value per m² = ¥30,000,000 × 50% ÷ 100m² = ¥150,000

Tax on house = (15,000,000 - 12,000,000) × 3% = ¥90,000

Tax on land = 30,000,000 × 50% × 3% = ¥450,000

Deduction (a) ¥45,000

(b) 150,000 × 200m²* × 3% = ¥900,000 *150m² × 2 > 200m²

(a) < (b)

Tax on Land = ¥450,000 - ¥900,000 = ¥0

Total Tax amount = ¥90,000 + ¥0 = ¥90,000