

## 1. Important Points of the Japanese National Pension System and Other Public Pension Systems

- (1) All people who are registered to reside in Japan and aged between 20 and 59, irrespective of their nationality, must be covered by the National Pension system by law and must pay contributions.
- (2) The public pension systems (including National Pension system) are designed to financially support each other as the whole society with intergenerational support mechanism.
- (3) The public pension systems provide the old-age pension when you become old. They also provide the disability pension or the survivors' pension when you have unexpected incidents causing financial difficulties.
- (4) The Japanese government provides subsidy to fund part of the pension benefits.
- (5) Your public pension contributions are subject to tax deduction as "social insurance contribution".

## 2. National Pension Coverage Categories and Enrollment Procedures

There are three categories of the insured persons under the National Pension system. You can find your category and enrollment procedure as below:

### (1) Category I insured persons

If you are registered to reside in Japan, aged between 20 and 59, and you are not a Category II or Category III insured person (see (2) and (3) below), you are a Category I insured person.

→ If you are a non-Japanese resident and a Category I insured person, please make sure you register your residence first at your local Municipal Office and have them establish your Japanese resident registry. Then you need to register your enrollment to the National Pension system at the same Municipal Office.

→ When you become a naturalized Japanese citizen while you are covered by the National Pension system, you need to report the change of your status to the Office.

→ The Japan Pension Service (JPS) will send you contribution payment notices. Please use the notices to pay your contributions. (see "4. Monthly Contributions" below)

### (2) Category II insured persons

If you are employed to work at a company, factory and such workplaces, and are covered by employees pension insurance systems including the Employees' Pension Insurance system, you are a Category II insured person.

→ Your employer is responsible for completing your enrollment to pension system on behalf of you. For more details, you can ask your employer.

→ Your contribution is deducted from your salary and then your employer will pay it for you.

### (3) Category III insured persons

If you are a dependent spouse of a Category II insured person, and are aged between 20 and 59, you are a Category III insured person.

→ Your spouse (Category II insured person) should report to JPS Branch Office, through his/her employer, that you are a qualified dependent spouse. For more details, you can ask your spouse's employer.

→ You do not need to pay contributions; They are financially covered by the contributions paid by the Category II insured persons.

## 3. Pension Handbook

When your enrollment procedure is completed, you will receive your Pension Handbook. Please note you will need it throughout your lifetime and make sure you always keep it in a safe place. Your Pension Handbook is essential to prove your identity when you apply for your benefits or inquire about your benefits.

If your Pension Handbook is lost or damaged, a Category I insured person should apply for reissue at JPS Branch Office or at your local Municipal Office. A Category II insured person can do so at JPS Branch Office, or you can ask your employer to do so. And a Category III insured person should do so via your spouse's employer.

## 4. Monthly Contributions

The contribution amount for the National Pension is ¥15,590 per month from April 2015 to March 2016. You must pay due monthly contribution by the end of the following month.

You can pay your contributions in cash at banks and other financial institutions, post offices, and convenience stores. You can also pay it using automatic bank transmission or the Internet payments.

Or, you can pay them at a discount rate if you opt for advance payments of some future months contributions. You may have further discount if you opt for advance payments via automatic bank transfer instead of cash payments.

## 5. If You Have Difficulty Paying Contributions (Contribution Payment Exemption System)

When your income is too low to pay contributions or you have other reasons, you can apply for the exemption from contribution payments at your local Municipal Office.

Then JPS Branch Office examines your previous year's income and other circumstances. If your application is approved, exemption of full or partial amount of contribution payment is granted.

Please refer to the table here for some exemption types, contribution amount to be paid, and the rate of Old-age Basic Pension amount with exemption, compared with the amount without exemption periods.

[Notes]

Type of exemption	Contribution amount	Compared OBP rate
Full exemption	¥0	4/8
1/4 payment (3/4 exemption)	¥3,900	5/8
1/2 payment (1/2 exemption)	¥7,800	6/8
3/4 payment (1/4 exemption)	¥11,690	7/8
Contribution Postponement System for Low Income Youth	¥0	0
Special Payment System for Students	¥0	0

(1) Please note that if you fail to pay due balance contributions (1/4, 1/2, or 3/4 contributions), the partial exemption system is no longer valid: it will be regarded as non-payment. This means that such non-payment periods will not be reflected in calculation of your future Old-age Basic Pension. In addition, you may not be able to satisfy the conditions to be entitled to the Disability Basic Pension or Survivors' Basic Pension when you need them.

(2) You can apply for the Contribution Postponement System for Low Income Youth if you are aged under 30.

(3) If you are a student, you can apply for the Special Payment System for Students. Please note, however, this system excludes students at most Japanese branch schools of foreign based schools or students on a short-term basis.

## 6. Recovery of the Past Contribution-Exempt Periods

If you have full or partial exemption period in the past, you can recover the period by paying the exempted contributions retroactively for up to 10 years. If you recover the period by retroactive payments, your Old-age Basic Pension in the future will be calculated based on your full amount contribution payments.

Please note that a specific index will be charged on your retroactive contribution payment which was due more than three fiscal years ago.

## 7. National Pension Benefits Amount

### (1) Old-age Basic Pension

If you have paid the National Pension contributions for at least 25 years and satisfy the conditions, the following amount is paid when you become 65 years old. \*1

★Benefit amount = ¥780,100 (annual amount in Fiscal Year 2015 for those who have paid contributions for 40 years)

### (2) Disability Basic Pension

The following amount of the Disability Basic Pension is paid to you if you become sick or get injured while you are covered by the National Pension system and if that sickness or injury eventually causes such disability as specified as the Grade 1 or Grade 2 disability. \*2

★Benefit amount = ¥975,100 (annual amount in Fiscal Year 2015 for the Grade 1 disability)

¥780,100 (annual amount in Fiscal Year 2015 for the Grade 2 disability)

### (3) Survivors' Basic Pension

When an insured person of the National Pension system dies, the following amount of the Survivors' Basic Pension is paid to his/her dependent spouse taking care of child(ren) or to his/her dependent child(ren). \*2

★Benefit amount = ¥1,004,600 (annual amount in Fiscal Year 2015 for an eligible spouse with one child)

\*1 If you become a naturalized Japanese citizen or if you are admitted as permanent resident before you become 65 years old, your overseas residence period between April 1, 1961 and the previous day you become Japanese citizen, within your age between 20 - 59, will be considered as "complementary period". The complementary period is the valid period to be included to see if you satisfy the 25-year period requirement to be entitled to the Old-age Basic Pension. However, this period is not considered in benefit amount calculation.

\*2 To be entitled to the Disability Basic Pension or the Survivors' Basic Pension, you need to satisfy certain contribution payment requirement. For more details please ask at JPS Branch Offices or your local Municipal Office. (Please see "10. Contact point" below.)

## 8. Lump-sum Withdrawal Payments for non-Japanese people

If you are non-Japanese, you may file a claim for the Lump-sum Withdrawal Payments within two years after you register to leave Japan (no longer Japanese resident). To apply for it you need to satisfy the following conditions; you have contributed to the National Pension system for at least six months in total (excluding your insured periods as the Category II or the Category III insured person); you have not satisfied the qualifying contribution period for the Old-age Basic Pension.

The Payments amount depends on the number of your contribution-paid months. The table here shows example Payments amount in case your last contribution payment is made in Fiscal Year 2015.

Total number of your contribution-paid months*	Your Payments amount
Between 6 and 11 months	¥46,770
Between 12 and 17 months	¥93,540
Between 18 and 23 months	¥140,310
Between 24 and 29 months	¥187,080
Between 30 and 35 months	¥233,850
36 months or more	¥280,620

\* If you have contribution-exempt period, your total number of contributed-paid months are calculated as follows:

Number of full-contribution-paid months + (number of 1/4-contribution-paid months) × 1/4 + (number of half-contribution-paid months) × 1/2 + (number of 3/4-contribution-paid months) × 3/4

### [How to claim the Payments]

- (1) When you register to your local Municipal Office that you no longer reside in Japan, please also register your withdrawal from the National Pension system at the same time. The application form is available at any Municipal Office (National Pension section), any JPS Branch Offices or website. (<http://www.nenkin.go.jp/n/www/english/detail.jsp?id=10>)
- (2) When you submit your application, please complete your application form carefully and send it together with supporting documents, by airmail to: Japan Pension Service, 3-5-24, Takaido-nishi, Suginami-ku, Tokyo 168-8505 Japan. Please note that the coverage periods you used to receive your Payments will be no longer valid to be entitled to other Japanese pension benefits or totalization benefits under the relevant bilateral social security agreement.

## 9. Social Security Agreements

In order to eliminate dual compulsive coverage as well as to totalize qualifying periods for benefits between two countries, there are bilateral social security agreements between Japan and several countries. Please visit our website for more details; (<http://www.nenkin.go.jp/n/www/english/detail.jsp?id=37>)

## 10. Contact Point for your National Pension

If you have any questions about National Pension system or your benefits, please contact your local Municipal Office or JPS Branch Office. You can refer to the list of JPS Branch Offices on the web;

(<http://www.nenkin.go.jp/n/www/english/detail.jsp?id=32>)

You may also call our telephone service for pension consultation "NENKIN Dial". (This service is in Japanese.)

When you contact us, please have your Pension Handbook (your Basic Pension Number) ready.

"NENKIN Dial" for domestic call : 0570 - 05 - 1165 (at local call rate)

"NENKIN Dial" for international call : +81 - 3 - 6700 - 1165 (at international call rate)