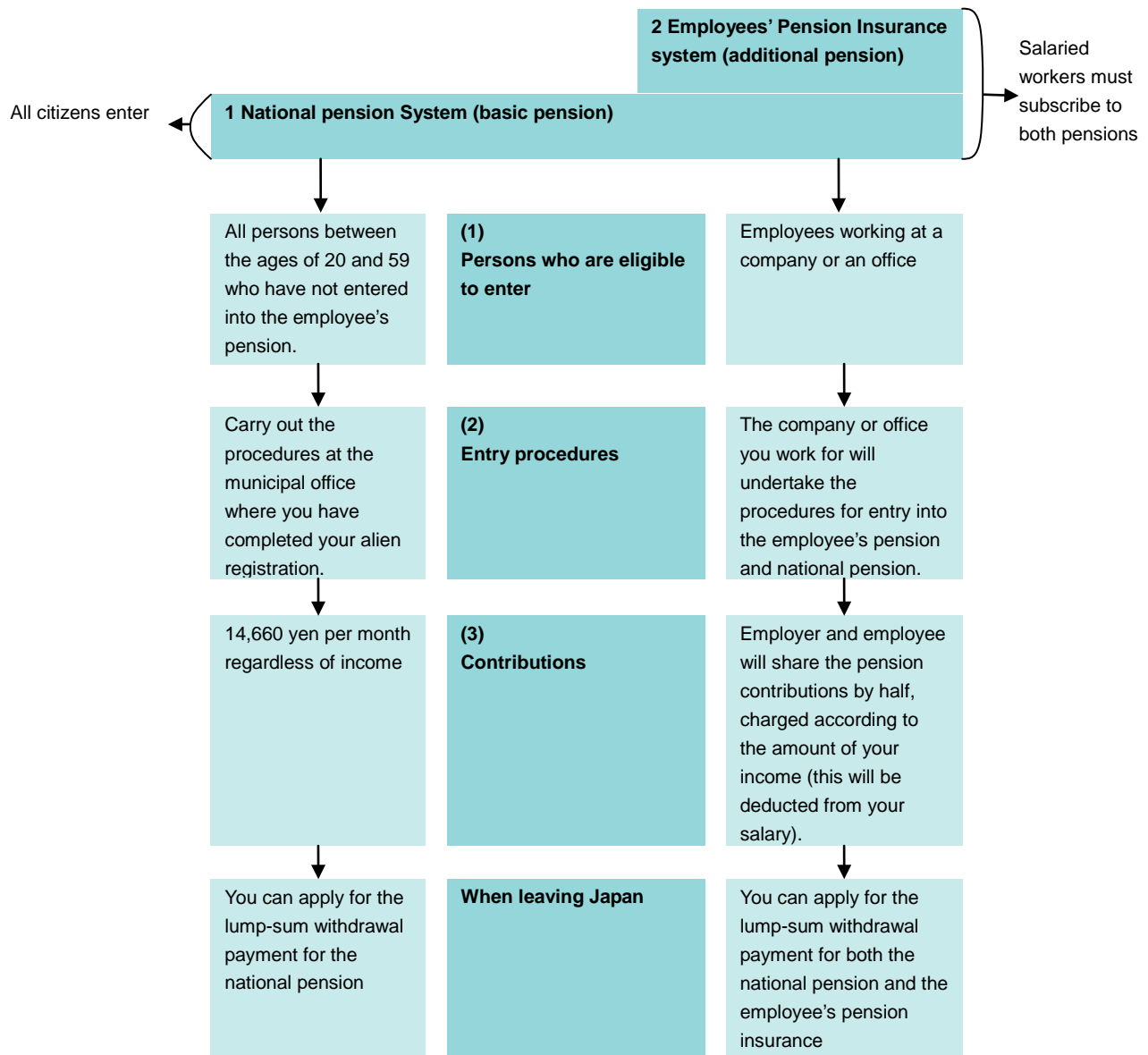




Japanese public pension system





The Public Pension System is a social insurance system to support senior citizens, disabled people, and the families of deceased persons in emergency circumstances by providing them with pensions and benefits. The public pension system consists of the national pension, providing old-age, disabled and survivor's basic pensions equally to all entered persons, and employee's pension insurance entered into by company workers etc. providing additional pension on top of the basic pension in proportion to one's income.

1 National pension plan

1-1 Entry to national pension plan

(1) Entry age etc.

All persons residing in Japan between the ages of 20 and 59 including foreigners must enter the national pension system. However, if you have entered into the employee's pension insurance system at your company, you are also entered into the national pension system at the same time. The procedures for entering into the national pension system are thus automatically carried out at the time when you entered into the employee's pension system, and there is therefore no need for you yourself to carry out the procedures directly.

(2) Entry procedures

To enter the national pension system, you should take your seal and report to the pension department in your local municipal administrative office. (A seal is not required if the subscriber him/herself signs the subscription form.)

(3) Payment of pension contributions

The contribution rate is same for all subscribers regardless of income and is 14,660 yen per month as of FY2009. Payment notifications sent from the Social Insurance Agency once every April can be paid at the counter of a designated financial institution, post office or convenience store, or by automatic bank transfer.

If you cannot afford the payment due to low income or other reasons, you can apply for payment exemption. There are cases where you will be allowed full or partial amount of exemption. Also, students may apply for student payment exemption system to postpone their payments. Please note that this does not apply to students at certain kinds of schools. As a general principle, you must apply for exemptions etc. (except for those who have obtained legal exemption) once every year. For details, please contact a pension department.



● Standard amounts of household income for exemption to be made

Types of exemption etc.	Standard amount of household income			Contribution amount (per month)	Amount of old-age basic pension
	Single household	Household of two persons*	Household of four persons*		
Full exemption				----	One-half
Contribution postponement system for low income young people	.57 (1.22)million yen	.92 (1.57)million yen	1.62 (2.57)million yen	----	----
Exemption of three-quarters	.93 (1.58)million yen	1.42 (2.29)million yen	2.30 (3.54)million yen	3,670 yen	Five-eighths
Exemption of one-half	1.41 (2.27)million yen	1.95 (3.04)million yen	2.82 (4.20)million yen	7,330 yen	Six-eighths
Student payment exemption				----	----
Exemption of one-quarter	1.89 (2.96) million yen	2.47 (3.76) million yen	3.35 (4.86) million yen	11,000 yen	Seven-eighths

* “Household of two persons” is only for a married couple and “household of four persons” is for a family of a married couple with two children (under age 16).



1 National pension plan

1-2 Types of benefits

(1) Old-age basic pension

As a rule, pension benefits are paid from age 65 to persons who satisfy certain conditions, such as having paid the national pension contributions for 25 years or more, including the period of time you have earned exemptions.

(2) Disability basic pension

You may receive the disability basic pension if you became disabled before turning age 20 or if you were a subscriber of national pension system at the time of becoming disabled. Recipients of the welfare disability pension and those who became disabled before turning age 20 will have some limits to provision according to their income and other conditions.

(3) Survivor's basic pension

The survivor's basic pensions are provided to provide living support to bereaved family members, either wives with children under 18, or children under 18 (until the end of the financial year in which he or she turned 18, or 20 in the case of disabled children) whose livelihood were dependent on the lost family member, if this member was a subscriber of the national pension system or was qualified to receive the old-age basic pension (basically, for period of 25 years) at the time of death. A condition is that the deceased person must have paid the contributions for more than two-thirds of his/her contribution period for the survivor's basic pension to be granted.



1 National pension plan

(4) Lump-sum withdrawal payments (upon leaving Japan)

Foreign residents who have contributed to the National Pension and employee's pension for a total of six months or more may claim the Lump-sum Withdrawal Payment within two years of leaving Japan according to designated procedures. For details, please contact the pension department of your local municipal administrative office.

●To apply for the national pension lump-sum withdrawal payment

Conditions	Documents to be submitted	Additional documents to be submitted
Foreign residents who have contributed to the National Pension for a total of six months or more, and who apply within two years of leaving Japan.	Application form for the lump-sum withdrawal payment (for national pension and employee's pension Insurance)	1. Copy of your passport (pages where your latest date of emigration, name, date of birth, nationality, signature, and status of residence can be verified.) 2. Bank name, branch name, branch address, account number, account name to be paid into, and a document proving that the account belongs to claimant himself/herself (a proof issued by the bank etc. or a document which has been stamped with the seal of the bank in the column for proof of account) 3. Pension booklet

●The amount of the national pension lump-sum withdrawal payment (as of FY2009)

Total contribution-paid period	Benefit amount
Between 6 and 11 months	43,980 yen
Between 12 and 17 months	87,960 yen
Between 18 and 23 months	131,940 yen
Between 24 and 29 months	175,920 yen
Between 30 and 35 months	219,900 yen
36 months or more	263,880 yen

*The period of exemption is calculated according to the each type of exemption

Exemption of three-quarter → one-quarter of a month

Exemption of one-half → one-half of a month

Exemption of one-quarter → three-quarters of a month

Source: Social Insurance Agency



2 Employee's pension

The employee's pension is a pension system into which companies employees enter, and which provides benefits "proportional to remuneration" on top of the basic national pension.

2-1 Entry to employee's pension

(1) Eligibility

Full-time employees, including foreigners, of a company with five employees or more must enter the employee's pension system. Part-time employees must also enter this pension system if their working hours and days exceed three-quarters of the working time of a full-time worker in the company.

(2) Entry procedures

The company you work for will undertake the entry procedures. Please enquire at your company or Social Insurance Office.

(3) Payment of pension contributions

You and your company will share the contribution fifty-fifty, and the amount of the pension contributions is determined according to the worker's monthly salary and the amount of bonus. The payment will be made through your company. For details, please contact your company or Social Insurance Office for inquiries.



2 Employee's pension

2-2 Types of benefits

(1) Old-age employee's pensions

When a person who has entered into the employee's pension become qualified to receive his/her old-age basic pension (having paid the national pension contributions for 25 years or more, including the period of time he or she has earned exemptions) the old-age employee's pension will be added to his/her old-age basic pension from age 65 and above.

(2) Disability employee's pension

Those who have become disabled during their period of subscription in the employee's pension will, when they are qualified to receive the disability basic pension, have the disability employee's pension added to their disability basic pension.

(3) Survivor's employee's pension

The survivors' basic pension is provided to bereaved family members on top of their survivor's basic pension if a person entered into the employee's pension dies and meets certain qualifications.



2 Employee's pension

(4) Lump-sum withdrawal payment (upon leaving Japan)

Foreign residents who have contributed to the employee's pension and national pension for a total of six months or more may claim the lump-sum withdrawal payment within two years of leaving Japan according to designated procedures. For details, please contact the pension department of the Social Pension Office nearest to you.

To apply for the employee's pension lump-sum withdrawal payment

Conditions	Documents to be submitted	Additional documents to be submitted
Foreign residents who have contributed to the employee's pension for a total of six months or more and who apply within two years of leaving Japan.	Application form for the lump-sum withdrawal payment (for national pension and employees' pension insurance)	1. Copy of your passport (pages where your latest date of emigration, name, date of birth, nationality, signature, and status of residence can be verified.) 2. Bank name, branch name, branch address, account number, account name to be paid into, and a document proving that the account belongs to claimant himself/herself (a proof issued by the bank etc. or a document which has been stamped with the seal of the bank in the column for proof of account) 3. Pension booklet

The amounts of the employee's pension lump-sum withdrawal payment

Total period insured	Benefit amount (rounded off to one decimal place)
Between 6 and 11 months	Your average standard remuneration* × benefit multiplier {(contribution rate** × 50%) × 6}
Between 12 and 17 months	Your average standard remuneration × benefit multiplier {(contribution rate × 50%) × 12}
Between 18 and 23 months	Your average standard remuneration × benefit multiplier {(contribution rate × 50%) × 18}
Between 24 and 29 months	Your average standard remuneration × benefit multiplier {(contribution rate × 50%) × 24}
Between 30 and 35 months	Your average standard remuneration × benefit multiplier {(contribution rate × 50%) × 30}
36 months or more	Your average standard remuneration × benefit multiplier {(contribution rate × 50%) × 36}

* Your average standard remuneration = the total amount of your remuneration and bonuses for the months which constitute the basis of your total insured period, divided by the number of your insured months.

** In this chart, the contribution rate of October of the year prior to the year in which the month of your final payment fell (the "month of your final payment" being the month prior to the month in which the day of your ceasing to be qualified as an insured person fell) is for purposes of convenience referred to as the "contribution



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rate.” If the month of your final contribution was between January and October, the contribution rate is that of the October of the year two years prior.

Source: Chigasaki City web site