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Guide to Starting a Goudou Kaisha in Japan

Summary

Goudou Kaisha, a company type of Japan. It is equivalent to the Limited Liability Company in the United States and China.

The advantages of the Goudou Kaisha are the low establishment cost, low operating cost, benefit distribution and high management freedom, fund raising in wide scope and the tax saving systems is same as Kabushiki Kaisha. The disadvantage of the Goudou Kaisha is the low popularity in Japan and may occur the differing opinions between members. Therefore, when deciding to operate a business in Japan, the client could base on their actual situation to decide the type of company to register in Japan.

The foreign company that would like to register a Japan Goudou Kaisha, should provide the Certificate of Incorporation or registration certificate, affidavit, etc., and the documents shall notarize at the notary office. The representative director of the foreign company and the representative member of the Goudou Kaisha shall provide the passport copy, signature certificate (Foreigner) or seal certificate (Japanese), etc.

In order to register a Japan Goudou Kaisha, the business executive member and the representative member shall be elected. The representative member of the Goudou Kaisha could be the Japanese or the foreigner. However, in order to complete the remittance of capital, at least one of the representative members should have a Japan personal bank account.

Our guide had specified the information, documents and materials required for the foreign companies to register a Japan Goudou Kaisha.

This guide is for reference, for details, please contact our professional consultant.

1. Principal information to be registered for a Goudou Kaisha

Before the registration of a Goudou Kaisha, client shall decide the principal information to be registered for the Goudou Kaisha.

(1) Company Name

The company name of the Goudou Kaisha may contain the Hiragana, Katakana, Japanese Kanji and English, but the name with Simplified Chinese is not acceptable. The term “Goudou Kaisha” must be written in front of or behind the company name. For example, “Goudou Kaisha Kaizen CPA Limited” or “Kaizen CPA Limited Goudou Kaisha” will be accepted.

(2) Registered Address

The registration of Goudou Kaisha will require a Japan address as the registered address. The virtual office address or the physical address could use for the company registration. However, for the registration of the company, if the company is using a virtual office address, it is a low possibility to open a corporate bank account. If necessary, Kaizen could provide the office leasing service to the client (Finding the office and preparation of lease agreement). Please contact Kaizen for further information.

(3) Business Scope

The registration form of the Goudou Kaisha will need to state the business scope of the company, the company shall decide which business they are involving. Since the procedure for the changing of business scope is very complicated, therefore, when client deciding their business scope, we suggest that the client shall add on the business scope of their company's future business plan at the same time.

(4) Registered Capital

The registered capital of the Goudou Kaisha could be JPY 1, however, if the capital is too less, the possibility to open a corporate bank account is low. Moreover, if the company would like to apply for a Business Management Visa, the registered capital could set at JPY 5 million and above.

(5) Representative of the Company

The Goudou Kaisha shall elect the executive member and representative member to execute the business of the company. There is no restriction on the nationality of the member of Goudou Kaisha. However, in order to complete the procedure of capital remittance, there shall have at least a representative having a Japan personal bank account.

2. Documents and materials required for the Registration of a Goudou Kaisha

Before the registration of Goudou Kaisha, the foreign company shall provide the following documents and materials.

- (1) The Certificate of Incorporation, Registration Certificate and the Affidavit of the Foreign Company. These documents shall notarize at the location of the foreign company registered.
- (2) The passport copy or the identification documents of the foreign company representative director.
- (3) The passport copy and the stamp certificate of the Japan Goudou Kaisha representative member. If the representative member is a non-Japanese resident, they shall provide a signature certificate which equivalent to the stamp certificate. However, the signature certificate shall notarize at the foreign residency location.
- (4) The registered address and the lease agreement for the Japan Goudou Kaisha.

※ The actual situation of each foreign company is different, different documents may be required, therefore, the client could prepare the documents according to the requirement of the Japan Legal Affairs Bureau or please contact Kaizen for further consultation.

3. Procedure for the Registration of Goudou Kaisha

- (1) Principal information to be registered for a Goudou Kaisha (Please refer to Section 1)
- (2) Preliminary check of the company name
- (3) Preparation of the affidavit of the foreign company, the affidavit shall notarize at the registered country of the foreign company
- (4) Signature certificate of the Goudou Kaisha representative members (if the representative member is not a Japan resident)
- (5) Preparation of the Articles of Association of Goudou Kaisha (2 sets are required, 1 set for company copy, 1 set will need to submit to the Legal Affairs Bureau). This is different from the Kabushiki Kaisha, Kabushiki Kaisha does not need the certification of Articles of Association
- (6) Preparation of the Certificate of Payment of Capital
- (7) Engraving of the company seal (Square seal, Representative seal, Seal used for bank transaction)
- (8) Registration of Goudou Kaisha at the Legal Affairs Bureau and the seal will need to apply for registration
- (9) Obtaining a copy of registration form and a seal certificate
- (10) Opening a bank account with the name of Goudou Kaisha
- (11) Submit a notice of the company opening

4. Tax Declaration for the New Registered Goudou Kaisha

The tax systems between Goudou Kaisha and Kabushiki Kaisha are no different. The newly established Goudou Kaisha and Kabushiki Kaisha are the same, they will need to declare for tax at the end of the year. For example, corporate tax and local corporate tax shall declare at the tax office, if the new established Goudou Kaisha is having a deficit, their tax will be JPY 0, however, the local tax shall declare at the county tax office and the city government, if the new established Goudou Kaisha facing a deficit, they will still need to pay for the corporate inhabitant tax for at least JPY 70,000 each year. For specific accounting and taxation issues, please consult the professional tax officer.

A series of the procedures is required from the registration of Goudou Kaisha to the accounting service and the tax declaration, it is complicated for the client who first entering Japan. If necessary, Kaizen could provide a one stop service, from the registration of Goudou Kaisha, application of Business Management Visa, accounting and bookkeeping service until tax declaration services. Kaizen had the industry experience for about 17 years, Kaizen is a team which provides the services of company formation and registration and has the qualification of CPA in Japan, China, Hong Kong, Singapore, United States, Australia, United Kingdom, etc. or the elite team experts compared to the CPA. Kaizen will do the best to provide professional and high quality services to the client. Please contact us for further consultation.

If you wish to obtain more information or assistance, please visit the official website of Kaizen CPA Limited at www.kaizencpa.com or contact us through the following and talk to our professionals:

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