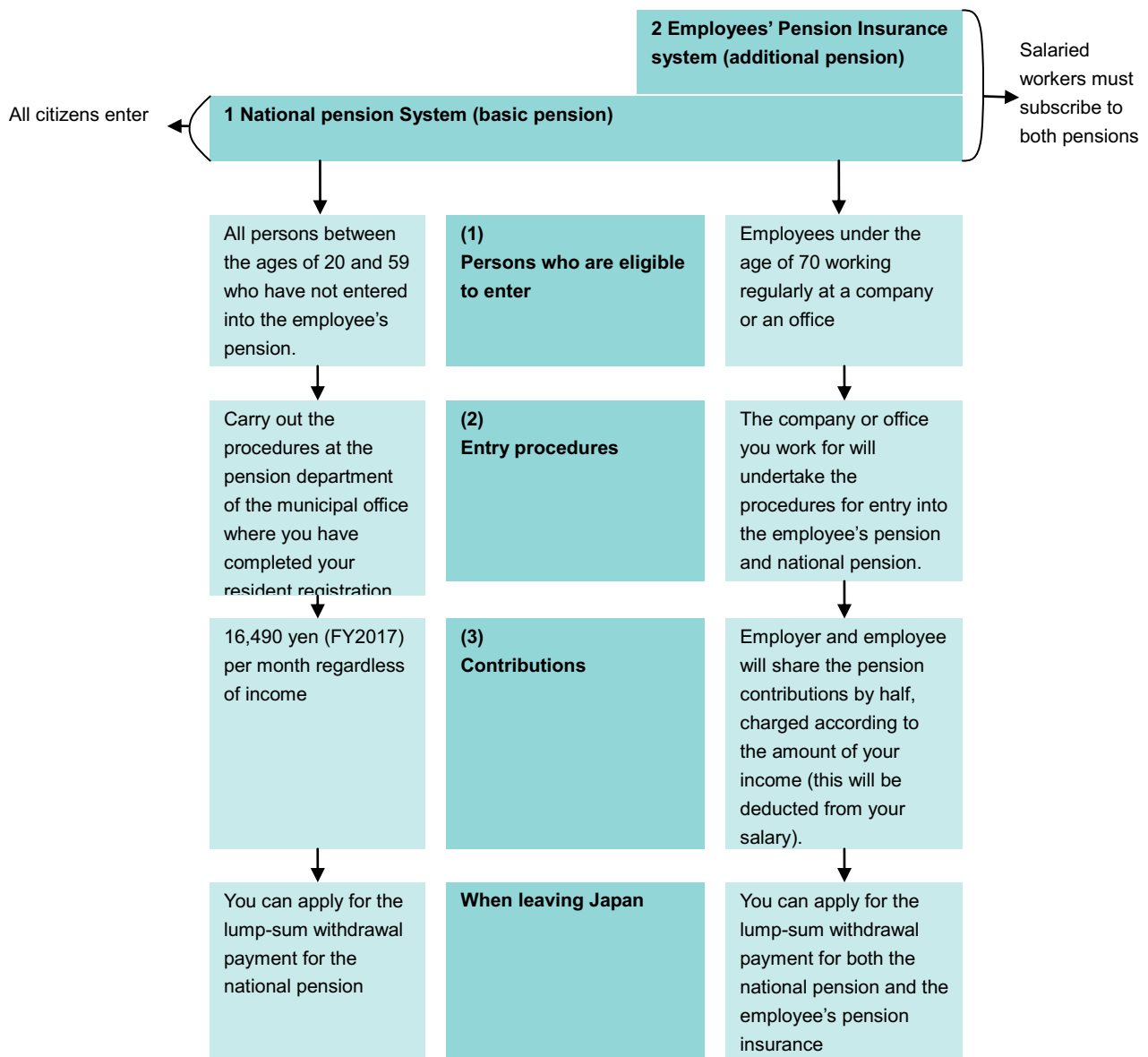




### Japanese public pension system



# Multilingual Living Information



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The Public Pension System is a social insurance system to support senior citizens, disabled people, and the families of deceased.

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.

#### (2) Entry procedures

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 (Category II insured). The procedures for entering into the national pension insurance system are thus carried out by your employer at the time when you entered into the employee's pension insurance system, and there is therefore no need for you yourself to carry out the procedures directly. If you are not entered into the employee's pension insurance, go to the pension department in your local municipal administrative office.

#### (3) Payment of pension contributions

The contribution rate is same for all subscribers regardless of income and is 16,490 yen per month as of FY2017. Payment notifications sent from the Japan Pension Service 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. As a general principle, you must apply for exemptions etc. once every year. If you receive livelihood assistance or disability pension (second grade or upper), you may be exempt from national insurance contribution payment (legal exemption); however, please note that foreign residents receiving livelihood assistance need to apply for an exemption. Also, students may apply for student payment exemption (Special Payment System for Students) which allows them to postpone contribution payments.

Please check the website below for the schools eligible for the Special Payment System for Students.



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<http://www.nenkin.go.jp/service/kokunen/menjo/gakutokutaisyouko.html>

For details, please contact Japan Pension Service (JPS) or pension department.

Dependent spouses (Category III insured persons) of the persons enrolled in the Employees' Pension

Insurance system (Category II insured persons) do not need to make national pension contribution payments.

### ●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	3,760 yen	Five-eighths
Exemption of one-half				7,510 yen	Six-eighths
Student payment exemption	1.41 (2.27) million yen	1.95 (3.04) million yen	2.82 (4.20) million yen	----	----
Exemption of one-quarter	1.89 (2.96) million yen	2.47 (3.76) million yen	3.35 (4.86) million yen	11,270 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

If your total coverage periods including contribution-paid periods, contribution-exempted periods and complementary periods are 10 years or more, you can receive the old-age basic pension at the age of 65. Complementary periods are also called “Kara kikan”. If you become a naturalized Japanese citizen or if you are admitted as permanent resident after May 1, 1961, your overseas residence period (between the age of 20 and 59) until the day before you become a Japanese citizen or are admitted as a permanent resident will be considered as complementary periods. The complementary period is the valid period to be included to be entitled to the old-age basic pension. However, this period is not considered in the benefit amounts calculation.

#### (2) Disability basic pension

You may receive the disability basic pension if you see the doctor or dentist for illness or injury while you are covered by the National Pension system and if that sickness or injury eventually causes disability while you are covered by the National Pension system, or if you became disabled before turning age 20. Those who became disabled before turning age 20 will have some limits to provision according to their income and other conditions (e.g. the person's income exceeds 3,604,000 yen).

#### (3) Survivor's basic pension

The survivor's basic pension is living support for bereaved family members, either spouses 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 insurance 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. However, the payment amount may be between a quarter and half of the amount of contribution that you paid.

From August 2017 onwards, if you have 10 years or more of valid coverage periods and are entitled to receive the old-age basic pension, you cannot apply for the lump-sum withdrawal payment. (Even if you return to your country, you can still receive the pension in the future.) If you receive the lump-sum withdrawal payment, your coverage periods become invalid. Some countries allow you to totalize the valid coverage periods of Japanese pension and that of your country's pension so that you may be able to receive the pension from Japan and/or your country. You can receive Japanese pension if you have 10 years or more valid coverage period (including contribution-exempted periods and complementary periods) from 2017; therefore, you may be able to satisfy your valid coverage periods by entering the pension scheme in your country. Please think carefully before you apply for the lump-sum withdrawal payment.

For details, please contact Japan Pension Service (JPS) Office.

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

Conditions	Documents to be submitted	Additional documents to be submitted
<b>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.</b>	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

Source: Japan Pension Service



## 2 Employee's pension insurance

The employee's pension insurance 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

Like the National Health Insurance, corporations with employees or private companies with five regular employees (excluding service industry such as hotels, restaurants and barber shops) must enter the employee's pension insurance system. Foreigners are also eligible to join the employee's pension insurance and must enter the system. Part-time employees must also enter this pension system if their working hours and days exceed three-quarters of the working time per week and the working days per month 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 Japan Pension Service (JPS) 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 Japan Pension Service (JPS) 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 insurance become qualified to receive his/her old-age basic pension (having paid the national pension contributions for 10 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

You may receive the disability employee's pension if you had your first medical examination (the day when you see the doctor or dentist for illness or injury causing disability) for illness or injury which eventually caused a certain grade of disability while you are covered by the disability employee's pension and if you fulfill the criteria of the contribution payment. The pension is categorized grade 1, 2 and 3, depending on the severity of disability.

#### (3) Survivor's employee's pension

The survivors' employee's pension will be provided on top of the survivor's basic pension to the spouse, children, grandchildren and the like who were dependent on the deceased person on top of their survivor's basic pension if the deceased person meets certain criteria.



## 2 Employee's pension

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

Foreign residents who have contributed to the employee's pension insurance 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. However, the payment amount may be less than half of the amount of contribution that you paid and the amount depends on how long you paid the contribution.

From August 2017 onwards, if you have 10 years or more of valid coverage periods and are entitled to receive the old-age basic pension, you cannot apply for the lump-sum withdrawal payment. (Even if you return to your country, you can still receive the pension in the future.) If you receive the lump-sum withdrawal payment, your coverage periods become invalid. Some countries allow you to totalize the valid coverage periods of Japanese pension and that of your country's pension so that you may be able to receive the pension from Japan and/or your country. You can receive Japanese pension if you have 10 years or more valid coverage period (including contribution-exempted periods and complementary periods) from 2017; therefore, you may be able to satisfy your valid coverage periods by entering the pension scheme in your country. Please think carefully before you apply for the lump-sum withdrawal payment.

For details, please contact the Japan Pension Service (JPS) Office.

### ●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

Source: Japan Pension Service