

# Japanese money in offshore tax havens could solve a lot of problems at home

[Kuchikomi](#) May. 03, 2016 ( [34](#) )

TOKYO

Do the rich and powerful really dodge taxes?

They do. The “Panama Papers” – 11.5 million or so documents leaked from a Panama law firm specializing in tax shelters of various kinds and degrees of ingenuity – are shocking, however, not only to the naively innocent but to seasoned observers who took that sort of thing for granted without appreciating quite how widespread it is.

The damage so far includes the resignation in disgrace of Iceland’s prime minister and blackened reputations for such implicated world leaders as – to name just a few – Russia’s Vladimir Putin, Britain’s David Cameron and China’s Xi Jinping.

Japan’s political elite is so far untouched by the scandal. Its economic elite, on the other hand, may find itself with some awkward explaining to do. Not, be it noted at the outset, that it is necessarily illegal to avoid paying taxes at home by stashing wealth overseas in places like Panama, the Virgin Islands, the Cayman Islands, the Bahamas and so on, where tax laws are notoriously lax. Still, it doesn’t look good if it comes to light – as Iceland’s ex-prime minister, David Gunniaugsson, learned the hard way.

Josei Jishin (May 3) helps us understand why. Based on expert estimates – unproven, however – of how much Japanese money is likely hidden away in offshore tax havens, the magazine claims that the tax revenue which that wealth is failing to generate would solve some of Japan’s most pressing and festering social problems.

First, the numbers. Otsuma Women’s University economics professor Kaoru Tozaki calculates that Japanese corporations and individuals have salted away some 55 trillion yen in Panama, 65 trillion yen in the Caymans, plus an additional 80 trillion yen in various other tax havens. The total – some 200 trillion

yen, is a lot of money. It's more money than most of us can imagine. Here's a figure that puts it into some kind of perspective: it's more than twice Japan's entire annual national budget, which is 96 trillion yen.

Now if this money was in Japan being taxed like the modest incomes of much less wealthy people, it would generate, Tozaki estimates, 60 trillion yen per year.

What could Japan's government do with 60 trillion yen a year? Consider this, Josei Jishin hears from tax accountant Mayuko Suzuki: Raising the consumption tax 2%, from the current 8% to 10%, which the government under pressure of an ailing economy and an upcoming election has recently postponed doing, though it claims the hike is necessary, would generate 4 trillion yen a year.

No wonder ordinary Japanese citizens are angry, the magazine fumes. Lately the anger has coalesced around an anonymous blogger venting her rage at being unable to place her child in daycare – there aren't enough openings; and as a result she, a single mother, faces having to quit the job that is her and her child's sole support.

With 60 trillion yen the government could finance daycare, plug leaks in the pension fund, strengthen the social safety net, improve services to the elderly.

We'll know more about who's stashing how much where on May 9 when the Panama Papers are due to be published in full. Meanwhile, illegal or not, tax havens are revealing themselves as an ugly and socially corrosive fact of commercial life.

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[Yubaru](#) May. 02, 2016 - 07:18AM JST

Lately the anger has coalesced around an anonymous blogger venting her rage at being unable to place her child in daycare – there aren't enough openings; and as a result she, a single mother, faces having to quit the job that is her and her child's sole support.

Why, in an article about money being stashed in tax havens overseas by wealthy Japanese and Japanese businesses is there a comment **TOTALLY** unrelated to the subject at hand.

Oh I am sure if you pull enough straws one could make the connection, but really, I could make the connection that because of these folks hiding income and not paying taxes, forcing me to pay more, is causing me to put less food on my child's plate.



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[mitokomonalex](#) May. 02, 2016 - 07:33AM JST

I am looking forward to seeing the names of those Japanese who stashed their money abroad. on May 9th. Can't they add a little history to this by changing the date to March 15 and call it the Japan Ides of March? I stand ready with my bucket full of tar and feathers for the traitors who have refused to pay their taxes and brought Japan to a economic downtrodden nation like Greece and the city of Detroit. Thanks to the power of Internet.



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[wipeout](#) May. 02, 2016 - 08:17AM JST

Not, be it noted at the outset, that it is necessarily illegal to avoid paying taxes at home by stashing wealth overseas in places like Panama, the Virgin Islands, the Cayman Islands, the Bahamas and so on, where tax laws are notoriously lax. Still, it doesn't look good if it comes to light – as Iceland's ex-prime minister, David Gunniaugsson, learned the hard way.

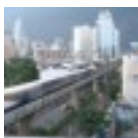
Naturally enough, as politicians and their parties have to submit themselves for election in democratic countries, and the standard of public judgement isn't based on how close they can sail to the edges of the law. Or indeed on their skill in secretly removing money from the country.



3

[Alphaape](#) May. 02, 2016 - 08:28AM JST

If one is getting value for the taxes they pay, then maybe they would not be so quick to hide the money overseas. Of that 60 trillion they say that could do wonders, how much would be wasted? I am all for paying taxes, but make the tax rates fair. Why should someone work, and then wind up paying over 50% in taxes? Explain to me how that helps an economy grow.



-3

[JeffLee](#) May. 02, 2016 - 10:04AM JST

"Now if this money was in Japan...."

Flawed premise. If the "money" is yen, it would have to be in Japan.

We assume the Japanese tax-dodgers earned yen in the first place. To "send" that money overseas, it would have to be converted into US dollars or local currencies, etc., because the yen basically can't be used outside Japan. For that conversion, someone has to buy the yen from its owner. So what happens to the purchased yen? Simple: it has a new owner and it's still in Japan, where it CAN be used...and taxed.

If this happens on a really large scale, we'd worry about yen depreciation. But of course, today's problem is the yen's strength. Sooo.....



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9

[commanteer](#) May. 02, 2016 - 10:33AM JST

I can see the writing on the wall. Expats in Japan, watch out. Your "foreign" bank accounts in your home country will be tapped as part of an overall sweep aimed at rich tax avoiders. Of course, the rich will always find ways around this and simply move their money elsewhere. Meanwhile Joe EnglishTeacher will get swept up in the net.



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[WordStar](#) May. 02, 2016 - 10:37AM JST

In the face of their wanton incompetence at fiscal management, governments are becoming increasingly predatory, and people willing to risk the consequences are taking various actions to

avoid taxation. My nerdy neighbor parks a very expensive German sports car in his driveway, but I've only actually seen him start it to keep the battery from running down. I figure he buys it in his company's name, depreciates the value over several years' time, and then sells it as "near-new" after five years and pockets any profits. There are all kinds of loopholes one can openly and legally exploit in Japan without having to deal with Panamanian lawyers or offshore banks.



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[Citizen2012](#) May. 02, 2016 - 10:51AM JST

I am looking forward to seeing the names of those Japanese who stashed their money abroad. on May 9th.

The database will be updated on May 9th but there is already some "searchable" data available, it seems, about Japan :

<https://offshoreleaks.icij.org/search?country=JA&q=&ppl=on&ent=on&adr=on>



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6

[sangetsu03](#) May. 02, 2016 - 10:53AM JST

Japanese money in offshore tax havens could solve a lot of problems at home

Let's think a moment about this statement. First, what are the "problems at home"? And, second, who caused these problems?

The problem that the government doesn't have enough money to pay its bills. It spends far more than it takes in, and as a result, it has acquired a debt of more than 1000 trillion yen, or 250% of GDP. The reasons this debt is so high are that politicians have used the people's money to buy votes in the form of social programs and handouts to keep themselves in power, and to keep Japan Inc running during 25 years of slowing sales, decreasing population, and economic decline.

These problems are not the result of the rich hiding their wealth overseas, these problems are the result of gross political incompetence, misguided government policies, and the machinations of a political/industrial complex. The government has created an economic environment which is frightening away wealth and investment, and those who can are doing the smart thing by taking their money out.

If Japan cleans up its economic act, becomes fiscally stable and responsible, money will pour into the country from around the world. But as long as things remain as they are, money will continue to pour out. Forcing the wealthy to bring their money back to Japan will only result in this money to be looted and squandered by the government and Japan Inc. and end up doing no good for the wealthy or the rest of us.



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[TravelingSales](#) May. 02, 2016 - 11:15AM JST

When you have a 55% marginal tax rate it will result in (i) people substituting leisure for work - retiring earlier, (ii) people taking less risk - buying government bonds instead of opening a new business, and (iii) tax evasion/avoidance. Moronic policy usually brings unwanted results - this is not rocket science.



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4

[katsu78](#) May. 02, 2016 - 12:12PM JST

AlphaapeMAY. 02, 2016 - 08:28AM JST If one is getting value for the taxes they pay, then maybe they would not be so quick to hide the money overseas. Of that 60 trillion they say that could do wonders, how much would be wasted? I am all for paying taxes, but make the tax rates fair. Why should someone work, and then wind up paying over 50% in taxes? Explain to me how that helps an economy grow.

How often do you see people say, "Hey, I would love to have the higher salary, but I don't want to pay the taxes, so just pay me what you were and I'll just make due without a raise"? Because taxes are a proportion of income, it's almost always better to get more income even if it means you'll pay more taxes.

Now, you might hear some American reject a raise in order to stay below the threshold where they get double-taxed by the US and Japanese governments, but that's not an issue of tax *rates*, that's an issue of tax *jurisdiction*. And since it's the US's bizarre law that makes it able to tax based on citizenship rather than where the labor was done and not Japanese law, it's irrelevant to this conversation.

These issues where the rich complain about high taxes always happen not because the rich don't have enough, it's because they want more without having to pay their fair share. The only reason they stash money overseas is not that taxes are too high, it's because **they can get away with it**.



-1

[GW](#) May. 02, 2016 - 12:19PM JST

Why should someone work, and then wind up paying over 50% in taxes? Explain to me how that helps an economy grow.



That would only be for income from working, income from investments etc are taxed often at MUCH lower rates, some barely into double digits, big business & the rich are becoming more & more parasitic in nature & are NOT paying a fair show in a lot of cases, its simply WRONG!

And the other side is:

The problem that the government doesn't have enough money to pay it's bills. It spends far more than it takes in, and as a result, it has aquired a debt of more than 1000 trillion yen, or 250% of GDP

Yes too many govts (especially here in Japan) are much to loose with spending.

But as the saying goes 2 wrongs don't make a right! And right now big biz (& the rich), along with govts are SCREWING the masses & unless this is reversed there will be HELL to pay, ever heard of killing the golden goose anyone?? Well the goose is near death now!!



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5

[Moonraker](#) May. 02, 2016 - 12:37PM JST

When your business or your actions cause social, political and environmental costs which are then borne by the rest you basically have socialism for the rich. Looked at like this, we all have a right to carefully scrutinize any business or even individual to make sure they are paying the full costs of their operations. People getting away without paying their taxes, however they rationalize it as protecting their due, are exploiting the rest of us twice and maybe more than twice.



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8

[CH3CHO](#) May. 02, 2016 - 01:58PM JST

First, the numbers. Otsuma Women's University economics professor Kaoru Tozaki calculates that Japanese corporations and individuals have salted away some 55 trillion yen in Panama, 65 trillion yen in the Caymans, plus an additional 80 trillion yen in various other tax havens. The total – some 200 trillion yen, is a lot of money.

Otsuma does not have an economics department. Kaoru Tozaki is not on the faculty list.

<http://www.gakuin.otsuma.ac.jp/english/>

200 trillion yen is just her pipe dream, whoever she is. Anyone who sends 5 million yen or more from Japan must report the remittance to the government. Japanese banks also have the responsibility to make sure all the fund transfers satisfy the reporting requirement. I do not think that much money could leave Japan without government notice.

Now if this money was in Japan being taxed like the modest incomes of much less wealthy people, it would generate, Tozaki estimates, 60 trillion yen per year.

She also needs to distinguish cash from income. Income is taxable, cash is not. If someone transfers huge amount of money from Japan, an official from the tax office will notice and come to the door within a few days to ask how he made that money. If the money is after tax, no problem. If the money is before tax, he will have to pay the tax, wherever the money is.



7

[fxgai](#) May. 02, 2016 - 02:00PM JST

This article is based on a completely wrong understanding of what tax is due on.

Not, be it noted at the outset, that it is necessarily illegal to avoid paying taxes at home by stashing wealth overseas

Tax evasion is illegal, tax avoidance is not illegal. But just having wealth overseas is definitely not illegal if you pay taxes due on *income* that that wealth generates. But with interest rates at virtually zero, there is not a lot of easy money to be made just stashing your wealth overseas.

the tax revenue which that wealth is failing to generate would solve some of Japan's most pressing and festering social problems.

So too would reprioritizing government spending. Given the way that the politicians here waste money (Tokyo Gov Masazoe the recent culprit) it's hard to imagine taxes paid by tax evaders would really help.

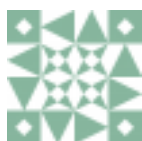
The total – some 200 trillion yen, is a lot of money.... Now if this money was in Japan being taxed.... it would generate, Tozaki estimates, 60 trillion yen per year.

This is that part that is total nonsense.

In which universe does 200 trillion yen of wealth produce 60 trillion yen of tax per year?

In order to generate 60 trillion yen of tax, how much profit must be generated on the 200 trillion yen of wealth? Say the tax rate were 30%. The wealth owners would need to be generating returns of 100% on that 200 trillion to need to be owing 60 trillion yen in tax.

I can't only conclude that whoever wrote this has no idea whatsoever about what tax is due on.



7

[ThonTaddeo](#) May. 02, 2016 - 02:24PM JST

CH3CHO and Fxgai correctly point out what nonsense Kaotu Tozaki's conclusions are. An untaxed hoard of 200 trillion yen might generate a **one-time** 60-trillion yen tax receipt for the government -- 30% of the total--, assuming none of it was taxed before it escaped the country,

but that would be the end of it. Governments don't get to repeatedly tax cash holdings at the income tax rates year after year -- the money would be entirely taken away in just 3 1/3 years!



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[fxgai](#) May. 02, 2016 - 02:35PM JST

Yeah... it really annoys me that people write such nonsense as this article. And the next thing we know people will be repeating this nonsense as if it were a fact.

I have some money back in my country of birth, mainly because if I have to return there in a hurry one day I want some money to be there waiting for me. But there it sits in my "overseas" bank account, earning some interest, which is taxable under Japanese rules.

The amount of interest income I make is pathetic, yet I still have to report it to the Japanese tax man anyway. It costs me more in time to calculate the tax due on it each year than it actually benefits me. (I can't remember exactly, but the tax due last year was maybe a few thousand yen).

And then some person writes nonsense like this, which is possibly going to result in this becoming even more troublesome in the years ahead... all the while, distracting attention away from the real problem, which is that government itself won't get its act together.



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[Scrote](#) May. 02, 2016 - 02:45PM JST

If I understand this article correctly, there exists somewhere an imaginary sum of money that, if taxed at an arbitrary rate, would solve all the problems of the government in one stroke.

Fantastic!

If we double the imaginary sum then none of us will have to pay any taxes at all!



2

[oyatoi](#) May. 02, 2016 - 04:53PM JST

Timing is everything! With the surge in the value of the yen, any money that foreigners have repatriated abroad this year is now effectively worth 15% less than it would've been had they waited till now. My heart bleeds for all those who've been suckered into investing in those "high" interest foreign exchange accounts now in (notionally) negative fifteen percent territory and with the promise of more pain still to come. Conversely, plodding Mr and Mrs Average, with their .001% interest domestic post office and bank accounts are already planning hotel upgrades and other indulgences they'll now be able to afford.



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[sangetsu03](#) May. 02, 2016 - 04:58PM JST

That would only be for income from working, income from investments etc are taxed often at MUCH lower rates, some barely into double digits, big business & the rich are becoming more & more parasitic in nature & are NOT paying a fair show in a lot of cases, its simply WRONG!

What is a "fair share"? In America, the top 1% of income earners pay more than half of all tax collected. Is that your idea of "fair"? I guess these people (who own the companies who employ nearly half of all Americans) are parasitic in nature?

Here is a simple fact. When you tax the rich, the poor and middle class pay. This is because the rich are the largest producers, service providers, and employers, and any increase in tax they receive is immediately passed on to their customers in the form of higher prices, and their employees, in the form of lower wages and fewer jobs. In the end, there is no such thing as "progressive" taxation, because any tax paid by any income group is eventually paid for by every part of the economy. It is not possible to isolate the effects of a tax to any particular income group, period. A tax on any part of the economy is a tax on every part of the economy. The more the rich pay in taxes, the more you will have to pay for the goods and services you buy, and the lower your pay will become.

The only "parasites" are those in government, who take as much as they can from each and every one of us, and give us as little as possible in return.

If governments want the wealthy to keep money in their countries, they are going to have to compete for it. Those countries which offer low taxes, and minimal red tape have no problems at all with the rich hiding their money elsewhere.



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[fxgai](#) May. 02, 2016 - 06:37PM JST

My heart bleeds for all those who've been suckered into investing in those "high" interest foreign exchange accounts

Yes, in the short to medium term it's pointless to invest in "high" interest foreign currency deposits when the currency fluctuation can wipe out any gains. (But then emerging currencies especially crashed big time last year, and look relatively cheap now compared with a year ago...)

In the long term though, personally I fear the yen will go down, so I don't think it's a bad idea to diversify savings out of yen. Just me, but I want at least 50% of my savings in something other than yen. Some people think the yen is bullet-proof safe though, and good luck to them.

I guess these people (who own the companies who employ nearly half of all Americans) are parasitic in nature?

Hear hear. Companies and the jobs they create are the best welfare scheme anyone ever thought of (before we even think about the way they make our lives better through the products they make). Without people risking their savings by investing in businesses, no one would have any jobs at all. And these days (like it or not) the workers' pension funds are investing in companies too, so it's not such a smart idea to hate on companies. Government run pension schemes are bankrupt as it is without making things worse. We should all be in favour of making ourselves all richer through helping our businesses be profitable.

We just have to make sure the people at the very bottom with no savings get the help they need to have a fair shot in the system. The dual-employment system in Japan though is the much bigger problem, IMO. The government needs to abolish the vested interests enjoyed by "seishain" and put all workers on a level playing field.



4

[badsey3](#) May. 02, 2016 - 07:49PM JST

Even if this offshore money was repatriated it would only be wasted by the Japanese Gov and politicians. = Must better to keep this money offshore and far, far way from the Japan corruption and waste. Do people really think this Gov would lower the sales/income tax if they received this extra off-shore money? Why would you keep this money in Japan with the now negative interest rates? If anything more people are offshoring their money/assets than ever and the J-Gov does not care or even want your money as shown by the low/negative interest rates.

= expect many Japanese to invest out of Japan and into other regions to escape the low/negative interest rates and high tax rates.



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[sangetsu03](#) May. 02, 2016 - 08:46PM JST

These issues where the rich complain about high taxes always happen not because the rich don't have enough, it's because they want more without having to pay their fair share. The only reason they stash money overseas is not that taxes are too high, it's because they can get away with it.

The following is an interesting quote from the justice Billings Learned Hand,

"Anyone may arrange his affairs so that his taxes shall be as low as possible; he is not bound to choose that pattern which best pays the treasury. There is not even a patriotic duty to increase one's taxes. Over and over again the Courts have said that there is nothing sinister in so arranging affairs as to keep taxes as low as possible. Everyone does it, rich and poor alike and all do right, for nobody owes any public duty to pay more than the law demands."

When you think about taxes, consider this question. Would you rather companies pay more tax? Or would you rather have a job and a decent salary? Because the more you get of the former, the less you will have in the latter.

It is not high labor costs which is driving outsourcing to other countries. It is high taxes and regulatory costs. Any profitable company of more than middle size pays more in tax than it does in payroll. In every case, these costs are passed down to consumers and employees until prices are too high to attract buyers, and profits are too low to pay employees. The next step is to move operations where the burden is lighter.



Any politician who promises to tax the rich to support the poor will only keep his promise in the minimal way. He will increase the tax on those rich who do not pay him for a loophole, he will try not to give the poor anything at all, because the poor will be foolish enough to sell their votes for an empty promise. For every one dollar raised by the extra tax, two dollars will be spent, and brunt of this money will be absorbed in bureaucracy, fluff, and graft, with very little actually making it to where it is needed.

As much as you may hate wealthy business people, they are infinitely more honest than rich politicians. The wealthy business people have to provide you with things you value enough to pay for, you generally get the best product or service for the money you spend. Can you say the same about what you receive in exchange for your tax payments? The rules that apply to rich business people are the same as those which apply to everyone else, if you screw people over, or don't pay your taxes, you are going to get in trouble. But if you are rich politician, who robs the taxpayers to increase his power, who never keeps a promise of any type, and who runs the people's economy in a manner which would land him in jail if he were running a private business, you are immune. When it comes time to be reelected, you can make more empty promises, spend a little more of the people's money on crony projects, and keep yourself in office.

It all sounds wonderful, until the sky falls on us all. But then history will be written to blame the fall on capitalism, and those pathological liars and thieves who make up the majority of the world's politicians will tell you that all you need to do to make the world a more fair place is to let them control things even more than they did before.

Sadly, this is how it works. "What a wonderful thing for rulers that men are stupid!" said Adolph Hitler. Apparently men are no smarter now than they were then.



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[albaleo](#) May. 02, 2016 - 09:04PM JST

In America, the top 1% of income earners pay more than half of all tax collected.

I understand that figure applies only to federal income tax. (43.6% in 2015 apparently) If all federal taxes are included, the figure drops to 27.9%. (I don't know what happens when state and local taxes are included.)

This is because the rich are the largest producers, service providers, and employers, and any increase in tax they receive is immediately passed on to their customers in the form of higher prices, and their employees, in the form of lower wages and fewer jobs.

It's a cute theory, but I don't think it can be described as a "simple fact". Some evidence would help.



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[sangetsu03](#) May. 02, 2016 - 09:51PM JST

I understand that figure applies only to federal income tax. (43.6% in 2015 apparently) If all federal taxes are included, the figure drops to 27.9%. (I don't know what happens when state and local taxes are included.)

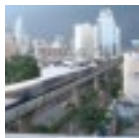
Federal income tax is only the beginning. Employers have to contribute their part (half) to the social security administration, insurance, unemployment and disability insurance, etc. The states have their own income taxes, property taxes (which can be substantial for businesses), utility taxes, etc. And then many taxes are hidden, such as the fuel tax which is added to the price of everything transported in America, plus tolls and other fees. If you subtract all the taxes you pay, and the cost of taxes added to the cost of the goods you buy, you yourself are likely paying more than half of your income in tax, and aren't even aware of it.

It's a cute theory, but I don't think it can be described as a "simple fact". Some evidence would help.

It's not a theory, it's economic common sense. Take yourself as an example, because this principle works top or bottom. Assume your salary is reduced by 10%. Do you continue to spend as much as you did before? Of course not. And those people who sell the goods you regularly buy end up selling 10% less. And since they sell less, they earn less, and have less to pay for their own goods, wages, etc. Your pay decrease is felt by more than just you.

What I don't understand is why people are too dense to figure this out, it is fundamental, anyone who considers it a "theory" is silly. Here is an easier way to explain it. Lets say the economy is a pool full of water, the rich are in the deep end, the poor are in the shallow end. When you take money out of the deep end, does the water level go down in the deep end only? Of course not, eventually the water in the entire pool goes down the same amount. Increased tax on the rich, the middle class, or the poor are immediately transferred to all other members of the economy. It is really that simple.

Businesses exist for one purpose only, to earn a profit. The amount of profit they consider fair is up to them, and no one else. If they cannot earn the profit they need or want, they will either shut down their businesses, or simply not bother to start a business in the first place.



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[JeffLee](#) May. 02, 2016 - 10:12PM JST

"It is not high labor costs which is driving outsourcing to other countries. It is high taxes and regulatory costs."

Haha. You neo-con fantasies are reaching new highs (or should that be 'lows')

"Companies aren't fleeing taxes, analysis shows"

<http://www.newsweek.com/us-companies-arent-fleeing-high-taxes-analysis-shows-305684>



3

[bullfighter](#) May. 02, 2016 - 10:12PM JST

Josei Jishin (May 3) helps us understand why.

Why would anyone use Josei Jishin for commentary on a subject like this? Japan has a number of quite good business magazines and two business newspapers. Josei Jishin is a magazine for women that concentrates on gossip pertaining to entertainers.

<http://jisin.jp/>

First, the numbers. Otsuma Women's University economics professor Kaoru Tozaki calculates that Japanese corporations and individuals have salted away some 55 trillion yen in Panama, 65 trillion yen in the Caymans, plus an additional 80 trillion yen in various other tax havens. The total – some 200 trillion yen, is a lot of money. It's more money than most of us can imagine. Here's a figure that puts it into some kind of perspective: it's more than twice Japan's entire annual national budget, which is 96 trillion yen.

And, precisely because the numbers are so large, they are almost certainly bogus. \*\*I am very pleased to see that others had their doubts and took the trouble to check on Kaoru Tozaki. \*\* Not only does he (the name Kaoru is ambiguous in terms of gender) not appear to be on the staff at Otsuma University, it does not even have an economics department. Otsuma is basically a finishing school for girls from well off families. It's big on home economics, child care, English lit, etc.

<http://www.otsuma.ac.jp/academics/about/index>

Lacking an economics department means it is improbable that it has a professor of economics. (Home economics at Ostsuma is cooking, sewing, etc.) In fact, searching in Japanese I could not

find anyone with the name Kaoru Tozaki listed as an economist, academic or otherwise, although it is possible that is name is written with very unusual kanji.



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[albaleo](#) May. 03, 2016 - 01:52AM JST

Employers have to contribute their part (half) to the social security administration, insurance, unemployment and disability insurance, etc.

Are you suggesting that employers and high income tax payers are the same thing. They aren't.

you yourself are likely paying more than half of your income in tax, and aren't even aware of it.

Are you saying I'm one of the 1% because I pay over 50%? You seem to be changing the topic. Things such as fuel tax are born more evenly than income tax.

Assume your salary is reduced by 10%. Do you continue to spend as much as you did before? Of course not. And those people who sell the goods you regularly buy end up selling 10% less. And since they sell less, they earn less, and have less to pay for their own goods, wages, etc. Your pay decrease is felt by more than just you.

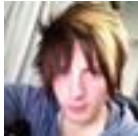
But if that 10% reduction due to tax is spent wisely by government to create wealth (e.g. low cost housing, better schools, better health care, etc.), other people are employed and have money to spend. Also, I may need to spend less to enjoy the same quality of life.



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[Louis Amsel](#) May. 03, 2016 - 06:55AM JST

the solution is to get rid of those 'havens', until then money around the world will flow to these places and become dead assets



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[James Burke](#) May. 03, 2016 - 09:38AM JST

Bitcoin and TOR with bridges. All I got to say about that.



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[talaraedokko](#) May. 03, 2016 - 10:34AM JST

Some pretend to govern fairly & others pretend to pay their fair due taxes. Honestly, bring back money and...? Build more bridges & railroads to nowhere, build a military no one wants, pork barrels galore, feed mismanaged conglomerates in the name of feeding our economy, etc. I'd rather see these ¥200 trillion - if this number is anything near true - being spent on truly helping the needy. Of course, this ain't going to happen, either. In all nations, if things were less centered on their ruling elite we'd have much less hiding of money nor corruption.



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[anotherexpat](#) May. 03, 2016 - 11:12AM JST

" Based on expert estimates – unproven, however – of how much Japanese money is likely hidden away..." In other words, the article on which this article is based is little more than conjecture.



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[zurcronium](#) May. 03, 2016 - 03:14PM JST

Why should someone work, and then wind up paying over 50% in taxes? Explain to me how that helps an economy grow.

99% of people work and pay taxes without whining. Paying less taxes is driven by greed, that is all. The other statements are simply rationalizations to hide greed. If you make more money you should pay more taxes. It is called marginality in economics and it is sound economic policy as well. As for the whiners who say that taxes prevent business success, move to California which has more wealth than any other state and most nations. Yet it is high tax. The USA in the 1950s boomed under 90% marginal taxes. This constant crying about taxes is again all about greed, it is economic garbage however.

So the question is why should rich people be allowed to pay less in taxes as a percent than poorer people? Buffet asks the same question as his marginal tax rate is less than his secretary who makes far less than he does. He is one honest rich person, which is rare to see. He is rich but not greedy, which also is rare to see.



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[sf2k](#) May. 03, 2016 - 06:54PM JST

There's zero expectation that even if 100% recovery were possible that the funds would go to pay down debt and just become even more spending.

<http://www.japantoday.com/category/kuchikomi/view/japanese-money-in-offshore-tax-havens-could-solve-a-lot-of-problems-at-home>