Closure of Japanese companies Dissolution and liquidation of a subsidiary co. / Japanese company

The following procedures must be completed when dissolving/liquidating a **subsidiary / Japanese company.**

Creditors of the company must be given notice for a period of not less than two months prior to the liquidation to submit objections (if any) for the liquidation of the company.

In case, the company have negative net assets, the co. cannot independently complete the usual liquidation procedures rather must follow special liquidation procedures under the direction of a court.

Basic Flow of procedures for dissolving/liquidating a subsidiary Japanese co. (Kabushiki-Kaisha (joint-stock corporation) / Godo-Kaisha (LLC)) / YK — Approx Time frame

Resolution at the general meeting of shareholders or equivalent on the dissolution of the company and the appointment of a liquidator.

Application to the Legal Affairs Bureau for "Registration of the dissolution" of the company and the appointment of a liquidator - (2~4 weeks)

Notification to tax authorities of the dissolution of the company & the appointment of a liquidator. (1~3 weeks)

Call for creditors re objections (if any) for **liquidation of the company**, on an individual basis and also through **official notice in official gazette** (mandatory), and to attend claims (if any)

Preparation of a balance sheet and inventory of property at dissolution

Approval by a general meeting of shareholders or equivalent of the above balance sheet and inventory of property (notification delivered to members in the case of a limited liability company).

Ascertainment and distribution of residual assets.

Resolution approving conclusion of liquidation at the general meeting of shareholders or equivalent (only after the stipulated mandatory period of individual notice & official notice in official gazette is over & no claim and or after settlement)

Application for registration of the completion of liquidation of the co. with the Legal Affairs Bureau for registration of the closure (1~2 week)

Obtaining the company closure registration certificate from the Legal Affairs Bureau (approx. within 2 weeks after application for registration)

Final accounts, BSPL need to be prepared, and all taxes (in case of any dues & mandatory Inhabitant tax payment) need to done for the closure of the company and submission of final return. Closing company's all corporate bank accounts.

Final Notification of completion of liquidation & co. closure to tax authorities, etc.(2~4 weeks)

Completion of Registration of "Closing" of a subsidiary Japanese co.

Disclaimer: This information is for illustration purpose, no warranty is given that it is free from error or omission, and Sarkar Office® cannot be held liable for any decision made based on this information only!