
Opening a Company Bank Account in Japan - Basic Information

The procedures to open a company bank account in Japan has become tighten for past several years especially since the co-ordination level among most of the countries & their local banks in the world have had started to monitor the transactions involving illegitimate businesses & to prevent money laundering & have a check on all such activities.

Please note that with these changes in the banking system for a new company or a branch office opening a co. bank account with major or any banks in Japan has become very stringent and though the screening process and procedure varies bank to bank but as a general guideline please note the followings.

The process of screening the application may take 2~4 weeks and final decision is at the dicretion of the bank. Application can be made only after the completion of the registration of a legal entity i.e. branch office or local subsidiary company in Japan.

For new applications the applicant require to explain & provide supporting documents re their main businesses and the names, addresses and date of birth of the shareholders & management (i.e. KYC of all stakeholders in the company's management body etc.).

Sample application procedure of banks in Japan is described as below (for guideline only):

Type of Corporate Bank Account: Futsu Koza (Ordinary Bank Account)

Required items / documents for opening a Company Bank Account:

- 1] Application form available at the bank
- 2] Branch or local company Registration Certificate - Original Copy
- 3] Local Company's – Articles of Incorporation - Copy
- 4] Physical Registered Branch / Co. seal(s) (stamp) & Registration Certificate – Original copy
- 5] Identification proof of the person applying for the Co. Bank a/c:

(Re applicant: In case of company employee; company ID, a letter from an attorney specifying that the representative of the corporation entrusted the person who visited the bank for opening the account for the company & endorsed by the registered company seal (stamp). However, in case the applicant is a director or Representative in Japan and his / her name is on registration certificate letter from attorney is not required. For others "Power of Attorney" is required.)

Optional supporting docs (in order to facilitate the process these docs would assist the bank's decision)

- a] Company Profile / Company brochure of Parent Co. – Printed version or a Print from soft copy
- b] A copy of latest Statement of Accounts / BSPL of Parent co.
- c] Lease agreement / Agreement relating to principal office (registerd office in Japan)
- d] Acknowledgement copy of post-incorporation mandatory notifications to local authorities (wherever available) after the completion of these procedures.

We also suggest to submit the following additional supporting docs (optional):

- Passport copy (ID pages) of foreign co's shareholders & directors (or of the individual owner)

- A copy of parent co. major client's list
- A brief of "Proposed business operation in Japan" & "Business projection".
- In case of a subsidiary co (K.K. co. or G.K. co.) we also suggest for reasonable paid-up capital amount to support the proposed Japan business operation without seeking financial assistance / loans from parent co. for at least few years after the incorporation in Japan!
- Any other information related to above.

Some other related matters for reference: (For the subsidiary co. registered without a "local Resident in Japan" under the new regulation in Japan).

- ❖ Re opening Co. Bank a/c: For past several years opening an "ordinary bank account" (Futsu Koza) even for local co owned by the local citizen or resident has been receiving the same treatment especially for SMEs. So far for a foreign owned small & medium size subsidiary co. with a "local resident in Japan" on board going through the same process with further scrutiny but with all required docs in place mostly receives favorable outcome relating to Co. Bank a/c opening.
- ❖ Our observation: However, for a foreign owned small & medium size subsidiary co. registered without a "local Resident in Japan" under the new regulation does not seem to be getting the same treatment as mentioned above with regard to opening a new Co. Bank a/c. It appears that local banks are not on the same page with the Japanese govt. when it comes to the new regulation effective Mar'15. According to news article published in the past it seems that Japanese govt. wanted to make it more flexible for foreign co. to open a subsidiary co. in Japan & with regard to Co. Bank a/c that these companies perhaps can also consider to operate business in Japan through an overseas co. bank a/c opened in the name of the subsidiary co. in Japan!

However, for MNC & foreign co. they can contact the three Mega Banks their points of contact for inquiries as per following details:-

- **Mizuho Bank**
New Account Support Line, International Business Department
(<https://www.mizuhobank.com/japan/corporate/index.html>)
- **Sumitomo Mitsui Banking Corporation (SMBC)**
Support for Investing Japan, Global Business Promotion Department
(+81-3-6706-3518) – No link available.
- **The Bank of Tokyo-Mitsubishi UFJ, Ltd.**
Global Subsidiary Banking Department, Global Corporate Banking Division
(<http://www.bk.mufg.jp/global/globalnetwork/asiaoceania/tokyo.html>)

The above-mentioned points is for reference only.

The above procedures re Opening of a Company Bank account in Japan is for illustration purpose.

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