

Opening a Company/Corporate Bank Account in Japan Basic Information



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

Please note that with these changes in the banking system for a new company (KK Co. or GK Co.) or a Branch office, opening a company Bank account after registration in Japan has become very stringent, and though the screening process and procedure varies from bank to bank but for general guidance, please note the following.

The screening of bank account applications may take two to four weeks, and the final decision is at the bank's discretion. An application can be made only after completing a legal entity registration, i.e., a branch office or local subsidiary company in Japan.

For applications, the applicant must explain and provide supporting documents regarding their primary businesses and the names, addresses, and date of birth of the shareholders and management (i.e., KYC of all stakeholders in the company's management body, etc.).

The sample application procedure of banks in Japan is as below (for guideline only):

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

Documents required for opening a Company/Corporate Bank Account:

- 1] Application form available at the bank,
- 2] Branch or local company (KK Co., GK Co.) Registration Certificate - Original Copy
- 3] Local Company's (KK Co., GK Co.) - Articles of Association - Copy
- 4] Physical Registered Branch/Co. seal(s) (stamp) and Seal 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 corporation's representative entrusted the person who visited the bank for opening the account for the company & endorsed by the registered company seal (stamp). However, if the applicant is a director or Representative in Japan, his / her name is on the registration certificate letter from the attorney is not required. For others, "Power of Attorney" is required.)



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

- a] Company Profile/Company brochure of Promoters/Parent Co. - Printed version or a Print of a soft copy
- b] A copy of the latest Statement of Accounts/BSPL of Promoters/Parent Co.
- c] Lease agreement/Agreement relating to the principal office (registered office in Japan)
- d] Copy of post-incorporation BOJ notification, mandatory tax office notifications after completing these procedures.

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

- Passport copy (I.D. pages) of foreign co.'s shareholders & directors (or of the individual owner),
- A copy of Promoters/Parent Co. major client's list,
- A brief of "Proposed business operation in Japan" & "Business projection"
- In the 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 a few years after the incorporation in Japan!
- Any other information related to the above.

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

- ❖ Our observation: Foreign-owned small & medium size subsidiary co. registered without a "Resident in Japan" under the new regulation face a challenging situation 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 March'15! However, these companies can consider operating business in Japan through an overseas/off-shore co. Bank a/c opened in the name of the subsidiary co. in Japan!

MNC and foreign company can contact the following three Japanese Mega Banks for inquiries as per the 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 points mentioned above are for reference only.

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