

Paid-up Capital Procedure Options for Kabushi-Kaisha(KK) and Godo-Kaisha(GK)

Any of the following options can be used for KK or GK Registration.

[1] The foreign **Promoter/Investor** is opening a **Bank Account** with a **Japanese Bank Branch** in the home country. Deposit the **"Paid-up Capital"** amount in the said bank account of the Promoter/Investor. Send **proof of the capital amount deposit** for the company registration in Japan.

[2] The foreign **Promoter/Investor** temporarily **use a personal bank account of a Resident in Japan** who, as a proxy shareholder, takes up one(1) share for the company registration in Japan. The foreign **Promoter/Investor remit/transfer the amount of ninety-nine(99) shares** to the personal bank account of the proxy shareholder. The **Resident Shareholder deposits one(1) share amount** in a **personal bank account in Japan**. The **Resident Shareholder** sends the **proof of the deposits of the capital amount for the total 100 shares**.

After the company registration, the resident shareholder's one(1) share/equity is transferred back to the foreign Promoter/Investor through an agreement duly endorsed by both parties.

Please note that in the case of Option-2(as mentioned above) post-company registration statutory filing regarding foreign inward investment through the "Notification to Bank of Japan," the share/equity participation at the time of registration shall be reflected and cannot be amended post-registration.

The foreign Promoter/Investor's 100% shareholding/investment shall reflect on the company's tax-return filing document filed to the Japanese tax authorities after the completion of the first fiscal year of the Japanese company.

In addition to the above two options, the following option is also available for Godo-Kaisha (GK) registration.

The **"Paid-up Capital"** amount of **yen equivalent** in the **foreign Promoter/Investor's home country currency is deposited in the existing Bank Account of the Promoter/Investor** in the home country. The **proof of the deposit of the capital amount is sent for GK registration.**

After confirming the proof of deposit of the capital amount, the corporate affairs attorney prepares documents for the GK company registration in Japan.

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