

Guide to Beneficial Ownership Information: Legal Entities and Legal Arrangements

The purpose of this country-specific guide is to provide assistance to investigators on the type of information that is available on the natural persons who control legal persons and arrangements, such as companies and trusts, or otherwise play an important role in a legal person and arrangement in **Japan**, and the conditions that need to be met to be able to access such information. For ease of reference, the Contents of the guide are listed below.

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I. Definitions and Company Formation Process

1. What is the definition of legal ownership in Japan?

Legal owners of a stock company are the persons, either natural or legal, who own its shares.

2. What does “beneficial ownership” mean in Japan?

Beneficial owners are the natural or legal persons who ultimately exert control over a legal entity. The definition of beneficial ownership varies depending on a type of entity.

3. How are legal entities (companies, partnerships, foundations, etc.) formed in Japan?

The founders or incorporators prepare the articles of incorporation. After their certification by a notary public, the articles of incorporation are registered with the company registry.

4. What is the role of Company Registries in Japan?

Company registries review the articles of incorporation submitted, as well as the supporting documents. Once satisfied, the registration is recorded in the registry.

5. How is basic information and beneficial ownership information on legal entities obtained and recorded in Japan?

Basic information on legal entities provided by an applicant and contained in a registration application is registered in the company registries. No information on the beneficial ownership of legal entities is registered in the company registries.

6. How are legal arrangements (express trusts and trust-like agreements) formed in Japan?

Under the Trust Act, a trust can be created by concluding an agreement with a specific person, making a will or manifestation of an intention for a specific person.

7. How is information on legal arrangements obtained and recorded in Japan?

There is no obligation to register trusts in Japan.

II. Types of Legal Entities

There are many types of legal entities able to be formed in **Japan**. This Guide will provide information on stock companies:

Stock Company

Type of Legal Entity	Stock Company	
What is the minimum number of natural persons required for formation?	1	
	Yes	No
Is there a requirement to register with the company registry?	X	
Is there a requirement to provide verification for identity of natural persons (shareholders, representatives of bodies corporate and beneficial owners)?	X ¹	
Is there a residency requirement for directors?		X
Are bearer shares/share warrants permitted?	X ²	
Is a Trust and Company Service Provider required to form?	X ³	
Is a registered agent in the jurisdiction of formation required?		X
Is the entity required to hold financial account(s) in jurisdiction of formation?	X	
Are tax filings required in the jurisdiction of formation (even if there are no direct tax liabilities)?	X	
Does the jurisdiction allow for nominee directors?		X
If so, are they required to disclose their status as nominee directors?		
If so, are the nominee directors required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		
Does the jurisdiction allow for nominee shareholders?		X
If so, are they required to disclose their status as nominee shareholders?		
If so, are the nominee shareholders required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		

¹ - Stock companies are required to provide verification for identity of their directors.

² - Only bearer share options are permitted. In Japan, once bearer share options are exercised, the holders' information, including their names and addresses, is recorded in the shareholder register kept by the company.

³ - The articles of incorporation prepared by a company's incorporators must be certified by a notary public (Companies Act 2005 Art. 30). Notaries are required to perform customer due diligence, for example: (i) verifying the customer's identification by some reliable methods (*e.g.*, a certificate issued by a public agency (Notary Act 1908 Art. 28,60)); (ii) examining whether or not the incorporation violates laws or regulations including anti-money-laundering rules (Art. 26); (iii) recording related documents as evidence at a durable facility attached to the notary's office (Ordinance for Enforcement of the Notary Act 1949 Art. 25-27).

General Partnership Company

Type of Legal Entity	General Partnership Company	
What is the minimum number of natural persons required for formation?	1	
	Yes	No
Is there a requirement to register with the company registry?	X	
Is there a requirement to provide verification for identity of natural persons (shareholders, representatives of bodies corporate and beneficial owners)	X	
Is there a residency requirement for directors?		X
Are bearer shares/share warrants permitted?		X
Is a Trust and Company Service Provider required to form?		X
Is a registered agent in the jurisdiction of formation required?		X
Is the entity required to hold financial account(s) in jurisdiction of formation?	X	
Are tax filings required in the jurisdiction of formation (even if there are no direct tax liabilities)?	X	
Does the jurisdiction allow for nominee directors?		X
If so, are they required to disclose their status as nominee directors?		
If so, are the nominee directors required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		
Does the jurisdiction allow for nominee shareholders?		X
If so, are they required to disclose their status as nominee shareholders?		
If so, are the nominee shareholders required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		

III. How to Access Information

This guide will address the ability to access information on entities formed in **Japan** available in **1) registries** and **2) other channels**.

Registries

The registry in **Japan** is called the Registry Office. It can be accessed online at the following web address: <http://www.moj.go.jp/ENGLISH/CIAB/ciab-01.html>

In general, the following information is publicly available online (free or for a nominal fee, with no log-in requirements):

1. Name of Legal Entity
2. Entity Number (if any)
3. Type of Legal Entity
4. Date of Incorporation
5. Current Status (active, etc.)
6. Principal Address of Business
7. Principal Purpose of Business
8. Officer/Director Information

In general, the following information is not available online, but may be available through another form of public access (*i.e.*, in person only or via a pre-registration requirement) or to law enforcement, through specific procedures listed in further detail below:

1. Articles of Incorporation
2. Application/Certificate of Formation

Registry update

The registry does not have any enforcement or sanction power to ensure that the data provided to the registry is correct. There are however sanctions available in case of false statements (Article 157(1) of the Penal Code) and for failure to complete a registration required by the Companies Act (Article 976(1) of the Companies Act).

According to the provisions of Article 915 (1) of Companies Act, changes to the matters recorded in the company registry must be notified and made by the registry of the location of the head office within two weeks.

	Online Access (free or for nominal fee, no log-in requirements)	Other Public Access (available in person only or via pre-registration requirement)	Law Enforcement Access only	For Information/ documents accessible only by Law Enforcement, please describe how an investigator may access information
Name of Legal Entity	X			
Entity Number (if any)	X			
Type of Legal Entity	X			
Date of Incorporation	X			
Current Status (active, etc.)	X			
Principal Address of Business	X			
Principal Purpose of Business	X			
Registered Capital	X			
Registered Agent Information				
Officer/ Director Information (incl. power of representation)	X			
Shareholder/ Member Information				
Memorandum				
Articles of Incorporation		X		
Application/ Certificate of Formation		X		
Annual/ Biennial Reports				
Shareholder Register				
Register of Charges				
Bank Account Information				
Payment Records				
Historical Documents (example: past annual filings)				

Other Channels

The explanation below outlines the channels by which foreign authorities may obtain information on legal entities, legal arrangements, or relevant persons from different sources in **Japan**.

Channels through which foreign authorities may obtain information

Legal entities/ Relevant Individuals (directors, shareholders, managers, associates, family members, etc.)

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with relevant Individuals	X ¹		See footnote 1.	X ²		See footnote 2.
Records/ documents	X		See footnote 1.	X		

Legal arrangements/ relevant individuals (trustees [nonprofessional], settlers, beneficiaries, protectors, etc.)

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with relevant Individuals	X		See footnote 1.	X		
Records/ documents	X		See footnote 1.	X		

Financial Institutions

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with personnel	X		See footnote 1.	X		
Accounts records/ documents	X		See footnote 1.	X		

¹ Whether the requested information can be shared with foreign authorities through information/intelligence information sharing or not depends on the case. It is usually possible to gather and share information upon request through Interpol channels for the purpose of criminal investigation provided that no compulsory measures required.

² The Act on International Assistance in Investigation and Other Related Matters, MLAT and MLAA, apply here. They do not prohibit, restrict or otherwise limit assistance based on type of company or service providers, and related individuals. Assistance may therefore be granted whatever its object is.

Trust and Company Service Providers

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with relevant Individuals	X		See footnote 1.	X		
Records/ documents	X		See footnote 1.	X		

Other Designated Non-Financial Businesses and Professions

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with personnel	X		See footnote 1.	X		
Accounts records/ documents	X		See footnote 1.	X		

IV. Other Useful Sources of Information

Resource Name	Web Link
Mutual Legal Assistance in Criminal Matters	http://www.moj.go.jp/ENGLISH/information/liai0002.html
This website of the Ministry of Justice provides an overview of Japan's legal framework for mutual legal assistance. It offers a link to relevant laws and treaties and provides guidance.	
Asset Recovery Guides-Japan	https://star.worldbank.org/star/ArabForum/asset-recovery-guides
This guide explains how foreign jurisdictions can obtain assistance from Japan to recover assets that are the proceeds of crime.	