

# Method of Calculating Accommodation Tax

## ■ Method of calculating accommodation tax

**Accommodation fee (\*) [rounded down to the nearest hundred yen] x 3 %  
(= Amount of tax base)**

Accommodation fee (\*): Accommodation fee without meals and accommodation service fees

— Items not included in the accommodation fee (\*) —

Taxes (consumption tax, bathing facility tax, etc.) and service fees other than those for accommodation services (meal charges, fees relating to conference facilities, etc.)

## ■ Example calculations of accommodation tax

[Example 1] If the accommodation fee is 15,000 yen (excluding accommodation tax and excluding consumption tax) and the sale is made directly through the company's own website or telephone reservation system

(1) Total accommodation fee (Excluding tax)	(2) Tax base * Rounded down to the nearest hundred yen	(3) Accommodation tax ((2) × 0.02)
15,000 yen	15,000 yen	450yen

[Example 2] If the accommodation fee is 15,000 yen (excluding accommodation tax and including consumption tax) and the sale is made directly through the company's own website or telephone reservation system

(1) Total accommodation fee (Including consumption tax)	(2) Tax base (Excluding tax) * Rounded down to the nearest hundred yen	(3) Accommodation tax ((2) × 0.02)
15,000 yen	13,600 yen	408yen

[Example 3] If the accommodation fee is 15,000 yen (including accommodation tax and including consumption tax) and the sale is made directly through the company's own website or telephone reservation system

(1) Total accommodation fee (Including tax)	(2) Tax base (Excluding tax) * Rounded down to the nearest hundred yen	(3) Accommodation tax ((2) × 0.02)
15,000 yen	13,200 yen	396yen

\* When calculating the accommodation tax by calculating backward from the sale price, the sale price may not be the sum of the accommodation fee without meals + consumption tax + accommodation tax. The difference shall be adjusted by the amount of consumption tax to match the sale price.

[Example 4] If the accommodation fee is 15,000 yen per night with two meals (including accommodation tax and including consumption tax) and the sale is made directly through the company's own website or telephone reservation system

\* However, limited to cases where meal charges cannot be separated from the accommodation fee

(1) Total accommodation fee (Including tax and meal charges)	(2) Meal charges (Including tax) $((1) \times 0.2 \times 1.1)$	(6) Tax base (Excluding tax and excluding meal charges) *Rounded down to the nearest hundred yen	(7) Accommodation tax $((6) \times 0.02)$
15,000 yen	3,300 yen	10,300 yen	309yen

\* Handling of meal charges if meal charges cannot be separated from the accommodation fee  
10% of the amount to be paid by the guest to the accommodations shall be a charge for a meal.  
(20% for two meals, 30% for three or more meals)

\* The tax base is calculated after deducting meal charges (including tax) from the total accommodation fee.

[Example 5] If the accommodation fee without meals is 10,000 yen (excluding tax) and the sale is made indirectly through a travel agent

\* However, the accommodation fee without meals includes a commission of 2,000 yen to be paid by the accommodations to the travel agent. In addition, the guest shall pay a reservation fee of 1,000 yen to the travel agent.

(Correct)  $10,000\text{yen} \times 0.03 = 300\text{yen}$

(Incorrect)  $(10,000\text{yen} - 2,000\text{yen}) \times 0.03 = 240\text{yen}$

$(10,000\text{yen} + 1,000\text{yen}) \times 0.03 = 330\text{yen}$

\* The amount equivalent to commissions, etc. paid by the accommodations to the travel agent...included in the tax base (accommodation fee)

The amount equivalent to commissions, etc. paid by the guest to the travel agent...not included in the tax base (accommodation fee)

■ Timing of rounding down to the nearest hundred yen when calculating the tax base - Common mistake -

[Example] Calculation of accommodation tax when two people stay at a cost of 9,000 yen per person per night (including consumption tax)

<<Correct>>	<<Incorrect>>
9,000 yen (including consumption tax)... (1) $(1) \times 100 / 110 = 8,181$ yen (excluding consumption tax)... (2) 8,100 yen (rounding the amount in (2) down to the nearest hundred yen)... (3) $(3) \times 0.03 = 243\text{yen}$ · · · (4) $(4) \times 2 \text{ people} = 324\text{yen}$	9,000 yen (including consumption tax)... (1) $(1) \times 2$ (people) = 18,000 yen (including consumption tax) ... (2) $(2) \times 100 / 110 = 16,363$ yen (excluding consumption tax)... (3) 16,300 yen (rounding the amount in (3) down to the nearest hundred yen)... (4) $(4) \times 0.03 = 326\text{yen}$

The tax base must be calculated per person. (Round the accommodation fee without meals (excluding tax) down to the nearest hundred yen.)

If the tax base is calculated per stay (per reservation), the number of round-downs is decreased and the accommodation tax is increased.

(If the accommodation fee is calculated per room or per building, the tax base must be calculated per room or per building.)