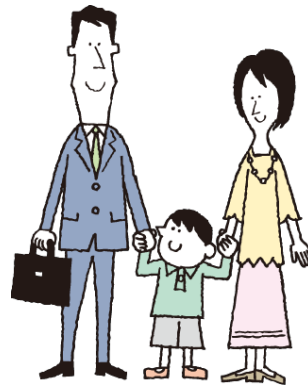


Public pension system you need to know



日本年金機構

Japan Pension Service

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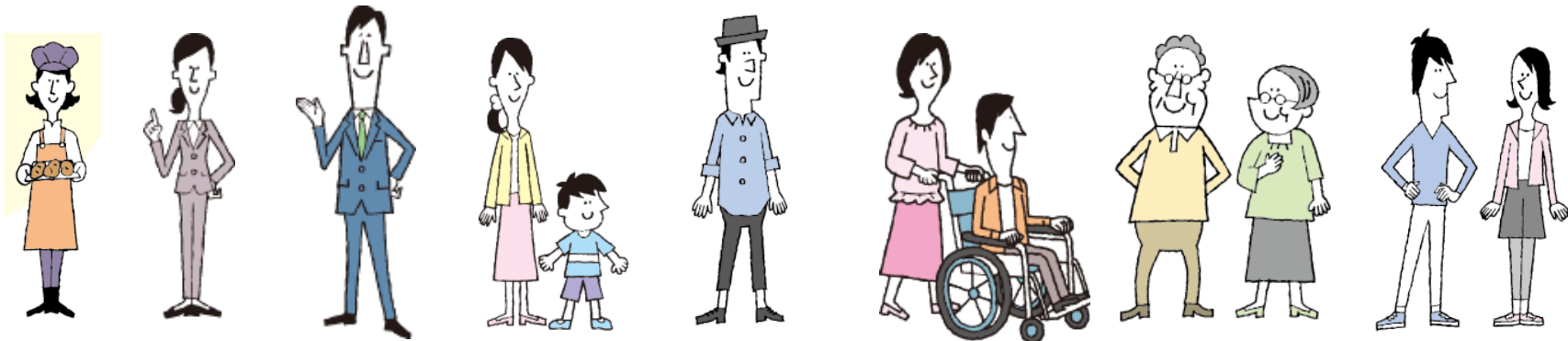
1. What is the public pension system?
2. When you become 20 years old
3. What should you do in such a case?

1. What is the public pension system?



What is the "public pension system"?

The "public pension system" is designed based on the idea of "all working generation supporting people" when we become old, when we have a disability due to an accident or illness, or when the income earner of a family dies.



System of supporting each other

The system is designed based on the concept of social insurance: ALL people support each other's livelihood after retirement in old age, when disability occurs due to an accident or illness, or when the income earner of a family dies.



Who are ALL?

All people who are aged between 20 and 59 living in Japan, irrespective of their nationality

How do we support?

Contribution paid by ALL people and companies
+
Government subsidy

How does it work?

You cannot receive pension benefits unless you pay contribution
↓
Social insurance method

Intergenerational support

Pension system is “intergenerational support”

Old-age Pension

About 40.62 mil. beneficiaries



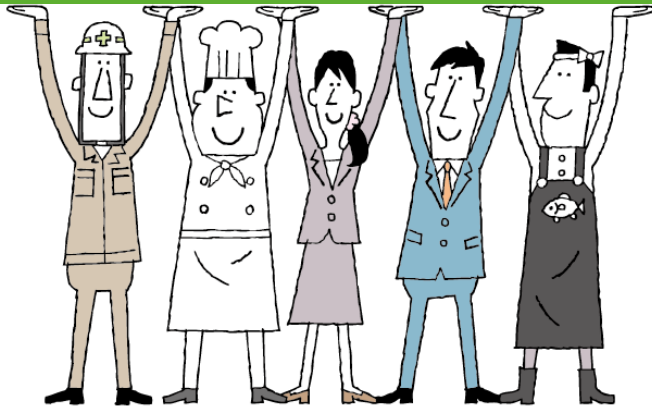
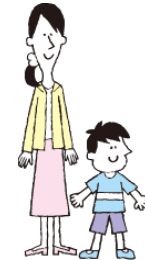
Disability Pension

About 2.21mil. beneficiaries

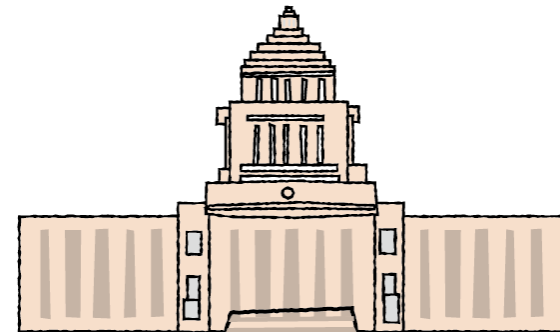


Survivors' Pension

About 6.67 mil. beneficiaries



Working generation: About 67.62 mil. people
(contribution payments)



Government (tax revenue)

Half of the basic pension benefit payments
are funded by national subsidy

(Note) The number of people as of the end of fiscal year 2019 (March 2020)

Three types of public pension benefits

Three major insurances

When you become old

Old-age
Pension



When you have a disability

Disability
Pension

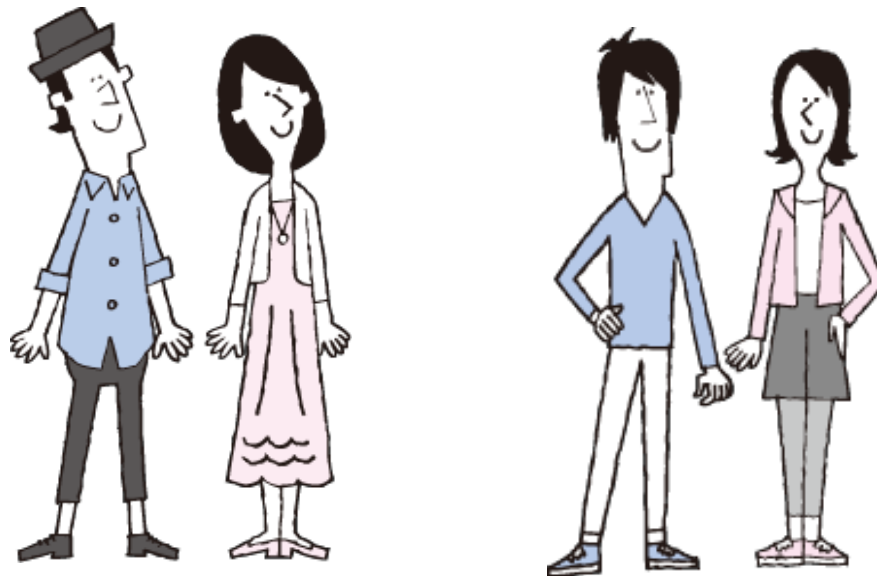


When the income earner
of a family dies

Survivors'
Pension

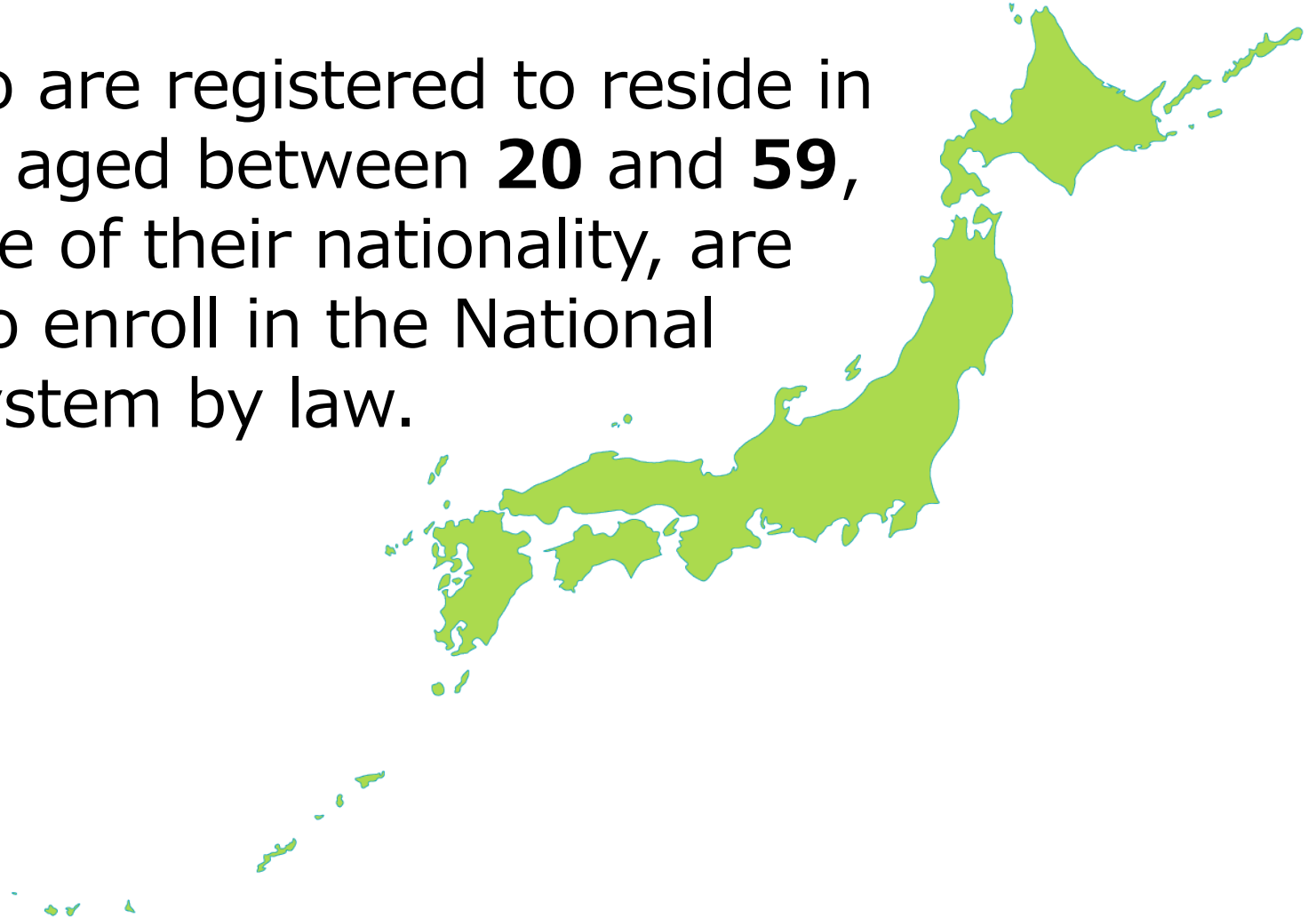


2. When you become 20 years old



Enrollment: People aged between 20 to 59

Those who are registered to reside in Japan and aged between **20** and **59**, irrespective of their nationality, are required to enroll in the National Pension system by law.



If you have difficulty in paying the National Pension contribution

You may apply for "exemption" or "postponement" system when it is financially difficult to pay contributions, e.g. when your income is low.

Full exemption

Full contribution exemption

Postponement of payment

Payment of contribution for persons under the age of 50 (other than students) can be postponed.

Partial exemption

Part of the contribution is exempted.

Special payment system for students

Payment of contribution while attending school can be postponed.

Students may apply for the special payment system



When low income students **apply** and get approved, payments of the National Pension contribution can be **postponed**.



Contribution can be paid retroactively within the **certain periods**.
(You can recover the past contribution-non-payment periods)



You need to file the application **every year**.



Please apply at the municipal office of your place of residence (National Pension counter), or at the JPS branch offices.

Please note:

There will be a big difference if you do the procedure properly!



University student A:
She enrolled in the National Pension system.
At the same time,
she **applied for**
the special payment system
for students.



University student B:
He enrolled in the National Pension system,
but he neither paid contributions
nor applied for
the special payment system
for students.

For
example



On a trip in the third year of college,
she/he had an accident and became bedridden ...

She can receive Disability Basic
Pension benefits:

Grade I: About 972,250 yen

Grade II: About 777,800 yen

He

CANNOT RECEIVE

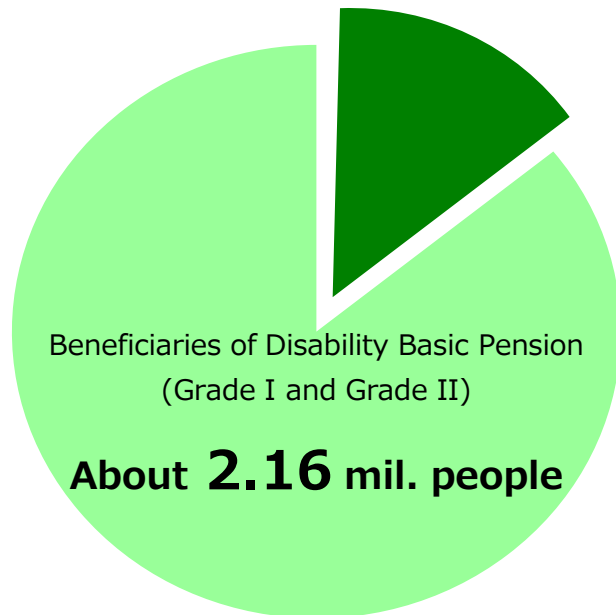
Disability Basic Pension benefits

*Pension system amounts for FY2022

Public pension system supports an "unexpected event"



In our long life, you cannot predict what will happen in the future. An "unexpected event", such as an accident or illness, could happen to anyone.



Beneficiaries in their 20's

About **232,000** people

(Newly entitled beneficiaries: About **93,000** people)

Beneficiaries who were entitled to benefits due to an illness or injury which occurred before the age of 20

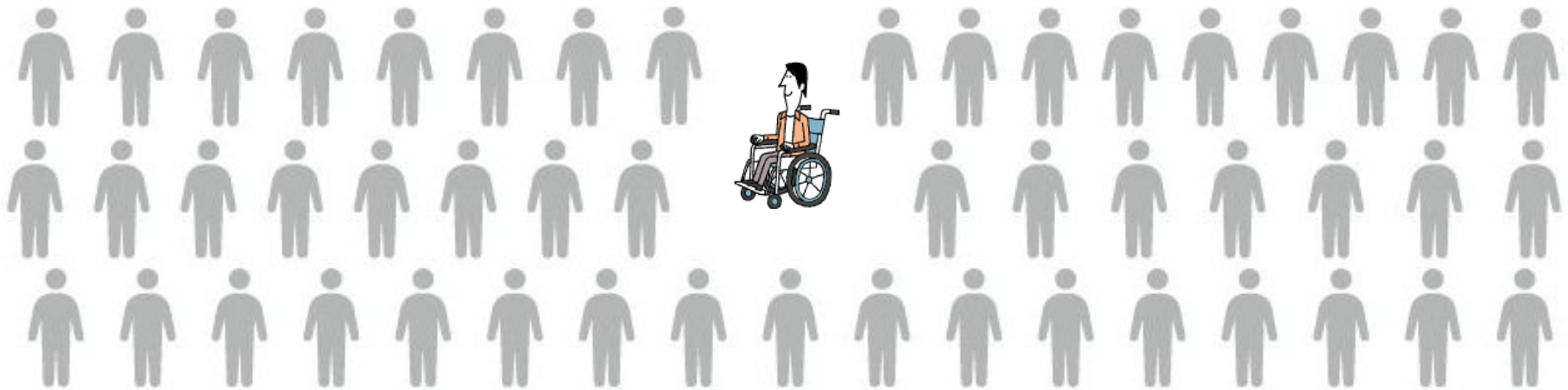
About **1.15 mil.** people
(including 40,000 newly entitled beneficiaries)

Note: "Beneficiaries" here means people who had the right to receive and thus was awarded pension benefits after their application (including people whose whole benefit payments are suspended.).

※ Annual statistical report of Employees' Pension Insurance/National Pension, fiscal year 2020

An unexpected event could happen to anyone

About 1 in 50 of the total population aged 20 and older is receiving the Disability Basic Pension benefits.



Beneficiaries of Disability Basic Pension (Grade I and Grade II) *

About 2.16 mil. people

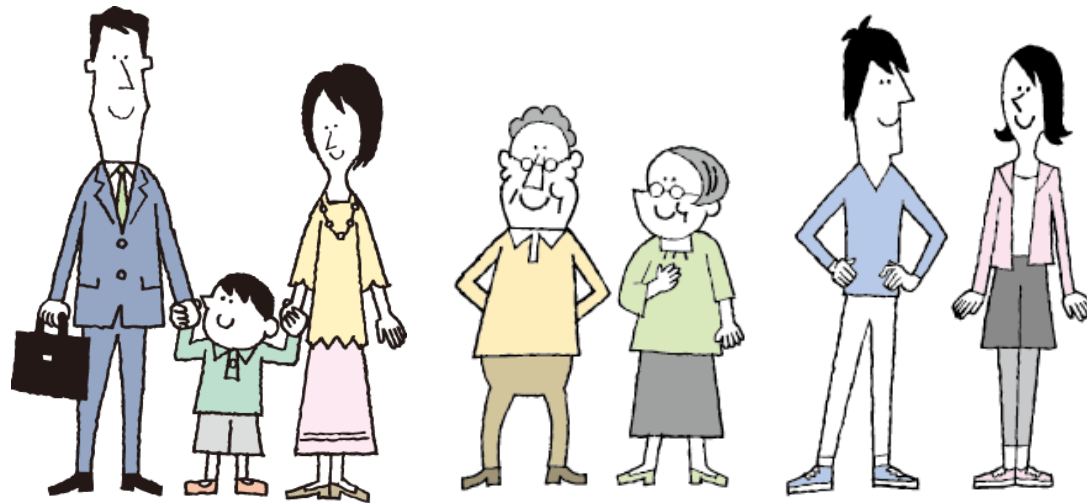
Total population aged 20 and older *

About 105.40 mil. people

*Annual statistical report of Employees' Pension Insurance/National Pension, fiscal year 2020

*Population estimates (as of October 1, 2020)
Statistics Bureau, Ministry of Internal Affairs and Communications

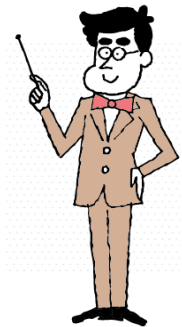
3. What should you do in such a case?



When you are registered to reside in Japan

When you register your address at the municipal office of your place of residence, you need to do the enrollment procedure for the National Pension system at the National Pension counter.

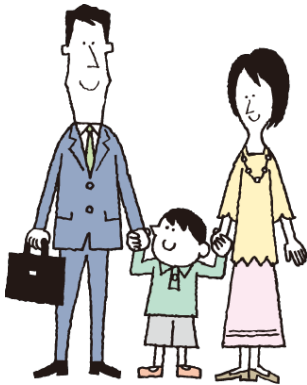
Eventually you will receive your Basic Pension Number Notice by post. Please keep it in a safe place.



When you start work for a company

If you work for a company, you will be covered by the Employees' Pension Insurance system.

Your employer does the enrollment procedure for the Employees' Pension Insurance system for you, so you do not need to do it by yourself.



When you leave the company

If you resign, you need to enroll in the National Pension system.

You need to do the enrollment procedure for the National Pension system at the municipal office of your place of residence.



When you move out of Japan

Please report to the municipal office of your place of residence that you will depart from Japan and reside in other country. You also need to do the procedure to end your National Pension coverage.

After you leave Japan, you may be able to receive a lump-sum payment depending on your contribution-paid periods.*

* A lump-sum is payable if you have been covered and paid the contributions for at least 6 months respectively for the National Pension or the Employees' Pension Insurance.

Lump-sum Withdrawal Payments

Non-Japanese residents who have been covered by the public pension system for at least 6 months and never been entitled to the pension benefits can file a claim for the Lump-sum Withdrawal Payments within 2 years after their departure from Japan.

The payment amounts are determined depending on your contribution-paid periods. (The maximum coverage periods used in calculation of the payment amounts is 5 years.)



What if you don't know what to do

The pension system is complicated and you sometimes don't know what you should do...

→ Please contact the municipal office of your place of residence or your nearest JPS branch office.





Today's summary

- Even students are required by law to be covered by the public pension system and to pay contribution when they become **20 years old**.
- If it is difficult to pay contributions, you can apply for "**exemption**" or "**postponement**" system.
- The public pension system is the "**intergenerational support**" system.
- In addition to "**old-age pension**", there are "**disability pension**" and "**survivors' pension**" of which you can receive benefits when an unexpected event occurs.

