Act concerning Charitable Trust

(Act No. 30 of May 22, 2024)

The Act Concerning Charitable Trust (Act No. 62 of 1922) is hereby amended in its entirety.

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to contribute to the promotion of public interest and the realization of a vibrant society, in view of the fact that the carrying out of the affairs by charitable trust has become increasingly important for promoting public welfare in light of changes in domestic and international socioeconomic conditions, by establishing a system for authorizing the charitable trust to ensure the proper conduct of affairs through trust for public interest, and providing for necessary measures to ensure the proper administration of charitable trust affairs by the trustees of the charitable trust..

(Definition)

Article 2 In this Act, the meanings of the terms listed in each of the following items are as prescribed respectively in those items.

(i) Charitable trust: A trust that does not designate beneficiaries as prescribed by this Act (including the method for designating beneficiaries; the same applies in Article 4, paragraph (3)) and whose sole purpose is to administer public interest affairs.

(ii) Public interest affairs: Affairs listed in the items of the appended table, as those affairs whose purpose is academic advancement, welfare improvement, and other promotion of the interests of many and unspecified persons.

(2) The terms "trust", "terms of trust", "trust property", "settlor", "trustee", "beneficiary", "obligations covered by the trust property", "consolidation of trusts", "absorption-type trust split", "creation-type trust split" or "split of a trust" as used in

this Act mean "trust", "terms of trust", "trust property", "settlor", "trustee", "beneficiary", "obligations covered by the trust property", "consolidation of trusts", "absorption-type trust split", "creation-type trust split" or "split of a trust" respectively as defined in Article 2 of the Trust Act (Act No. 108 of 2006).

(3) In this Act, with respect to the provisions in the case where those of the Trust Act are cited, when the relevant provisions are to be applied mutatis mutandis following the replacement of terms pursuant to the provisions of Article 33, paragraph (3), those provisions are referenced as those are to be applied mutatis mutandis following the replacement of terms.

(Administrative Authority)

Article 3 The administrative agency in this Act is to be the Prime Minister or the prefectural governor, as stated in each of the following items according to the classification of charitable trust listed in the relevant items:

(i) charitable trust listed in the following: the Prime Minister

(a) those having terms of trust specifying that they carry out the public interest affairs within the area of more than one prefecture

(b) those that carry out public interest affairs closely related to the affairs or business of the national government and designated by Cabinet Order

(ii) charitable trust other than those listed in the preceding item: the Governor of the prefecture with jurisdiction over the area where the public interest affairs are carried out

(Requirements for Charitable Trust)

Article 4 (1) Charitable trust must be created by the means stated in Article 3, item (i) or (ii) of the Trust Act.

(2) In the terms of trust for charitable trust, in addition to stating that its sole purpose is to administer public interest affairs, the following matters must be specified:

(i) name of charitable trust (limited to those using the characters of "charitable trust"; the same applies in Article 7, paragraph (2), item (i))

(ii) provisions designating the person who is to be a trust administrator (meaning the trust administrator referred to in Chapter IV, Section 4, subsection 1 of the Trust Act; the same applies below)

(iii) provisions designating the person (excluding the settlor) who is to be a holder of a vested right (meaning the holder of a vested right prescribed in Article 182, paragraph (1), item (ii) of the Trust Act; the same applies in Article 8, item (xiii))

(iv) other matters provided for by Cabinet Office Order

(3) In the case of charitable trust, a clause for beneficiary may not be established.

(Name of Charitable Trust)

Article 5 (1) It is prohibited for any person to use in the name or trade name of a trust that is not a charitable trust any character which is likely to be mistaken for a charitable trust.

(2) It is prohibited for any person to use for a wrongful purpose, any name or trade name which is likely to be mistaken for another charitable trust.

(3) A trustee of a charitable trust whose public interest affairs interests have been, or are likely to be, infringed by the use of a name or trade name that is in violation of the provisions of the preceding two paragraphs may seek an injunction to suspend or prevent the infringement against the person who has infringed or is likely to infringe interests related to those public interest affairs.

Chapter II Authorization of Charitable Trust

Section 1 Effect of Charitable Trust

Article 6 A charitable trust does not take effect unless it receives authorization l from the administrative agency.

Section 2 Authorization of Charitable Trust

(Application for Charitable trust authorization)

Article 7 (1) Any person seeking to become a trustee of a charitable trust must apply for the approval referred to in the preceding Article (referred to below as "charitable trust authorization").

(2) Application for the charitable trust authorization must be filed, as provided for in Cabinet Office Order, by submitting to an administrative agency a written application stating matters listed in the following:

(i) name of the charitable trust

(ii) names and addresses of the trustee and the trust administrator (in the case of a corporation, name and full name of the representative person and the place where its principal office is located)

(iii) area of the prefecture in which the public interest affairs are carried out

(iv) category and content of the public interest affairs

(v) other matters concerning the content of the terms of trust related to the charitable trust

(3) Documents listed in the following must be attached to the written application referred to in the preceding paragraph:

(i) a document certifying the content of the terms of trust related to the charitable trust

(ii) a written business plan and a written budget for revenue and expenditure

(iii) if laws and regulations require them to obtain a permission, etc. (which means the permission, etc. specified in item (iii) of Article 2 of the Administrative Procedure Act (Act No. 88 of 1993) the same applies below) from an administrative body for carrying out public interest affairs, documents that certify that they have obtained, or they are eligible to obtain, the relevant permission, etc.

(iv) inventory of assets related to trust property for the charitable trust or any other documents provided for by Cabinet Office Order that certify that the trust has the financial basis necessary to administer trust affairs related to the charitable trust (referred to below as "charitable trust affairs")

(v) a document that describes the standards for payment specified in item (xi) of the following Article

(vi) In addition to what is stated in each of the preceding items, other documents provided for by Cabinet Office Order

(Criteria for Charitable Trust Authorization)

Article 8 (1) The administrative agency is to grant charitable trust authorization when it finds that a charitable trust for which charitable trust authorization is applied meets the following criteria (in the case of a charitable trust for which the terms of trust specify that the trust property is to be limited to money or deposits received through donations, government bonds, or other assets equivalent to them (all of

which must meet the requirements specified by Cabinet Office Order) and that the trust property (including income attributable to the trust property) is to be expended only by the method specified by Cabinet Office Order (referred to as a "specified asset charitable trust" in Article 16, paragraph (1)), the criteria stated in items (viii) through (x) are to be excluded; the same applies in Article 30, paragraph (2), item (i))charitable trust authorization.

(i) its sole purpose is to administer public interest affairs.

(ii) the trustee has the financial basis and technical capability necessary to properly administer charitable trust affairs.

(iii) the trust administrator has the necessary competence to provide the supervision required for the proper administration of charitable trust affairs by the trustee.

(iv) in light of the contents of the document certifying the terms of trust related to the charitable trust, the business plan, and the budget for revenue and expenditure, it is expected that the charitable trust affairs will be administered throughout its duration.

(v) when the trustee administers the charitable trust affairs, it does not provide the settlor, the trustee, the trust administrator or other concerned persons of the charitable trust specified by Cabinet Order with any special interest by using trust property.

(vi) when the trustee administers the charitable trust affairs, it does not engage in any act providing any donation or other special interest by using trust property to any stock companies or any other persons that run business for profit purposes, or any other persons specified by Cabinet Order as ones that engage in any activity to seek interest for any specific individual or entity; provided, however, this does not apply in any of the following cases:

(a) when it engages in any act providing a public interest corporation (meaning a public interest corporation as defined in Article 2, item (iii) of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations (Act No. 49 of 2006); the same applies in this (a) and item (xiii) below) with any donation or other special interest for the business for public interest purposes (meaning the business for public interest purposes as defined in item (iv) of the same Article; the same applies in item (xiii) below) operated by the relevant public interest corporation.

(b) when it engages in any act providing a trustee of another charitable trust with any donation or other special interest for the public interest affairs administered by the relevant trustee.

(vii) when the trustee administers the charitable trust affairs, it does not operate any speculative transaction, financing with high interest or other businesses specified by Cabinet Order as ones being not suitable for maintaining the charitable trust or any business that could be harmful to public policy.

(viii) the charitable trust affairs to be administered are expected to achieve a balance of income and expenditure in accordance with the provisions of Article 16, paragraph (1).

(ix) the ratio calculated in accordance with the provisions of Cabinet Office Order as the ratio of the costs related to the administration of public interest affairs to the costs related to the administration of the charitable trust affairs (referred to as the "public interest affairs ratio" in Article 16, paragraph (2)) is expected to be at least the ratio specified by Cabinet Office Ordinance (referred to as the "base ratio" in the same paragraph), taking into account the status of administration of public interest affairs and other circumstances.

(x) when it administers its charitable trust affairs, the amount of property without designated use prescribed in Article 17, paragraph (2) is expected not to exceed the restriction referred to in paragraph (1) of that Article.

(xi) with respect to charitable trust fees (meaning trust fees (meaning trust fees as prescribed in Article 54, paragraph (1) of the Trust Act) related to charitable trust and trust administrator fees (meaning fees as prescribed in Article 127, paragraph (3) of the same Act); the same applies in Article 19), it has standards for payment, as specified by Cabinet Office Order, so that the amount of payment is not unsuitably high in view of the accounting situation of the charitable trust or other circumstances.

(xii) the trust property includes no stock or other properties specified by Cabinet Office Order that enable it to be involved in the decision making of other organizations; provided, however, that this does not apply to cases specified by Cabinet Order as those in which the inclusion of the relevant properties in those trust property would not result in substantial control of the business activities of other organizations.

(xiii) the terms of trust specify that a holder of a vested right is the trustee of another charitable trust whose purpose is public interest affairs similar to those public interest affairs that are purpose of the relevant charitable trust (referred to below as "subject public interest affairs" in this item), or public interest corporations whose purpose is business for public interest purposes similar to the subject public interest affairs, or one of the following corporations; or the national government or a local government.

(a) An incorporated educational institution specified in Article 3 of the Private Schools Act (Act No. 270 of 1949)

(b) A social welfare corporation specified in Article 22 of the Social Welfare Act (Act No. 45 of 1951)

(c) A corporation for offender rehabilitation specified in Article 2, paragraph (6) of the Offender Rehabilitation Services Act (Act No. 86 of 1995)

(d) An incorporated administrative agency specified in Article 2, paragraph (1) of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999)

(e) A national university corporation specified in Article 2, paragraph (1) of the National University Corporation Act (Act No. 112 of2003) or an inter-university research institute corporation specified in paragraph 3 of that Article

(f) A local incorporated administrative agency specified in Article 2, paragraph (1) of the Local Incorporated Administrative Agency Act (Act No. 118 of 2003)

(g) Other corporations specified in Cabinet Order as corporations equivalent to those listed in (a) to (f)

(Reason for Disqualification)

Article 9 (1) Notwithstanding the provisions of the preceding Article, charitable trust authorization may not be granted to a charitable trust falling under any one of the following items.

(i) persons falling under any of the following are among its trustees:

(a) those who are unable to obtain the necessary permission, etc. from an administrative body required by laws and regulations for carrying out the public interest affairs

(b) disposition for delinquent payment of national taxes or local taxes has been executed, or three years have not passed from a day on which the relevant

disposition for delinquent payment completes.

(ii) persons falling under any of the following are among its trustees (in the case of a corporation, a director, etc. executing the business (meaning company directors, executive officers, members executing business, auditors or corporate auditors, or any other person equivalent to them; the same applies below in this item and item (iv))

(a) If charitable trust authorization is revoked, a person who was a trustee or trust administrator responsible for the facts that caused the revocation (in the case of a corporation, a person who was a director, etc. who was executing the business at the time the matter that led to the revocation occurred) and for whom five years have not passed from the day of that revocation

(b) A person for whom five years have not passed from the day on which the person has been punished by a fine on grounds of violation of the provisions of this Act, the Trust Act, the Secured Bond Trust Act (Act No. 52 of 1905) or the Act on Engagement in Trust Business Activities by Financial Institutions (Act No. 43 of 1943), the provisions of the Act on Investment Trusts and Investment Corporations (excluding those related to the investment corporation system prescribed in Part III of the same Act) (Act No. 198 of 1951), the Act on Prevention of Unjust Acts by Organized Crime Group Members (excluding the provisions of paragraph (7) of Article 32-3 and paragraph (1) of Article 32-11 of the same Act) (Act No. 77 of 1991), the provisions of the Act on the Securitization of Assets (excluding those related to the special purpose company system prescribed in Part II of the same Act) (Act No. 105 of 1998), the provisions of the Act on Management Business of Copyright and Neighboring Rights (excluding those related to the mandate agreement prescribed in Article 2, paragraph (1), item (ii) of the same Act) (Act No. 131 of 2000) or the provisions of the Trust Business Act (Act No. 154 of 2004), on grounds of committing a crime under Article 204, Article 206, Article 208, paragraph (1) of Article 208-2, Article 222 or Article 247 of the Penal Code (Act No. 45 of 1907) or as referred to in Article 1, Article 2 or Article 3 of the Act on Punishment for Physical Violence and Others (Act No. 60 of 1926) or on grounds of violation against the provisions of laws concerning national taxes or local taxes constituting a crime in connection with exemption of or failure to pay national taxes or local taxes or with receipt of refund of these taxes or intention to commit the relevant acts of violation by deception or other wrongful act (referred to below in item (iv) as "provisions related to national taxes, etc."), from the day on which the punishment is over or the punishment becomes no longer executable.

(c) A person who has been sentenced to imprisonment or a severer punishment, if five years have not been yet passed since the day on which the person finished serving that sentence or ceased to be subject to its enforcement.

(d) A person who is a member of a crime syndicate specified in item (vi) of Article 2 of the Act on Prevention of Unjust Acts by Organized Crime Group Members (referred to below in this item (d) as a "member of an organized crime group") or a person for whom five years have not passed from the day on which the person becomes no longer a member of a crime syndicate (referred to below in item (vi) as a "member of an organized crime group, etc.")

(iii) among the trust administrators, there are persons who are relatives, employees, or other persons having a special relationship with the trustee of the charitable trust, or persons who are the settlor of the charitable trust or relatives, employees,

or other persons having a special relationship with the settlor
(iv) among the trust administrators (in the case of a corporation, a director, etc. executing the business), there are persons who fall under any of the items (ii) (a) through (d) (in the case of (b), excluding the part related to the provisions related to national taxes, etc.)
(v) the content of its terms of trust or a written business plan violates laws and regulations or a disposition by an administrative body based on laws and regulations
(vi) its charitable trust affairs are controlled by a member of an organized crime group, etc.

(Hearing of Opinion for Charitable trust authorization)
Article 10 If an administrative agency grants charitable trust authorization, they are to hear the opinions of persons provided for in the following items, according to the classification of grounds listed in the respective items, as to whether or not those grounds exist:
(i) grounds specified in items (i), (ii) and (vii) of Article 8 and items (i)(a) and (v) of the preceding Article (which is limited to cases in which laws and regulations require it to obtain the permission, etc. from the administrative body for carrying out public interest affairs): The administrative body granting permission, etc. (referred to below as the " administrative body for permission, etc.")
(ii) in cases of grounds specified in item (i)(b) of the preceding Article: Commissioner of the National Tax Agency, the prefectural governor concerned or the mayor of the municipality concerned (referred to below in Article 29, paragraph (5), item (ii) and Article 32, item (ii) as the "commissioner of the national tax agency, etc.")
(iii) in cases of grounds specified in items (ii) (d), item (iv) (limited to the part related to item (ii) (d) of the same Article; the same applies in Article 29, paragraph (5), item (iii) and Article 32, item(iii)) and item (vi) of the preceding Article: The Commissioner General of the National Police Agency in the event that the administrative authority is the Prime Minister, and the Superintendent General of the Tokyo Metropolitan Police Department or the Chief of Prefectural Police Headquarters if the administrative authority is the prefectural governor (referred to below in item (iii) of the same paragraph and Article 32, item (iii) as the "commissioner general of the national police agency, etc.")

(Public Notice of Charitable Trust Authorization)
Article 11 When an administrative agency grants charitable trust authorization, it must issue a public notice of that fact as provided for by Cabinet Office Ordinance.

(Approval of Changes to Charitable Trust)
Article 12 (1) When making changes to a trust related to charitable trust (meaning changes to a trust referred to in Chapter VI, Section 1 of the Trust Act) or the appointment of a new trustee (meaning a new trustee as prescribed in Article 62, paragraph (1) of the same Act; the same applies in this Article and Article 31) or a new trust administrator (meaning a new trust administrator as prescribed in Article 129, paragraph (1) of the same Act; the same applies in this paragraph and paragraph (3) below) pursuant to the provisions of Article 62, paragraph (1) of the same Act (including as applied mutatis mutandis pursuant to Article 129, paragraph (1) of the same Act) or any other changes to the matters listed in the items of Article 7, paragraph (2), the trustee of the charitable trust (including the

new trustee) must apply in advance for authorization from the administrative agency; provided, however, this does not apply to changes to a trust pursuant to the provisions of Article 150, paragraph (1) of the same Act, the appointment of a new trustee pursuant to the provisions of Article 31, paragraph (1) or Article 173, paragraph (1) of the same Act, the appointment of a new trustee or new trust administrator pursuant to the provisions of Article 62, paragraph (4) of the same Act (including as applied mutatis mutandis pursuant to Article 129, paragraph (1) of the same Act), or minor changes to a trust as specified by Cabinet Office Ordinance.

(2) The purpose of a charitable trust may be changed only if the changed purpose is similar to the purpose of the charitable trust.

(3) Changes to a trust related to charitable trust, the appointment of a new trustee and new trust administrator or any other changes to the matters listed in the items of Article 7, paragraph (2) do not take effect unless the authorization referred to in the same paragraph is obtained, except in cases where the proviso to paragraph (1) applies.

(4) Application for the authorization referred to in paragraph (1) must be filed, as provided for in Cabinet Office Ordinance, by submitting to an administrative agency a written application listing matters related to the changes.

(5) Documents provided for in Cabinet Office Order must be attached to the written application referred to in the preceding paragraph.

(6) The provisions of Articles 8 through the preceding Article apply mutatis mutandis to the authorization referred to in paragraph (1).

(Application Routing)

Article 13 (1) The written application referred to in paragraph (4) of the preceding Article related to the authorization referred to in paragraph (1) of the same Article accompanying the change of the administrative agency, must be submitted to the administrative agency after the change through the administrative agency before the change.

(2) When the authorization referred to in the preceding paragraph is granted in the case referred to in the same paragraph, the administrative agency after the change must have the affairs transferred from the administrative agency before the change without delay as provided for in Cabinet Office Ordinance.

(Notification of Changes to Charitable Trust)

Article 14 (1) In the event of changes to a trust or an appointment as prescribed in the proviso to Article 12, paragraph (1), a trustee of charitable trust must notify the administrative agency of that fact without delay as provided for in Cabinet Office Ordinance.

(2) When the notification under the provisions of the preceding paragraph is made, the administrative authority must issue a public notice of that fact as provided for by Cabinet Office Order.

(Notification of Resignation of Trustees)

Article 15 (1) In the following cases, a trustee of charitable trust must notify the administrative agency of that fact without delay as provided for by Cabinet Office Ordinance:

(i) if a trustee resigns or is dismissed

(ii) if a trust administrator resigns or is dismissed

(2) When the notification under the provisions of the preceding paragraph is made, the

administrative authority must issue a public notice of that fact as provided for by Cabinet Office Order.

Section 3 Administration of Charitable Trust Affairs

(Revenue and Cost of Charitable Trust Affairs)

Article 16 (1) A trustee of charitable trust (excluding a specified asset charitable trust; the same applies in the following paragraph and the following Article) must, in administering the charitable trust affairs, ensure that the balance of revenue and expenditure is achieved within the period specified by Cabinet Office Ordinance by allocating the revenue from the charitable trust affairs to the reasonable cost required for its administration (including funds accumulated in the manner specified by Cabinet Office Ordinance as funds necessary in the future to enhance the charitable trust affairs), as provided for by Cabinet Office Ordinance.

(2) A trustee of charitable trust must administer the charitable trust affairs so that the proportion of public interest affairs meets or exceeds the standard proportion.

(Restriction on Possession of the Amount of Property without Designated Use)

Article 17 (1) The amount of property without designated use of charitable trust on the last day of each fiscal year of trust affairs must not exceed the amount that is calculated, as provided for in Cabinet Office Ordinance, as the amount necessary for the trustee of the charitable assets to administer charitable trust affairs continuously in the following fiscal year of trust affairs on the basis of the amount of cost required for the administration of the charitable trust affairs in the fiscal year of trust affairs before the fiscal year of the trust affairs (including the amount of items provided for by Cabinet Office Ordinance as those equivalent to the amount of cost according to the circumstances of trust property owned by them and type of the charitable trust affairs).

(2) The "amount of property without designated use" prescribed in the preceding paragraph means the total amount of value provided for in Cabinet Office Ordinance as the trust property, in view of the circumstances of management of trust property by the trustee of charitable trust or of the nature of the relevant trust property, that are not currently used for the charitable trust affairs and that are not expected to be used for the charitable trust affairs in the future (excluding those meeting the requirements specified by Cabinet Office Ordinance as necessary to own to the extent necessary to continuously administer charitable trust affairs even in the event of a disaster or other unforeseeable event (referred to in the following paragraph as "reserve assets for the continuation of charitable trust affairs")).

(3) A trustee of charitable trust must, if owning reserve assets for the continuation of charitable trust affairs as of the last day of each fiscal year of trust affairs, promptly after the commencement of the following fiscal year of trust affairs, publicly announce the reasons for owning the reserve assets for the continuation of those charitable trust affairs, the asset amount, and other matters specified by Cabinet Office Ordinance, as provided for by Cabinet Office Ordinance.

(Prohibited Acts on Solicitation of Donations)

Article 18 A trustee of charitable trust or trust administrator must not engage in the following acts in connection with the solicitation of donations.

(i) to continuously solicit or demand to donate to persons who were solicited or demanded and declared their intention not to donate

(ii) to solicit or demand to donate with coarse or violent speech or behavior or in an offending manner
(iii) to engage in acts that could cause the usage of donated property to be misunderstood
(iv) in addition to what is stated in the preceding three items, to engage in any act specified by Cabinet Office Ordinance as being likely to unreasonably prejudice the interest of persons who were solicited or demanded to donate or of donators

(Charitable Trust Fees)
Article 19 Charitable trust fees must be paid in accordance with the standards for payment prescribed in Article 8, item (xi).

(Keeping and Inspection of Inventory of Assets)
Article 20 (1) A trustee of charitable trust must prepare a written business plan and a written budget for revenue and expenditure for each fiscal year of trust affairs and other documents provided for by Cabinet Office Ordinance no later than the day preceding the commencement of the fiscal year of trust affairs (with respect to a fiscal year of trust affairs which includes the day on which charitable trust authorization was granted, without delay after the grant of that charitable trust authorization) as provided for in Cabinet Office Ordinance and must keep the relevant documents at the address (in cases where the trustee is a corporation, its principal office) until the last day of the fiscal year of the trust affairs.
(2) A trustee of charitable trust must prepare the following documents within three months after the end of each fiscal year of trust affairs (with respect to a fiscal year of trust affairs which includes the day on which charitable trust authorization was granted, without delay after the grant of that charitable trust authorization) as provided for by Cabinet Office Ordinance and must keep the relevant documents for five years at the address specified in the preceding paragraph:
(i) an inventory of assets related to trust property
(ii) a name list of trustees, etc. (which means a name list in which the names and addresses of trustees and trust administrators are described; the same applies in paragraph (5) and paragraph (2) of the following Article)
(iii) a document that describes the standards for payment specified in Article 8, item (xi)
(iv) in addition to what is stated in the preceding three items, other documents provided for by Cabinet Office Order
(3) A document specified in paragraph (1) and documents listed in each item of the preceding paragraph may be prepared by an electronic or magnetic record (which means a record that is prepared in electronic format, magnetic format or other methods which cannot be recognized by human senses and that is provided for by Cabinet Office Ordinance as one made available for use in information processing by an electronic computer; the same applies in item (ii) of the following paragraph and Article 47, item(ii)).
(4) Any person may, at any time during the business hours of a trustee of charitable trust, make the following demands with respect to the document specified in paragraph (1), documents stated in each item of paragraph (2), documents certifying the contents of the terms of trust, and documents specified in Article 37, paragraph (1) and paragraph (2) of the Trust Act (referred to below as the "inventory of assets, etc."). In this case, the trustee of the charitable trust must not refuse that demand without reasonable grounds.

(i) if the inventory of assets y, etc. is prepared in writing, a demand to inspect the relevant document or a copy of the relevant document
(ii) if the inventory of assets, etc. is prepared by electronic or magnetic record, a demand to inspect a display, in a method provided for in Cabinet Office Order, of matters recorded in the relevant electronic or magnetic record

(5) Notwithstanding the provisions of the preceding paragraph, if a demand referred to in that paragraph is made with respect to a name list of trustees, etc. by persons other than trust administrators of the charitable trust, the relevant trustee may permit the inspection under the items of the preceding paragraph while excluding the part of the description or the record related to the addresses of individuals (excluding those who are trustees; the same applies in paragraph (2) of the following Article) in the matters described or recorded in the relevant name lists.

(Submission of Inventory of Assets)

Article 21 (1) A trustee of charitable trust must, with respect to the inventory of assets, etc. (excluding documents certifying the contents of the terms of trust), submit the documents specified in paragraph (1) of the preceding Article to the administrative agency by the day preceding the commencement of the fiscal year of trust affairs (with respect to a fiscal year of trust affairs which includes the day on which charitable trust authorization was granted, without delay after the grant of that charitable trust authorization), and for other documents, within three months after the end of each fiscal year of trust affairs (with respect to a fiscal year of trust affairs which includes the day on which charitable trust authorization was granted, the documents stated in each item of paragraph (2) of the same Article, without delay after the grant of that charitable trust authorization) as provided for in Cabinet Office Ordinance.

(2) The administrative agency is to make public the inventory of assets, etc. submitted by trustees of charitable trust pursuant to the provisions of this Act or orders under this Act (in the case of a name list of trustees, etc., excluding the part of the description related to the addresses of individuals in the matters described in the relevant name lists) as provided for by Cabinet Office Ordinance.

Section 4 Consolidation of Charitable Trust

(Approval of Consolidation of Charitable Trust)

Article 22 (1) If a consolidation or split of trust related to charitable trust (referred to in paragraph (4) and paragraph (5) as "consolidation of charitable trust, etc.") is implemented, a trustee of that charitable trust must apply in advance for authorization from the administrative agency.

(2) In charitable trust, consolidation of trust may only be implemented when the purposes of the previous charitable trust are similar.

(3) In charitable trust, an absorption-type trust split may only be implemented when the purposes of the split trust (meaning the split trust as prescribed in Article 155, paragraph (1), item (vi) of the Trust Act) and succeeding trust (meaning the succeeding trust prescribed in the same item) are similar, and in the case of a creation-type trust split, when the purposes of the new charitable trust and charitable trust transferring part of its trust property to the new charitable trust are similar.

(4) Consolidation of charitable trust, etc. does not to take effect unless the authorization referred to in paragraph (1) is obtained.

(5) Application for the authorization referred to in paragraph (1) must be filed, as provided for by Cabinet Office Ordinance, by submitting to an administrative agency a written application describing matters related to the consolidation of charitable trust, etc.
(6) Documents provided for by Cabinet Office Order must be attached to the written application referred to in the preceding paragraph.
(7) The provisions of Articles 8 through Article 11 apply mutatis mutandis to the authorization referred to in paragraph (1).

(Grounds for Termination of Charitable Trust)
Article 23 (1) In addition to what is provided for in the provisions of Article 163 of the Trust Act, a charitable trust terminates if the charitable trust authorization is revoked pursuant to the provisions of Article 30, paragraph (1) or paragraph (2).
(2) Notwithstanding the provisions of Article 164 of the Trust Act, a charitable trust may not be terminated by agreement between the settlor and the trust administrator unless otherwise provided for in the terms of trust.

(Continuance of Charitable Trust)
Article 24 (1) If a charitable trust is terminated pursuant to the provisions of Article 163 of the Trust Act (limited to the part related to item (i)), the settlor, trustee, and trust administrator may, by agreement, continue the charitable trust by changing its purpose.
(2) When changing the purpose of a charitable trust pursuant to the preceding paragraph, the trustee must obtain approval referred to in Article 12, paragraph (1) for the changes within three months from the date of notification referred to in paragraph (1) of the following Article.
(3) In applying the provisions of paragraph (1) where there is no settlor at the time in question, the terms "settlor, trustee" in the same paragraph are to be "trustee."

(Notification of Termination of Trust)
Article 25 (1) When a charitable trust is terminated (except when it is terminated due to the grounds listed in Article 163, item (v) of the Trust Act or due to revocation of the charitable trust authorization pursuant to the provisions of Article 30, paragraph (1) or paragraph (2)), its trustee (or in the case where the charitable trust is terminated due to the grounds listed in Article 163, item (vii) of the same Act, a bankruptcy trustee) must notify the administrative agency of that fact without delay.
(2) When the notification under the provisions of the preceding paragraph is made, the administrative authority must issue a public notice of that fact as provided for by Cabinet Office Order.

(Notification of Liquidation)
Article 26 (1) A liquidation trustee of a charitable trust (meaning the liquidation trustee prescribed in Article 177 of the Trust Act; the same applies in the following paragraph and Article 49) must, without delay, notify the administrative agency of the expected distribution of the residual assets when three months have passed since the date of termination of the charitable trust. The same applies if any change arises in that prospect.
(2) When the liquidation has been completed, the liquidation trustee must notify the administrative agency of that fact without delay.

(3) When the notification under the provisions of the preceding paragraph is made, the administrative authority must issue a public notice of that fact as provided for by Cabinet Office Order.

(Vesting of Residual Assets)

Article 27 (1) If ownership of residual assets cannot be determined pursuant to the provisions of Article 4, paragraph (2), item (iii) of the terms of trust for a charitable trust, notwithstanding the provisions of Article 182, paragraph (2) and paragraph (3) of the Trust Act, the residual assets belong to the national treasury (in the case where the prefectural governor is the administrative agency, that prefecture).

Section 5 Supervision of Charitable Trust

(Report Collection and On-Site Inspection)

Article 28 (1) The administrative agency may, to the extent necessary to ensure the proper administration of charitable trust affairs, request the trustee to make a necessary report regarding the circumstances of administration of charitable trust affairs and the circumstances of property that comes under trust property and the obligations covered by the trust property, as provided for by Cabinet Office Ordinance, or may have its officers enter the domicile or office of the trustee to inspect the circumstances of administration of charitable trust affairs and the circumstances of property that comes under trust property or the books, documents and other items, or to question relevant persons.

(2) Employees who implement the on-site inspection pursuant to the provisions of the preceding paragraph must carry a certificate showing their status and present it when requested by a person concerned.

(3) The authority for the on-site inspection pursuant to the provisions of paragraph 1 must not be construed as being granted for criminal investigation purposes.

(Recommendation, Order)

Article 29 (1) In the event that the administrative agency has reasonable ground sufficient to believe that a charitable trust could fall under any one of the respective items of paragraph (2) of the following Article, it may issue a recommendation to the relevant trustee of the charitable trust by setting a time limit that they should take necessary measures.

(2) When an administrative agency issues a recommendation pursuant to the preceding paragraph, it must publicly announce the content of the relevant recommendation as provided for by Cabinet Office Order.

(3) When a trustee to which the recommendation under paragraph (1) is issued fails to take measures related to that recommendation without reasonable grounds, the administrative agency may order the relevant trustee to take measures related to that recommendation.

(4) When an administrative authority issues an order pursuant to the provisions of the preceding paragraph, it must issue a public notice of that fact as provided for by Cabinet Office Order.

(5) In the event that the administrative agency intends to issue the recommendation pursuant to the provisions of paragraph 1 or the order pursuant to the provisions of paragraph 3, it may hear the opinion of persons provided for in the respective items, according to the classification of reasons listed in the following items, as to whether or not the relevant reason exists:

(i) grounds specified in items (i), (ii) or (vii) of Article 8, items (i)(a) or (v) of Article 9 or item (iv) of paragraph (2) of the following Article (which is limited to cases in which laws and regulations require them to obtain the permission, etc. from the administrative body for permission, etc. in carrying out public interest affairs): administrative body for permission, etc.
(ii) grounds specified in item (i)(b) of Article 9: Commissioner of the National Tax Agency, etc.
(iii) in cases of grounds specified in items (ii)(d), (iv) or (vi) of Article 9: Commissioner General of the National Police Agency, etc.

(Revocation of Charitable Trust Authorization)

Article 30 (1) If a charitable trust falls under any of the following items, the administrative agency must revoke their charitable trust authorization:
(i) if they obtain the charitable trust authorization referred to in paragraph (1) of Article 12 or the approval referred to in paragraph (1) of Article 22 by deception or other wrongful means
(ii) if they fall under item (vi) of Article 9
(iii) if the trustee fails to comply with the order pursuant to the provisions of paragraph (3) of the preceding Article without reasonable grounds

(2) If a charitable trust falls under any of the following items, the administrative agency may revoke their charitable trust authorization:
(i) if they no longer conform to any of the standards listed in each of the items of Article 8
(ii) if they fall under items (i) through (v) of Article 9
(iii) if they violate the provisions of paragraph (1) of Article 14 or paragraph (1) or Section 3 of Article 15
(iv) in addition to what is listed in the preceding three items, if they violate laws and regulations or the disposition by the administrative body based on the laws and regulations

(3) The provisions of paragraph (5) of the preceding Article apply mutatis mutandis to the revocation of the charitable trust authorization pursuant to the provisions of the preceding two paragraphs.

(4) When an administrative agency revokes a charitable trust authorization pursuant to the provisions of paragraph (1) or (2), it must issue a public notice of that fact as provided for by Cabinet Office Ordinance.

(Appointment of a New Trustee in the Event of Revocation of Charitable Trust Authorization)

Article 31 (1) When a charitable trust is terminated due to the revocation of the charitable trust authorization pursuant to the provisions of Paragraph (1) or (2) of the preceding Article, the court must appoint a new trustee for the liquidation of the charitable trust upon petition of the administrative agency, a settlor, a trust administrator, a trust creditor (meaning a trust creditor prescribed in paragraph (2), item (iv) of Article 21), or any other interested party.

(2) The provisions of paragraphs (2) through (6) of Article 173 of the Trust Act apply mutatis mutandis to the appointment of a new trustee pursuant to the provisions of the preceding paragraph.

(Opinion to the Administrative Agency)

Article 32 Persons listed in each of the following items may state their opinion to the

administrative agency in the event that they consider that the administrative agency needs to take appropriate measures regarding a trustee of charitable trust for sufficient reasons to suspect that the charitable trust is involved in grounds provided for in the respective items:

(i) administrative body for permission, etc.: grounds for which they do not conform to the standards listed in items (i), (ii) or (vii) of Article 8, or grounds prescribed in items (i)(a) or (v) of Article 9 or item (iv) of paragraph (2) of Article 30 (which is limited to cases in which laws and regulations require them to obtain the permission, etc. from the administrative body for permission, etc. in carrying out public interest affairs)

(ii) Commissioner of the National Tax Agency, etc.: grounds prescribed in item (i)(b) of Article 9

(iii) Commissioner General of the National Police Agency, etc.: circumstances prescribed in item (ii)(d), (iv) or (vi) of Article 9

Section 6 Application of the Trust Act

Article 33 (1) The provisions of the proviso to paragraph (2) of Article 29, paragraph (2) (limited to the part related to item (iii)) and the proviso to paragraph (2) of Article 31, the proviso to paragraph (3) of Article 32, paragraph (4) of Article 35, the proviso to paragraph (3) of Article 37, the proviso to paragraph (5) of Article 47, the proviso to paragraph (3) of Article 48, paragraph (2) of Article 58, the proviso to paragraph (1) of Article 59, the proviso to paragraph (1) of Article 60, the proviso to paragraph (1) of Article 125, Article 147, paragraph (6) of Article 183, and the proviso to paragraph (5) of Article 222 of the Trust Act do not apply to a charitable trust.

(2) In a charitable trust, the settlor's heir does not succeed to the status of settlor by inheritance

(3) In addition to what is provided for in the preceding Chapter and in this Chapter, on the application of the provisions of the Trust Act concerning charitable trust, the terms listed in the middle column of the following table among the provisions listed in the left-hand column of that table are deemed to be replaced with the terms listed in the right-hand column of that table.

Chapter III Consultations with the Public Interest Corporation Commission
Section 1 Consultations with the Public Interest Corporation Commission

(Consultation with the Commission)

Article 34 (1) In case of the following, the Prime Minister must consult with the Public Interest Corporation Commission (referred to below as the "commission") by attaching the opinion of the administrative body for permission, etc. (excluding the opinion related to the existence of circumstances prescribed in items (i)(a) and (v) of Article 9) pursuant to the provisions of Article 10 (including as applied mutatis mutandis pursuant to paragraph (6) of Article 12 and Article (7) of Article 22) or paragraph (5) of Article 29 (including as applied mutatis mutandis pursuant to the provisions of paragraph (3) of Article 30); provided, however, that this does not apply to the cases in which the commission considers that the consultation is not necessary.

(i) when rendering f the disposition of the application for the charitable trust authorization or the application for the authorization under paragraph (1) of Article 12 or paragraph (1) of Article 22 is appropriate (excluding i the case where the charitable trust falls under any of the respective items of Article 9 or where their authorizations are not granted pursuant to the provisions of Article 7 of the Administrative Procedure Act)

(ii) when rendering the recommendation referred to in paragraph (1) of Article 29, the order pursuant to the provisions of paragraph (3) of that Article or the revocation of the charitable trust authorization pursuant to the provisions of paragraph (1) or (2) of Article 30 (referred to below as the "supervisory disposition, etc.") is issued (excluding the cases listed below).

(a) If the charitable trust falls under paragraph (1), item (ii) or paragraph (2), item (ii) of Article 30

(b) If the supervisory disposition, etc. is rendered by reason of failure to notify pursuant to the provisions of paragraph 1 of Article 14 or paragraph 1 of Article 15 or failure to submit the inventory of assets, etc. pursuant to the provisions of paragraph 1 of Article 11

(c) If the supervisory disposition, etc. is rendered on the basis of the recommendation referred to in paragraph 1 of Article 37

(2) In case of the following, the Prime Minister must consult with the commission;

provided, however, that this does not apply to the cases that the commission considers that the consultation is not necessary

(i) cases where the establishment, revision or abolishment of a Cabinet Order referred to in items (v) through (vii), proviso of item (xii) and (xiii)(g) of Article 8, proviso of the preceding paragraph, proviso of the following paragraph as deemed to be replaced with and applied mutatis mutandis pursuant to Article 38 and the appended table 23 is planned, or where a Cabinet Office Ordinance referred to in paragraph (2), item (iv) of Article 4, paragraph (1) and items (iv) and (vi) of paragraph (3) of Article 7, Article 8 (including as applied mutatis mutandis pursuant to the provisions of paragraph (6) of Article 12 and paragraph (7) of Article 22), paragraphs (4) and (5) of Article 12, paragraph (1) of Article 14, paragraph (1) of Article 15, Articles 16 through 18, paragraphs (1) and (2) of Article 20, paragraphs (5) and (6) of Article 22, paragraph (1) of Article 28, and paragraph (1) of the following Article and paragraph (2) of Article 37 (including as applied mutatis mutandis pursuant to the provisions of Article 38) is established, revised or abolished

(ii) cases where a request pursuant to the provisions of Article 43 is made

(3) If the Prime Minister makes a ruling on a request for review with respect to the disposition specified in item (i) of paragraph (1), the order pursuant to the provisions of paragraph (3) of Article 29 or the revocation of the charitable trust authorization pursuant to the provisions of paragraphs (1) (excluding item (ii)) or (2) (excluding item (ii)) of Article 30, they must consult with the commission, except for the cases listed in the following; provided, however, that this does not apply to the cases in which the commission considers that the consultation is not necessary:

(i) the request for review is dismissed as it is illegal

(ii) a charitable trust falls under any of the respective items of Article 9

(iii) the request for review relates to the supervisory disposition, etc. due to the reasons specified in items (ii)(a) or (b) of paragraph (1)

(Public Announcement of Report)

Article 35 (1) When the commission reports upon a consultation, it must publicly announce the content as provided for by Cabinet Office Order.

(2) When the Commission reports as referred to in the preceding paragraph, it may request the Prime Minister to report measures that are taken on the basis of the report.

(Sending by Prime Minister)

Article 36 The Prime Minister must send a copy of documents related to the notification pursuant to the provisions of paragraph (1) of Article 14, paragraph (1) of Article 15, paragraph (1) of Article 25 or paragraph (1) or (2) of Article 26, and a copy of the inventory of assets, etc. submitted pursuant to the provisions of paragraph (1) of Article 21, to the Commission.

(2) The Prime Minister must notify the Commission of the opinion stated by the administrative body for permission, etc. pursuant to the provisions of Article 32 (excluding the opinion stating that the charitable trust falls under item (i)(a) or (v) of Article 9).

(3) In case of the following, when the Prime Minister takes the measures listed in the following without consulting with the commission, the Prime Minister must notify the commission of that fact:

(i) cases where the commission considers that the consultation is not necessary for

the following measures pursuant to provisions of the proviso to each paragraph of Article 34: the measures
(a) application for the charitable trust authorization or disposition of the application for the authorization referred to in under paragraph (1) of Article 12 or paragraph (1) of Article 22
(b) supervisory disposition, etc.
(c) the establishment, revision or abolishment of a Cabinet Order referred to in item (i) of paragraph 2 of Article 34 or the establishment, revision or abolishment of a Cabinet Office Order referred to in that item
(d) ruling on the request for review specified in paragraph (3) of Article 34
(e) request pursuant to the provisions of Article 43
(ii) cases where the charitable trust falls under any of the respective items of Article 9: the disposition specified in (a) of the preceding item
(iii) cases stated in item (ii)(a) or (b), paragraph (1) of Article 34: supervisory disposition, etc.
(iv) cases stated in item (ii) or (iii), paragraph (3) of Article 34: ruling prescribed in item (i)(d)

(Recommendation by Commission)
Article 37 (1) The commission may make recommendation to the Prime Minister when the commission finds it necessary for the Prime Minister to take measures, such as the recommendation referred to in paragraph (1) of Article 29, the order pursuant to the provisions of paragraph (3) of the same Article, the revocation of the charitable trust authorization pursuant to the provisions of paragraph (1) or (2) of Article 30 or others.
(2) When the commission makes recommendation as referred to in the preceding paragraph, it must publicly announce the content of the relevant recommendation as provided for by Cabinet Office Order.
(3) When the commission recommends as referred to in paragraph 1, it may request the Prime Minister to report measures that are taken on the basis of the relevant recommendation.

Section 2 Consultations with Collegial Bodies Established in Prefectures

(Application Mutatis Mutandis in the Case Where the Administrative Agency is a Prefectural Governor)
Article 38 (1) The provisions of paragraphs (1) and (3) of Article 34, Article 35, paragraphs (1), (2) and (3) (excluding item (i) (limited to the part related to item (c) and (e)) of Article 36 and the preceding Article apply mutatis mutandis if the administrative agency is a prefectural governor. In that case, in these provisions (excluding the main clause of paragraph (19 of Article 34), the term "commission" is deemed to be replaced with "collegial bodies", and in paragraph (19, Article 34, the phrase "Public Interest Corporation Commission (referred to below as the "commission")" is deemed to be replaced with "collegial bodies prescribed in paragraph (1) of Article 50 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations (referred to below as the "collegial bodies")", and in the proviso to the same paragraph and the proviso to paragraph (3) of the same Article, the term "consultation" is deemed to be replaced with "consultation in accordance with the standards provided for by Cabinet Order."

(Notice by Prefectural Governor)

Article 39 (1) If the request pursuant to the provisions of Article 43 is made to the prefectural governor, the relevant prefectural governor must notify the collegial bodies provided for in paragraph (1) of Article 34 as deemed to be replaced with and applied mutatis mutandis pursuant to the preceding Article of that fact.

Chapter IV Miscellaneous Provisions

(Request for Cooperation)

Article 40 If the administrative agency finds it necessary for the enforcement of this Act, it may make inquires to the government agencies, public bodies and other persons or request them to cooperate.

(Provision of Information)

Article 41 The Prime Minister or the prefectural governor is to research and analyze the situation of administration of public interest affairs, measures taken by the administrative agency regarding charitable trust and other matters, prepare necessary statistics and other materials, make efforts to maintain the database concerning charitable trust and take necessary measures so that information can be provided to the people promptly by using the internet and other advanced information and communications networks.

(Delegation of Authority)

Article 42 (1) The Prime Minister delegates its authority pursuant to the provisions of paragraph (1) of Article 28 (limited to authority necessary for a report referred to in Article 35, paragraph (1) or a recommendation referred to in Article 37, paragraph (1), and excluding the authority related to the research on whether or not a trust falls under charitable trust listed in the respective items of Article 9) to the commission.

(2) If the administrative agency is a prefectural governor, with respect to the exercise of authority pursuant to the provisions of paragraph (1) of Article 28, (limited to authority necessary for a report referred to in Article 35, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 38 or a recommendation referred to in Article 37, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 38, and excluding the authority relating to the research on whether or not a trust falls under charitable trust listed in respective items of Article 9), the term "the administrative agency" and the term "its employees" in paragraph (1) of Article 28 are deemed to be replaced with "collegial bodies prescribed in paragraph (1) of Article 50 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations" and "employees taking charge of general affairs" respectively.

(Method of Requesting Correction)

Article 43 If the Prime Minister finds that a prefectural governor is violating the provisions of laws and regulations concerning the management and execution of affairs pursuant to the provisions of this Act and orders based on the provisions, or that the governor is failing to perform the management and execution of the affairs, and when making a request pursuant to the provisions of paragraph (1) of Article 245-5 of the Local Autonomy Act (Act No. 67 of 1947) on the grounds that it is clear

that significant regional disparities in the review of charitable trust authorizations and the management and execution of other relevant affairs are hindering the proper administration of public interest affairs, the Prime Minister is to make the request specifying the content of the measures to be taken by the relevant prefectural governor.

(Delegation to Order)

Article 44 In addition to those specified in this Act, the procedures and other matters necessary for the implementation of this Act are provided for by Order.

Chapter V Penal Provisions

Article 45 Any person who has obtained the charitable trust authorization or the approval referred to in paragraph (1) of Article 12 or paragraph (1) of Article 22 by deception or other wrongful means is subject to imprisonment for not more than six months or a fine of not more than five hundred thousand yen.

Article 46 Any person who commits any of the following violations is subject to a fine of not more than five hundred thousand yen.

(i) when the person uses characters which is likely to be mistaken for a charitable trust in their name or trade name in violation of the provisions of paragraph (4) of Article 5

(ii) when the person uses a name or trade name which is likely to be mistaken for another charitable trust in violation of the provisions of paragraph (2) of Article 5

Article 47 Any person who commits any of the following violations is subject to a fine of not more than three hundred thousand yen.

(i) when the person makes false entry into a written application referred to in paragraph (2) of Article 7, paragraph (4) of Article 12 or paragraph (5) of Article 22 or into documents referred to in paragraph (3) of Article 7, paragraph (5) of Article 12 or paragraph (6) of Article 22 and submits them

(ii) when the person, in violation of the provisions of paragraph (1) or (2) of Article 20, fails to keep documents or electronic or magnetic records, or fails to enter or record matters to be entered or recorded in them or enters or records falsely

Article 48 (1) When a representative person or a manager of a corporation (including an organization that is not a corporation and that have a representative person or a manager: the same applies in this paragraph below) or agents, employees or other workers of a corporation or an individual commits acts of violation under the preceding three Articles in connection with the business of the relevant juridical person or an individual, the punishment of the fine under the respective Articles is imposed on not only the person who commits those acts but also the corporation or individual.

(2) If the provisions of the preceding paragraph apply to an organization that is not a corporation, their representative person or manager represents the organizations which are not corporations in procedural acts, and the provisions of law concerning criminal procedure in which a juridical person is a defendant or a suspect apply mutatis mutandis.

Article 49 If a trustee (including a former trustee), trust property administrator

(meaning a trust property administrator as defined in Chapter III, Section 5, Subsection 4 of the Trust Act), a person who performs the duties of the trustee on their behalf pursuant to a provisional disposition order prescribed in Article 56 of the Civil Provisional Remedies Act (Act No. 91 of 1989), an incorporated trust property administrator (meaning an incorporated trust property administrator prescribed in Article 74, Paragraph (2) of the Trust Act), a liquidation trustee, or bankruptcy trustee falls under any of the following cases, that person is subject to a civil fine of not more than 500,000 yen; provided, however, that this does not apply if the act is subject to punishment:

(i) if the person fails to make notice pursuant to the provisions of paragraph (1) of Article 14, paragraph (1) of Article 15, paragraph (1) of Article 25, or paragraph (1) or (2) of Article 26, or makes notice falsely

(ii) if they fail to submit the inventory of assets, etc., or submit it with false statement, in violation of the provisions of paragraph 1 of Article 21

(iii) if the person fails to report under the provisions of paragraph (1) of Article 28 (including if the relevant provisions are to be replaced with the provisions of paragraph (2) of Article 42; the same applies in this item below) or reports falsely, or refuses, interferes with or avoids the inspection pursuant to the provisions of paragraph (1) of Article 28, or fails to answer or answers fraudulently to the question pursuant to the provisions of that paragraph

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into effect on the day specified by Cabinet Order within a period not exceeding two years from the date of its promulgation; provided, however, the provisions of Articles 22 and 23 of the Supplementary Provisions come into effect on the date of the promulgation.

(Transitional Measures Concerning the Application of the Act Concerning Charitable Trust)

Article 2 (1) The provisions of the Act Concerning Charitable Trust as amended by this Act (referred to below as the "New Act") apply to public trusts established on or after the date of promulgation of this Act (referred to below as the "Effective Date"), except as provided for in Article 4 of the Supplementary Provisions.

(2) On a charitable trust prescribed in Article 1 of the Act concerning Charitable Trust before amendment by this Act (referred to below in this paragraph and in Article 4, paragraph (3) and Article 8, paragraph (2) of the Supplementary Provisions as the "former Charitable Trust Act") that came into effect on obtaining the permission referred to in paragraph (1) of Article 2 of the former Charitable Trust Act (referred to below in the following Article as "former charitable trust permission") before the effective date (referred to below in paragraph (1) of Article 4, paragraph (1) of Article 5 and Article 21 as "charitable trust under the former Act"), during the period (referred to below in paragraphs (1) and (2) of Article 4 and paragraph (1) of Article 17 of the Supplementary Provisions as "transitional period") until the day on which two years have elapsed from the effective date, prior laws and regulations continue to govern the case..

(Transitional Measures Concerning the Application for Former Charitable Trust Authorization)

Article 3 If the application for former charitable trust authorization has been filed before the effective date, when no disposition is made on the relevant application by the day before the effective date, the application is deemed to have been rejected on the effective date.

(Transition of Former Charitable Trust to Charitable Trust under the Provisions of the New Act)

Article 4 (1) A charitable trust (referred to below in this paragraph as "charitable trust under the former Trust Act") prescribed in Article 66 of the Trust Act before the amendment (Act No. 62 of 1922; referred to below in paragraph (3) and paragraph (2) of Article 8 of the Supplementary Provisions as the "former Trust Act") pursuant to the provisions of Article 1 of the Act on the Arrangement of Relevant Acts Incidental to the Enforcement of the Trust Act and the Former Public Interest Trust Act (Act No. 109 of 2006; referred to below as the "Trust Act Arrangement Act"), of which provisions then in force remain applicable pursuant to the provisions of Article 2 of the Trust Act Arrangement Act, may become a charitable trust under the provisions of the New Act as one that has received charitable trust authorization prescribed in paragraph (1) of Article 7 of the New Act (referred to below in Article 12 of the Supplementary Provisions as "charitable trust authorization)" if it obtains approval (referred to below as "authorization for transition") from the administrative agency prescribed in Article 3 of the New Act (referred to below as "administrative agency") within a transitional period. In those cases, former charitable trust and charitable trust under the former Trust Act that have not obtained the relevant approval for transition within a transitional period (referred to below as "former charitable trust" is terminated on the day the transitional period expires.

(2) If a former charitable trust applies for the authorization for transition within a transitional period, when no disposition is made on the relevant application within the transitional period, the transitional period for the former charitable trust under paragraph (2) and the preceding paragraph of Article 2 of the Supplementary Provisions is from the effective date to the date on which the relevant disposition is made.

(3) With respect to a former charitable trust that has become a charitable trust under the provisions of the New Act pursuant to the provisions of paragraph (1), the provisions of the New Act (excluding Penal Provisions) apply to the matters arising before the effective date; provided, however, that this does not preclude the effect pursuant to the provisions of the former Trust Act under which prior laws continue to govern pursuant to the provisions of the former Charitable Trust Act and Article 2 of the Trust Act Arrangement Act.

(Transitional Measures Concerning the Liquidation of Former Charitable Trust)

Article 5 (1) On the liquidation of charitable trust under the former Trust Act when it is terminated pursuant to the provisions of the second sentence of paragraph (1) of the preceding paragraph, prior laws continue to govern.

(2) Notwithstanding the provisions of the preceding paragraph and Article 2 of the Trust Act Arrangement Act, with respect to a former charitable trust that has been terminated pursuant to the provisions of the second sentence of paragraph (1) of the preceding paragraph, if ownership of residual assets cannot be determined as provided for in the terms of trust, the provisions of Article 27 of the New Act apply.

(Application for the Approval for Transition)

Article 6 Application for the approval for transition must be filed by a trustee of the former charitable trust, as provided for by Cabinet Office Ordinance, by submitting to an administrative agency a written application stating matters listed in respective items of paragraph (2), Article 7 of the New Act.

(2) Documents listed in the following must be attached to the written application referred to in the preceding paragraph:

(i) documents listed in items (ii) through (vi), paragraph (3), Article 7 of the New Act

(ii) documents certifying the contents of changes to a trust pursuant to the provisions of paragraph (2), Article 9 of the Supplementary Provisions

(iii) other documents specified by Cabinet Office Ordinance as necessary for the authorization for transition

(Criteria for Authorization for Transition)

Article 7 The administrative agency is to grant the authorization l for transition if it considers that the former charitable trust related to the application for the authorization for transition conforms to the criteria under Article 8 of the New Act.

(Grounds for Disqualification of the Authorization l for Transition)

Article 8 (1) The provisions of Article 9 of the New Act (excluding items (ii)(a) and (iv) (limited to the part related to item (ii)(a) of the same Article) apply mutatis mutandis to the approval for transition.

(2) A former charitable trust that is in violation of a supervisory order issued by the competent authority provided for in Article 3 of the former Charitable Trust Act, under which prior laws continue to govern pursuant to the provisions of paragraph (2), Article 2 of the Supplementary Provisions or the competent authority provided for in Article 67 of the former Trust Act, under which prior laws are to continue to govern pursuant to the provisions of Article 2 of the Trust Act Arrangement Act (referred to below in paragraph (5) of the following Article, and paragraph (2) of Article 10 and Article 11 of the Supplementary Provisions as "former competent authority"), may not obtain the authorization for transition.

(Changes to the Trust for the Purpose of Applying for the Authorization for Transition)

Article 9 (1) The terms of trust of a former charitable trust related to the application for the authorization for transition must specify that the purpose of the changes to the trust related to the former charitable trust is solely to administer the public interest affairs and the matters listed in respective items of paragraph (2), Article 4 of the New Act.

(2) Changes to a trust referred to in the preceding paragraph and other changes to a trust related to a former charitable trust necessary for the application for the authorization for transition must be made pursuant to the terms of trust or by an agreement among a settlor, a trustee and a trust administrator.

(3) In applying the provisions of the preceding paragraph if there is no settlor at the time in question, the phrase "settlor, trustee and trust administrator" in the same paragraph is to be replaced with "trustee and trust administrator."

(4) Changes to a trust referred to in paragraph (2) are not to take effect unless the authorization for transition is obtained.

(5) Changes to a trust necessary for a former charitable trust to conform to the criteria referred to in Article 7 of the Supplementary Provisions and other changes to a trust

necessary for the application for the authorization for transition do not require the permission of the former competent authority.

(Hearing of Opinion for the Authorization for Transition)

Article 10 (1) The provisions of Article 10 of the New Act apply mutatis mutandis to the authorization for transition.

(2) If an administrative agency grants the authorization for transition, they are to hear the opinions of the former competent authority as to whether or not the grounds prescribed in item (v), Article 9 of the New Act as applied mutatis mutandis pursuant to the provisions of paragraph (1), Article 8 of the Supplementary Provisions or in paragraph (2), Article 8 of the Supplementary Provisions exist.

(Notification to the Former Competent Authority)

Article 11 When an administrative agency receives an application referred to in paragraph (1), Article 6 of the Supplementary Provisions, or when it makes a disposition to grant or not grant the authorization for transition, it must immediately notify the former competent authority to that effect.

(Transition of Former Charitable Trust to Charitable Trust)

Article 12 On a former charitable trust that has obtained the authorization for transition, the authorization for transition is deemed as charitable trust authorization, and the provisions of the New Act apply from the date of the authorization for transition.

(Consultation with Commission)

Article 13 If the Prime Minister makes a disposition on the application for the authorization for transition (excluding cases where the former charitable trust falls under any of the items of Article 9 of the New Act as applied mutatis mutandis pursuant to paragraph (1), Article 8 of the Supplementary Provisions (excluding items (ii)(a) and (iv) (limited to the part related to item (ii)(a) of the same Article), cases prescribed in paragraph (2), Article 8 of the Supplementary Provisions, and the cases where the relevant authorization for transition is refused pursuant to the provisions of Article 7 of the Administrative Procedure Act), the Prime Minister must consult with the commission prescribed in paragraph (1), Article 34 of the New Act (referred to below as the "commission"), attaching the opinion of the administrative body for permission, etc. prescribed in item (i) of the same Article pursuant to the provisions of Article 10 of the New Act as applied mutatis mutandis pursuant to the provisions of item (i) of Article 10 of the Supplementary Provisions (excluding those related to the existence of the grounds prescribed in items (i)(a) and (v) of Article 9 of the New Act as applied mutatis mutandis pursuant to the provisions of paragraph (1), Article 8 of the Supplementary Provisions).; provided, however, that this does not apply to the cases in which the commission considers that the consultation is not necessary

(2) In the event that the establishment, revision or abolishment of a Cabinet Ordinance under the proviso of the preceding paragraph and the proviso of the following paragraph as deemed to be replaced with and applied mutatis mutandis pursuant to Article 16 of the Supplementary Provisions is planned, or that the establishment, revision or abolishment of a Cabinet Office Ordinance under paragraph (1), Article 35 of the New Act as applied mutatis mutandis pursuant to the provisions of paragraph (1) and paragraph (2)(iii) of Article 6, and the following

Article (including the case as applied mutatis mutandis pursuant to the provisions of Article 16 of the Supplementary Provisions) is planned, the Prime Minister must consult with the Commission; provided, however, that this does not apply to the cases in which the commission considers that the consultation is not necessary:

(3) In the event that the Prime Minister makes a ruling on a request for review with respect to the disposition specified in paragraph (1), it must consult with the commission, except for the cases listed in the following; provided, however, that this does not apply to the cases that the commission considers that the consultation is not necessary:

(i) the request for review is dismissed as it is illegal

(ii) A former charitable trust that has made a request for review falls under the respective items of Article 9 of the New Act as applied mutatis mutandis pursuant to the provisions of paragraph (1), Article 8 of the Supplementary Provisions or falls under the provisions of paragraph (2), Article 8 of the Supplementary Provisions

(Public Announcement of Report)

Article 14 The provisions of Article 35 of the New Act apply mutatis mutandis to a report pursuant to the provisions of the preceding Article.

(Notification by Prime Minister)

Article 15 In the cases listed in the following items, when the Prime Minister takes the measures listed in the following without consulting with the commission, the Prime Minister must notify the commission of that circumstance:

(i) cases where the commission considers that the consultation is not necessary for the following measures pursuant to provisions of the proviso to each paragraph of Article 13 of the Supplementary Provisions: the measures

(a) disposition on the application for the authorization for transition

(b) planning for the establishment, revision or abolishment of a Cabinet Order under item (ii) of paragraph (2) of Article 13 of the Supplementary Provisions or the establishment, revision or abolishment of a Cabinet Office Ordinance referred to in the same item

(c) ruling on the request for review specified in paragraph (3) of Article 13 of the Supplementary Provisions

(ii) cases where a former charitable trust falls under any of the respective items of Article 9 of the New Act (excluding items (ii)(a) and (iv) (limited to the part related to item (ii)(a) of the same Article)): the disposition specified in (b) of the preceding item

(iii) cases stated in item (ii), paragraph (3), Article 13 of the Supplementary Provisions: ruling prescribed in item (i)(c)

(Application Mutatis Mutandis if the Administrative Agency is a Prefectural Governor)

Article 16 The provisions of paragraphs (1) and (3) of Article 13, Article 14, and the preceding Article (excluding item (i) (limited to the part related to item (b); the same applies in this Article below) of the Supplementary Provisions apply mutatis mutandis if the administrative agency is a prefectural governor. In that case, in paragraph (1), Article 13 of the Supplementary Provisions, the phrase "commission prescribed in paragraph (1) of Article 34 of the New Act (referred to below as the "commission")" is deemed to be replaced with "collegial bodies prescribed in

paragraph (1) of Article 50 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations (referred to below as the "collegial bodies")", and in the proviso to the same paragraph, paragraph (3) of the same Article and the preceding Article, the term "commission" is deemed to be replaced with "collegial bodies", and in the proviso to paragraph (1) and the proviso to paragraph (3) of Article 13 of the Supplementary Provisions, the term "consultation" is deemed to be replaced with "consultation in accordance with the standards provided for by Cabinet Order."

(Transitional Measures Concerning Restrictions on the Use of Names or Trade Names)

Article 17 (1) With respect to a former charitable trust, the provisions of paragraphs (1) and (2) of Article 5, of the New Act do not apply during a transitional period (in the case of a former charitable trust as provided for in paragraph (2), Article 4 of the Supplementary Provisions, the period as provided for in the same paragraph).

(2) In addition to what is provided for in the preceding paragraph, the provisions of paragraph (1), Article 5 of the New Act do not apply to any person who is currently using the words "charitable trust" in its name or trade name at the time of the enforcement of this Act, for a period of six months from the effective date.

(Penal Provisions)

Article 18 Any person who has obtained the authorization for transition by deception or other wrongful means is subject to imprisonment for not more than six months or a fine of not more than five hundred thousand yen.

Article 19 Any person who has made false entry into a written application referred to in paragraph (1), Article 6 of the Supplementary Provisions or into documents as stated in the respective items of paragraph (2) of the same Article and submitted them is subject to a fine not more than three hundred thousand yen.

Article 20 (1) When a representative person or a manager of a corporation(including an organization that is not a corporation and that have a representative person or a manager: the same applies in this paragraph below) or agents, employees or other workers of a corporation or an individual commits acts of violation under the preceding three Articles in connection with the business of the relevant corporation or an individual, the punishment of fine under the respective Articles is imposed on not only the person who commits those acts but also the corporation or individual.

(2) If the provisions of the preceding paragraph apply to organizations without legal personality, their representative person or manager represents the organizations which are not corporations in procedural acts, and the provisions of law concerning criminal procedure in which a corporation is a defendant or a suspect apply mutatis mutandis.

(Transitional Measures Concerning Civil Fines)

Article 21 With respect to civil fines imposed on acts committed before the effective date, and acts committed after the effective date in relation to a charitable trust under the former Trust Act and those acts are to be governed by prior laws pursuant to the provisions of paragraph (2), Article 2 of the Supplementary Provisions, the prior laws are to continue to govern.

(Preparatory Act)

Article 22 (1) The Prime Minister may, even before the effective date, consult with the commission regarding the planning or establishment of the Cabinet Order or the Cabinet Office Ordinance as provided for in paragraph (2), Article 34 of the New Act (limited to the part related to item (i)) or paragraph (2), Article 13 of the Supplementary Provisions.

(2) The commission may, even before the effective date, report with respect to a consultation in the preceding paragraph and publicly announce the content as provided for in paragraph (1), Article 35 of the New Act. (including as applied mutatis mutandis pursuant to Article 14 of the Supplementary Provisions; the same applies below in this paragraph). In that case, the publication of the contents of the relevant report is deemed to be the publication of the contents of the report pursuant to the provisions of paragraph (1), Article 35 of the New Act after the effective date.

(Delegation to Cabinet Order)

Article 23 In addition to those provided for in this Supplementary Provisions, transitional measures (including transitional measures concerning civil fines) necessary for the implementation of this Act are provided for by Cabinet Order.

Appended Table (relating to Article 2)

(i) affairs to promote academic activities and science and technology
(ii) affairs to promote culture and art
(iii) affairs to support persons with disability or needy persons or victims of accident, disaster or crime
(iv) affairs to promote welfare of elderly persons
(v) affairs to support persons having will to work for seeking the opportunity of employment
(vi) affairs to enhance public health
(vii) affairs to seek sound nurturing of children and youths
(viii) affairs to enhance welfare of workers
(ix) affairs to contribute to sound development of mind and body of the people or to cultivate abundant human nature through education and sports, etc.
(x) affairs to prevent crimes or to maintain security
(xi) affairs to prevent accident or disaster
(xii) affairs to prevent and eliminate unreasonable discrimination and prejudice by reason of race, gender or others
(xiii) affairs to pay respect or protect the freedom of ideology and conscience, the freedom of religion or of expression
(xiv) affairs to promote the creation of gender-equal society and other goals for a better society
(xv) affairs to promote international mutual understanding and for economic cooperation to overseas developing regions
(xvi) affairs to preserve global environment or protect and maintain the natural environment
(xvii) affairs to utilize, maintain or preserve the national land
(xviii) affairs to contribute to sound operation of the national politics
(xix) affairs to develop sound local communities
(xx) affairs to secure and promote fair and free opportunity for economic activity and to stabilize and enhance the lives of the people by way of activating the economy

(xxi) affairs to secure stable supply of goods and energy indispensable for the lives of the people
(xxii) affairs to protect and promote the interest of general consumers
(xxiii) in addition to what is stated in each of the preceding items, affairs provided for by Cabinet Order as one relating to the public interest