

Insurance premiums for Category 1 Insured are calculated based on the total income and municipal taxes of the individual and household

- In FY2015 and FY2016, persons registered for the first or second level can receive a premium reduction from public expenses. From FY2017 this scheme will be further expanded to cover persons registered from the first to fourth levels.

## Calculation method for FY2015 Long-Term Insurance Premiums (Yearly)

$$\text{Basic Monthly Insurance Premiums: 6,758 yen} \times 12 = \text{Yearly amount: 81,096 yen (base amount)}$$

$$\text{Base Amount (81,096 yen) (yearly)} \times \text{Rate According to Income (0.50 to 2.00)}$$

Level	Eligibility		FY2015/FY2016		FY2017 (Tentative)	
			Rate	Yearly Amount	Rate	Yearly Amount
Level 1	<ul style="list-style-type: none"> <li>•Old-age welfare pension recipient whose household members are all exempt from municipal taxes</li> <li>•Public assistance recipients</li> </ul>		0.50	40,548 yen	0.35	28,384 yen
Level 2	Insured exempt from municipal taxes	Your total household income and taxable pension income is 800,000 yen or less	0.50	40,548 yen	0.35	28,384 yen
Level 3		Your total household income and taxable pension income is 1,200,000 yen or less	0.65	52,713 yen	0.50	40,548 yen
Level 4		Those not falling under Level 2 or 3	0.75	60,822 yen	0.70	56,768 yen
Level 5		Household includes a member responsible for municipal taxes	Your total household income and taxable pension income is 800,000 yen or less	0.85	68,932 yen	0.85
Level 6	Insured responsible for municipal taxes	Those not falling under Level 5	1.00	81,096 yen	1.00	81,096 yen
Level 7		Your total household income is 1,250,000 yen or less	1.10	89,206 yen	1.10	89,206 yen
Level 8		Your total household income is more than 1,250,000 yen to less than 2,000,000 yen	1.25	101,370 yen	1.25	101,370 yen
Level 9		Your total household income is more than 2,000,000 yen to less than 4,000,000 yen	1.50	121,644 yen	1.50	121,644 yen
Level 10		Your total household income is more than 4,000,000 yen to less than 7,000,000 yen	1.75	141,918 yen	1.75	141,918 yen
Level 11	Your total household income is 7,000,000 yen or more	2.00	162,192 yen	2.00	162,192 yen	

\* Premiums are revised every three years. The next revision will take place in FY2018.

**Old-Age Welfare Pension** This system covers those who did not fulfill the qualifying period of 25 years to receive a contributory pension as of April 1961 when the National Pension Plan was launched. Benefits are fully funded by the national government. Beneficiaries are those who were born before April 1, 1911.

**Household** A registered household as of April 1 of the relevant fiscal year (or the date of receiving certification)

**Taxable Pension Income** Old-age and retirement pensions are taxable while survivor's and disability pensions are not.

**Total Income** Total income is calculated by deducting necessary expenses from your previous year's income. It is the amount before special deduction for income arising from the transfer of land and buildings or loss carryover deduction.

Necessary expenses: Deduction from employment income, deduction from public pension