2025 QUESIONNAIRE SURVEY

The Operation and Practice of Public-Interest and General Nonprofit Corporations

The 2025 Survey — Four Months After Japan's Public-Interest Corporation Reform

ENGLISH SUMMARY EDITION

2,037 responding corporations

Surveyed August–September 2025 · Published June 2026

PUBLISHED BY

Japan Association of Charitable Organizations

The Operation and Practice of Public-Interest and General Nonprofit Corporations — The 2025 Survey

English Summary Edition

An abridged English edition of the Japanese-language survey report published in June 2026 by the Japan Association of Charitable Organizations.

Original edition

公益法人・一般法人の運営および寄附等に関するアンケート結果（2025 年 8 月実施分）報告書

Published June 2026 · Japan Association of Charitable Organizations

2-27-15 Honkomagome, Bunkyo-ku, Tokyo 113-0021, Japan · Tel +81-3-3945-1017 · https://www.kohokyo.or.jp/

About this edition

Tables have been rebuilt in English from the originals, with Japanese numeric conventions converted to international usage. The seven charts were drawn for this edition from figures in the original report, which contains no charts of its own. The primer on Japan's public-interest corporation system and Part 9 (“Notes for Readers Outside Japan”) have been added by the editors and do not form part of the original report.

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About This English Summary Edition

This volume is an abridged English edition of *Survey of the Operation of Public-Interest and General nonprofit corporations and of Donations to Them — Report on the Round Conducted in August 2025*, published in June 2026 by the **Japan Association of Charitable Organizations (JACO)**. The original runs to 176 pages and contains 110 statistical tables, several hundred verbatim comments, and the full text of both questionnaires. This edition condenses that material for readers outside Japan.

What has been kept, and what has been condensed

- **Every substantive section of the original is represented** — survey design, the public-interest corporation results, the general nonprofit corporation results, and conclusions.
- **The most informative tables have been rebuilt in English**, with Japanese numeric conventions converted to international usage. The prefecture cross-tabulations, which run to a full page each in the original, are summarized statistically in Part 5 rather than reproduced row by row.
- **Seven charts have been drawn for this edition** from figures in the original, which contains no charts of its own. They are marked as such in their captions.
- **Part 9 has been added by the editors** to orient readers unfamiliar with the Japanese system. It is not part of the original report.

Conventions

Japanese legal and accounting terms are given in English with the original at first mention and are collected in the Glossary (Appendix A). Monetary amounts are in Japanese yen; for orientation only, ¥100 was worth roughly US$0.65 at the time of the survey, so the ¥10 million threshold that recurs below is on the order of US$65,000 and the ¥1 billion threshold on the order of US$6.5 million.

A note on the two populations surveyed

The survey covers two legally distinct corporate forms that are frequently confused in English-language literature on Japan. **Public-interest corporations** have met rigorous certification standards and receive substantial tax privileges in exchange for detailed administrative supervision. By contrast, **general nonprofit corporations** can be freely established under statutory criteria and are not subject to such supervisory oversight, but receive far more limited tax advantages compared to public-interest corporations. Because these two categories are governed by different legal frameworks and were surveyed with distinct questionnaires, their results are reported separately—in Parts 2 through 5 and Part 6, respectively. This edition opens with a concise primer clarifying the institutional relationship between the two.

Inquiries about this edition or about the original report may be addressed to JACO, whose details appear on the imprint page.

Japan's Public-Interest Corporation System

The two-tier structure

Since the **Act on General Incorporated Associations and Foundations** and the **Act on Certification of Public Interest Corporations** came into force in December 2008, Japan's non-profit corporate law has operated on two tiers.

Tier	How it is obtained	Supervision	Tax treatment
General nonprofit corporation	By registration alone. No permission or certification is required, and any purpose is permissible	None, once established — except for “transition corporations” still working through a public-interest purpose expenditure plan inherited from the pre-2008 system	Depends on tax classification: **strictly non-profit** and **mutual-benefit** types are taxed only on enumerated profit-making activities; the **ordinary** type is taxed on all income

Tier	How it is obtained	Supervision	Tax treatment
Public-interest corporation	A general nonprofit corporation applies for **public-interest certification** from the Cabinet Office (for nationwide bodies) or from a prefectural governor	Continuous: annual filings, inspections, and prior certification or notification for changes	Public-interest activities are exempt from corporate tax; donors may claim deductions, and corporations that obtain **tax-credit certification** allow individual donors a credit rather than a deduction

The practical consequence is a trade-off that runs through the whole of this survey: **public-interest status buys credibility and tax relief at the price of a continuing compliance burden**, and each corporation decides for itself whether the exchange is worth making. As Part 6 shows, most general nonprofit corporations have decided it is not.

The shape of the sector

As of February 13, 2026, Japan had **9,777 public-interest corporations** (4,133 associations and 5,644 foundations) against **93,727 general nonprofit corporations** (85,859 associations and 7,868 foundations). Over the roughly two years since the previous count, public-interest corporations grew by 72 while general nonprofit corporations grew by 8,406 — the ratio that frames the whole report. Other non-profit legal forms exist alongside these: some 47,588 specified non-profit corporations (of which 1,318 are certified), 21,231 social welfare corporations, 60,321 medical corporations, and 7,912 school corporations.

We draws particular attention to the **size distribution** of public-interest corporations, which it considers distinctively Japanese. Measured by public-interest activity expenditure:

Expenditure on public-interest activities	Associations	Foundations	Total	Share
Under ¥10 million	545	933	1,478	15.3%
¥10 million – under ¥50 million	1,196	1,571	2,767	28.6%
¥50 million – under ¥100 million	557	655	1,212	12.5%
¥100 million – under ¥500 million	1,376	1,314	2,690	27.8%
¥500 million – under ¥1 billion	248	432	**680**	**7.0%**
¥1 billion and over	222	633	855	8.8%
Total	**4,144**	**5,538**	**9,682**	**100%**

Source: Cabinet Office (2025), Overview of Public Interest Corporations in FY2024 and Report on the Activities of the Public Interest Certification Committee, p. 190; reproduced as Table 2 of the original report.

Two mid-sized bands — ¥10–50 million and ¥100–500 million — each hold more than a quarter of all public-interest corporations, while corporations spending under ¥10 million account for only 15.3 percent. We contrast this with the **pyramid shape** of the American and British non-profit sectors, where small organizations vastly outnumber large ones, and reads the difference as evidence that certification requirements screen small organizations out. That reading is the interpretive thread running through the entire report.

What changed in April 2025

The reform that took effect on **April 1, 2025** is the subject of most of the questions analyzed here. Its stated aims were to make the operation of the system more flexible and to reduce the administrative load. The principal changes:

- **Medium-term balance of income and expenditure** (*chūkiteki shūshi kinkō*). The single-year requirement that public-interest income not exceed public-interest expenditure was replaced by a **five-year** balancing period, allowing deficits and surpluses to be offset across years.
  In practice a surplus no longer has to be eliminated by the following year-end but must be resolved within the five years that follow, and losses carried from earlier years may be set against it.
- **The Public-Interest Enhancement Fund** (*kōeki jūjitsu shikin*) — a new reserve into which surpluses may be

placed for identified future public-interest use.

Amounts transferred into the fund count as expenditure when the balance test is applied, which makes it the legal mechanism by which a surplus can be carried forward rather than spent down; a corporation must identify the activity the money is for and disclose the plan.

- **Reserve assets for continuity of public-interest activities** (*kōeki mokuteki jigyō keizoku yobi zaisan*) — roughly one year's public-interest expenditure may be held against contingencies, outside the normal ceiling. The exclusion is conditional on disclosure: the reserve must be identified as such in the annual filings, and it is intended for events such as a pandemic or a disaster that interrupt activities rather than for general accumulation.
- **"Idle assets" renamed "unrestricted-use assets"** (*shito futokutei zaisan*), with the ceiling calculable on a five-year average rather than a single year.

  The ceiling is now the average public-interest expenditure of the preceding five years, so a corporation whose activity level swings from year to year is no longer pushed over the limit by one quiet year, and the renaming was meant to stop the assets being read as money lying unused.
- **Certification replaced by notification** for many changes that previously required prior approval. The test applied was whether a change materially affects the corporation's public-interest character and whether any problem could be corrected by supervision after the fact; mergers, restructurings, transfers of activities between corporations and the partial discontinuation of an activity are the principal cases moved to notification.
- **Simplified application and annual filing forms**, and rationalized procedures for amending the articles of incorporation and for restructuring.

  The accompanying schedules were reduced and consolidated and the online filing system rebuilt around the new forms — the change that, on the evidence of Part 4, corporations have felt least.
- **Segment accounting** (*kubun keiri*) put on a general footing, with a three-year transitional period. Accounts must now be kept in **three segments** — public-interest activities, profit-making activities, and corporate administration — for every corporation rather than only where the certifying authority required it.
- **A revised accounting standard** — the FY2024 (Reiwa 6) Public Interest Corporation Accounting Standard — and a mandatory external accounting auditor for larger corporations.

  The standard applies to fiscal years beginning on or after April 1, 2025, with the former standard usable until the year beginning March 31, 2028, and it renames "net assets" and expands the note disclosures. The **audit threshold was cut tenfold**: an external accounting auditor is now compulsory for any corporation whose most recent accounts show **revenue of ¥10 billion or more, or expenses and losses of ¥10 billion or more** — each previously ¥100 billion — **or liabilities of ¥5 billion or more**, which is unchanged.

The survey was conducted in **August–September 2025**, four to five months after these provisions took effect. That timing matters for reading everything that follows: respondents were reporting first impressions and preparations, not settled experience, and a large share of them said so explicitly.

The Survey at a Glance

Title	The Operation and Practice of Public-Interest and General Nonprofit Corporations
Conducted by	Japan Association of Charitable Organizations (JACO)
Field period	Late August to mid-September 2025 (about three weeks)
Method	Web-based questionnaire; anonymous responses
Sent to	6,024 public-interest corporations · 6,601 general nonprofit corporations (estimated delivered)
Valid responses	**1,316 public-interest corporations (21.8%)** · **721 general nonprofit corporations (10.9%)** · 2,037 in total
Composition — public-interest corporations	586 associations · 730 foundations. By certifying authority: 388 Cabinet Office (29.5%) · 928 prefectural (70.5%)
Composition — general nonprofit corporations	500 associations · 221 foundations. By tax status: 286 strictly non-profit · 136 mutual-benefit · 299 ordinary
Questions	28 for public-interest corporations · 14 for general nonprofit corporations
Series	Conducted annually since 2008, with the exception of 2024
Report published	June 2026

The six findings that matter most

1. **Public-interest status is bought for credibility, not for money.** 71.7 percent of public-interest corporations name greater public trust as the benefit of the status; tax exemption follows at 51.3 percent. And 82.8 percent would choose the same status again.
2. **The compliance burden is concentrated in paperwork, not in the financial rules.** 65.7 percent name the annual filings as their principal difficulty and 40.9 percent the interpretation of law and guidelines — well ahead of any of the financial constraints.
3. **The 2025 reform is welcomed in principle and unfelt in practice.** 57.4 percent view the new multi-year financial rules positively, but only 12.5 percent give the reform as a whole a positive overall verdict, 62.4 percent answer “neither one thing nor the other,” and 61.5 percent say they cannot yet judge the revised procedures because they do not know what changed.
4. **The reform's benefits are unevenly distributed by size.** Among corporations with income under ¥10 million, 48.7 percent do not understand the new Public-Interest Enhancement Fund and 47.9 percent cannot judge the continuity-reserve provisions; above ¥1 billion those figures fall to 9.4 and 26.2 percent. Comprehension, however, does not bring approval — the positive verdict on the reform is flat at 10 to 15 percent in every size band.
5. **The reform has not moved general nonprofit corporations toward certification.** 55.5 percent see no benefit in public-interest status and do not intend to apply; 30.5 percent cannot judge because they do not know the reform's content; **1.0 percent** are considering or have decided to apply.
6. **One statute, forty-seven administrations.** The experience of the same national rules diverges sharply by certifying authority. On whether the revised procedures can be assessed at all, prefectural rates run from 20 to 92 percent; on whether the disclosure portal has changed, from 40 to 90 percent. Twenty-two prefectures recorded not one corporation that had adopted a governance code.

Part 1 — The Survey and Its Respondents

1.1 Why the survey is run

JACO has conducted this survey annually since 2008, the year the two-tier system was created. Its purpose is to track how the system actually works in the hands of the corporations subject to it — a **fixed-point observation**, rather than a one-off study.

The 2025 round had a sharper purpose than usual. It was fielded four months after the April 2025 reform took effect, and was designed to capture how the reform was being received, how far implementation had progressed, and what support corporations were going to need. We are explicit about the policy question behind it: whether the number of public-interest corporations, essentially flat for fifteen years at around 9,800, would begin to rise once the compliance burden was eased.

The report's opening chapter sets out the diagnosis on which that question rests. Requirements that fall equally on all corporations — strict financial rules, extensive governance obligations, and the drafting burden of applications, change procedures and annual filings — weigh disproportionately on small ones. The result, according to our analysis, is that corporations with a certain financial and staffing base form the core of the public-interest sector while small organizations give up on certification altogether. Because the tax privileges attach to certification, the effect is to restrict who can receive them and to narrow the base of public-benefit activity — a policy problem, on this reading, rather than merely an administrative one.

1.2 Who responded

Questionnaires reached an estimated 6,024 public-interest corporations and 6,601 general nonprofit corporations. Valid responses came from **1,316** and **721** respectively — response rates of **21.8 percent** and **10.9 percent**, and 2,037 responses in all. We note the gap between the two and suggests it may reflect a higher level of interest in the reform among the corporations directly subject to it.

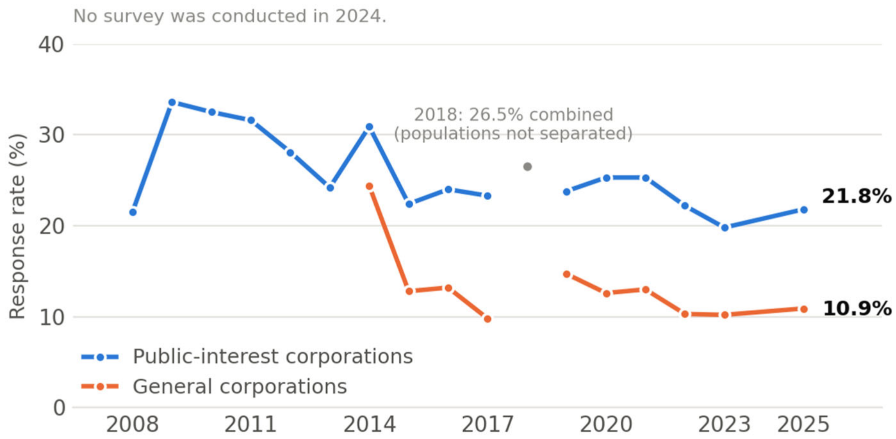

Figure 1.1 Response rates, 2008–2025

Drawn for this English edition from Table 4 of the original report.

Within the public-interest sample, foundations slightly outnumber associations (730 to 586, or 55.5 to 44.5 percent). By certifying authority, **70.5 percent** are certified by a prefectural governor and 29.5 percent by the Cabinet Office. Tokyo alone accounts for 93 responding corporations (7.1 percent), followed by Aichi (42), Kanagawa (35), Shizuoka (33) and Saitama (32).

Within the general nonprofit corporation sample, associations predominate (500 to 221). By tax classification the sample divides almost in thirds: 286 strictly non-profit (39.7 percent), 136 mutual-benefit (18.9 percent) and 299 ordinary (41.5 percent).

All responses were collected anonymously and processed so that individual corporations cannot be identified — a design choice we describe as intended to let respondents speak frankly about the reform. Reading the verbatim comments in Part 7, that appears to have worked.

1.3 Where the corporations are

Before analyzing the responses, the report sets out the national distribution of both populations as of February 13, 2026. Three patterns stand out.

Concentration in Tokyo. Tokyo holds 2,391 public-interest corporations (24.5 percent of the national total) and 32,457 general nonprofit corporations (34.6 percent). At the other end, Akita, Saga and Tottori have fewer than 100 public-interest corporations each.

An inverse relationship between urbanization and the public-interest share. Nationally, public-interest corporations make up 9.4 percent of all corporations established under the general nonprofit corporations act. That share is *highest* in smaller prefectures — Yamagata 23.4 percent, Kōchi 22.5 percent, Shimane 21.3 percent, Toyama 21.1 percent — and lowest in the metropolitan ones: Osaka 5.8 percent, Tokyo 6.9 percent. Okinawa, which is not metropolitan, is lowest of all at 5.3 percent.

Concentration again on a per-capita basis. Tokyo has 1.7 public-interest corporations and 22.7 general nonprofit corporations per 10,000 residents; the surrounding prefectures are far below (Saitama and Chiba 0.3, Kanagawa 0.4 public-interest corporations per 10,000). We read this as a distribution shaped not by population alone but by where national organizations choose to establish themselves — an **urban-concentrated structure**.

	Public-interest	General	Total	PIC share	PIC / 10,000 pop.
National total	9,777	93,727	103,504	9.4%	0.8
Tokyo	2,391	32,457	34,848	6.9%	1.7
Osaka	437	7,147	7,584	5.8%	0.5
Kanagawa	377	4,636	5,013	7.5%	0.4
Aichi	317	3,470	3,787	8.4%	0.4
Yamagata	135	442	577	23.4%	1.4
Kōchi	114	392	506	22.5%	1.8
Shimane	107	395	502	21.3%	1.7
Okinawa	102	1,812	1,914	5.3%	0.7

Selected rows from Table 6 of the original report, which gives all 47 prefectures. Source: National Tax Agency corporate number registry, February 13, 2026.

1.4 What was asked

Because the two populations face different rules, they received different questionnaires — **28 questions** for public-interest corporations and **14** for general nonprofit corporations, with a common core on basic attributes, income structure, and donations.

Section	Public-interest corporations	General nonprofit corporations
I. Basic information	Legal form; origin; certifying authority; principal field of activity; whether profit-making activities are conducted, their content, and whether their surplus is transferred to public-interest assets; principal income sources and total income for FY2024	Legal form; origin; location; tax classification; principal field of activity; principal income sources and income scale for FY2024
II. About the corporation	Benefits of public-interest status; difficulties; which legal form would be chosen again	Benefits of general status; difficulties and their specifics; which form would be chosen again; reasons for not seeking public-interest status

Section	Public-interest corporations	General nonprofit corporations
III. Donations and tax	Donations as a share of income; whether tax-credit certification has been obtained; desired tax changes	Donations as a share of income; why donations are not solicited; what would encourage donations; desired tax changes
IV. The new system	Financial discipline (5 questions) · administrative simplification (4) · governance and transparency (4) · accounting standard (2) · overall assessment and remaining issues (6), including interest in charitable trusts	Intention to seek certification; adoption of the FY2024 accounting standard; what is published on the corporation's website; organizational priorities
V. Requests to JACO	Requests to JACO	Requests to JACO

Cross-tabulations were run by income scale, by principal field of activity and — for public-interest corporations — by certifying authority. Nine fields of activity attracting fewer than ten responses were grouped together as a **“fields with fewer than ten responses”** category for statistical purposes, a convention followed in this edition.

Part 2 — Public-Interest Corporations: The Operating Picture

1,316 responding corporations: 586 associations and 730 foundations.

2.1 Where they came from

Three-fifths of responding public-interest corporations — **797, or 60.6 percent** — are direct successors of pre-2008 Civil Code corporations. A further 237 (18.0 percent) began as unincorporated associations, converted to general nonprofit corporation status and then obtained certification. Together those two routes account for about four-fifths of the sample. Corporations **newly established** since December 2008 number only 94, or 7.1 percent.

The two legal forms have different histories. Among foundations, **68.9 percent** are direct successors of the old system; among associations the figure is 50.2 percent, with a further 26.6 percent having started as unincorporated bodies. Conversions from specified non-profit corporations (27 cases) and from for-profit companies (3 cases) are negligible.

Origin	Associations	Foundations	Total	Share
Direct transition from a former Civil Code corporation	294	503	797	60.6%
Former Civil Code corporation → general → public-interest	24	28	52	4.0%
Newly established since December 2008	38	56	94	7.1%
Unincorporated association → general → public-interest	156	81	237	18.0%
Specified non-profit corporation → general → public-interest	21	6	27	2.1%
For-profit company → general → public-interest	0	3	3	0.2%
Other corporation → general → public-interest	53	53	106	8.1%
Total	**586**	**730**	**1,316**	**100.0%**

That the new-establishment route accounts for one corporation in fourteen, seventeen years after the route was opened, is the single figure that best supports our argument that certification requirements deter entry.

2.2 What they do

No single field dominates. The largest is **community contribution activity** (146 corporations, 11.1 percent), followed by **grant-making and awards** (141, 10.7 percent) and **government-related activity** (122, 9.3 percent). Two categories on the questionnaire — spiritual-cultivation bodies and media — attracted no responses at all.

The two legal forms specialize differently, and sharply. Associations dominate community contribution (119 of 146), industry bodies (41 of 53) and professional bodies (35 of 35); foundations dominate grant-making (132 of 141), scholarships (67 of 70), museums and zoos (37 of 39) and arts and culture (64 of 85). The pattern is what one would expect of endowed foundations on one side and membership associations on the other, and it recurs throughout the survey.

Principal field	Assoc.	Found.	Total	Principal field	Assoc.	Found.	Total
Community contribution	119	27	146	Arts and culture	21	64	85
Grant-making, awards	9	132	141	Education	26	48	74
Government-related	65	57	122	Scholarships	3	67	70
Social welfare	61	25	86	Sport	15	43	58

Principal field	Assoc.	Found.	Total	Principal field	Assoc.	Found.	Total
Industry bodies	41	12	53	Health promotion	29	19	48
Learned societies	41	7	48	Child and youth development	14	33	47
Research institutes	9	35	44	Environmental protection	21	20	41
Museums, zoos, gardens	2	37	39	Professional bodies	35	0	35
International cooperation	8	24	32	Disaster and community safety	9	10	19
Welfare grant-making	6	12	18	Support for non-profit activity	15	3	18
Industry creation, start-ups	6	12	18	Medical facilities	7	9	16
Hall management	2	8	10	Fields with fewer than 10 responses	22	26	48

Table 10 of the original report, reordered by size. Nine small categories are grouped in the final row.

2.3 Profit-making activities

A majority of public-interest corporations — **759, or 57.7 percent** — conduct no profit-making activity at all. Of the 557 that do, 402 conduct activities classified as profit-making under the Certification Act, 60 conduct activities that fall within the 34 categories taxable under the Corporation Tax Act but that have been certified as public-interest activities, and 95 do both. Foundations are the more abstinent: 60.8 percent conduct none, against 53.8 percent of associations.

Whether a corporation runs such activities is strongly a function of size. Among corporations with income under ¥10 million, **17.6 percent** do; among those above ¥1 billion, **60.7 percent** do. Large corporations, in other words, assemble diversified revenue; small ones live on what their core activity and their members provide.

	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Conducts profit-making activity	17.6%	30.8%	38.6%	50.6%	54.8%	60.7%
Conducts none	82.4%	69.2%	61.4%	49.4%	45.2%	39.3%
(responding corporations)	*119*	*211*	*360*	*415*	*104*	*107*

Among the 497 corporations conducting profit-making activity under the Certification Act, **61.2 percent** transfer more than half the resulting surplus into public-interest assets — the threshold that matters for the certification rules. The proportion is almost identical for associations (61.9 percent) and foundations (60.5 percent). But 35.8 percent do not, a figure the report notes without comment and which is worth attention: it means roughly a third of the corporations running such activities keep more than half the surplus outside the public-interest ring-fence.

The activities themselves are unglamorous. Of 448 corporations answering, **137 (30.6 percent)** sell goods, 72 (16.1 percent) lease real estate, 58 (12.9 percent) undertake contract work, 44 (9.8 percent) supply dispatched workers, 21 hire out premises, and 20 each run entertainment events and medical or health services. Almost nothing appears in the categories one might expect a Western reader to look for — no money-lending, no transport, no photography, no barber or beauty services.

2.4 Where the money comes from

Membership dues are the single largest income source, named by 583 corporations (44.3 percent), followed by income from public-interest activities (460, 35.0 percent) and government subsidies (393, 29.9 percent). But the aggregate conceals a complete divergence between the two legal forms:

Principal income source (multiple answers)	Associations	Foundations	Total
Membership dues	**73.2%**	21.1%	44.3%
Income from public-interest activities	43.3%	28.2%	35.0%
Government subsidies	36.3%	24.7%	29.9%
Investment income	4.6%	**36.7%**	22.4%
Commissioned work and management fees	17.2%	24.5%	21.3%
Income from profit-making activities	11.8%	10.5%	11.1%
Donations from individuals	7.0%	14.5%	11.2%
Private grants	7.0%	6.8%	6.9%
Contributions from a parent company	2.4%	7.3%	5.1%
Other	3.9%	9.0%	6.8%

For associations the picture is one of membership: dues at 73.2 percent dwarf everything else. For foundations it is one of endowment: investment income at 36.7 percent is the largest single source. **Donations from individuals are marginal for both**, at 11.2 percent overall — a finding Part 3 examines in detail.

By field the differences are sharper still. Learned societies draw dues from 91.7 percent of respondents and professional bodies from 85.7 percent. Grant-making bodies draw investment income from 70.9 percent and scholarship bodies from 62.9 percent, while dues barely register (10.6 and 2.9 percent). International cooperation bodies are the outlier on donations, at 37.5 percent against the 11.2 percent average, and industry-creation bodies depend on government subsidies more than any other field (77.8 percent).

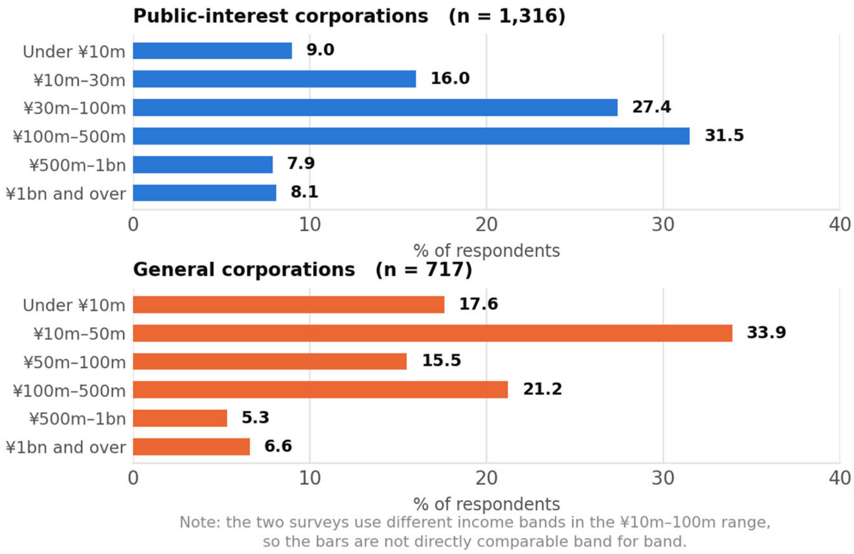

Chart 2.1 *Income scale of responding corporations. Drawn for this English edition from Tables 17 and 87 of the original report. Public-interest corporations cluster in the two mid-range bands; general nonprofit corporations sit lower, with 51.5 percent below ¥50 million. The general nonprofit corporation base is 717 rather than 721 because four respondents did not state their income.*

The **income distribution** of public-interest respondents mirrors the national picture set out in the primer: 31.5 percent fall in the ¥100–500 million band and 27.4 percent in ¥30–100 million, so nearly three-fifths of the sample sits in the middle. Only 9.0 percent are below ¥10 million and 8.1 percent above ¥1 billion. Foundations skew larger — 10.8 percent above ¥1 billion, against 4.8 percent of associations.

Scale varies with what a corporation does. Medical facilities (31.3 percent above ¥1 billion) and sport bodies (43.1 percent above ¥500 million) are capital-intensive; environmental protection (48.8 percent in the ¥30–100 million band) and industry bodies (43.4 percent in the same band) run leaner operations.

2.5 What the status is worth, and what it costs

Two questions in the survey ask public-interest corporations what they gain from the status and what they find hard about it. Taken together the answers explain why the population is stable but not growing.

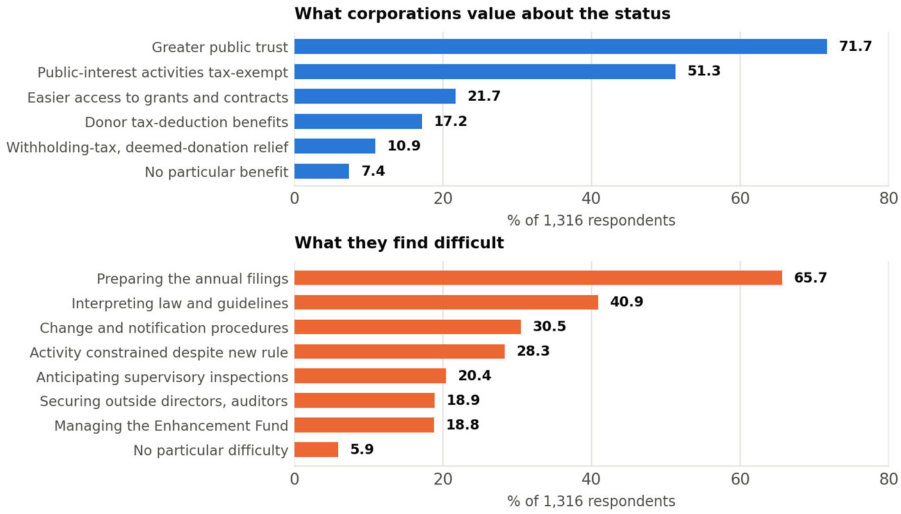

Chart 2.2 *The benefits and the difficulties of public-interest status, compared. Drawn for this English edition from Tables 19 and 22 of the original report. Multiple answers permitted; percentages of 1,316 respondents.*

The benefits

Public trust is the overwhelming answer. 944 corporations (71.7 percent) say the status confers greater social credibility than general nonprofit corporation status — well ahead of the tax exemption on public-interest activities, named by 675 (51.3 percent). Easier access to grants, subsidies and public management contracts follows at 21.7 percent, donor tax-deduction benefits at 17.2 percent, and the package of withholding-tax exemption and deemed-donation relief at 10.9 percent. Ninety-eight corporations (7.4 percent) say the status has brought them no particular benefit.

The ranking is worth pausing on. **The reputational benefit outranks every financial one**, and does so in every size band and every field of activity. Corporations are buying a signal, and the compliance burden is the price of the signal's credibility.

The benefits are nonetheless felt unevenly. Public trust is named by 80.4 percent of corporations above ¥1 billion but only 59.7 percent of those below ¥10 million; tax exemption by 68.2 percent of the largest against 38.7 percent of the smallest. Conversely, **more than a quarter of the smallest corporations** report either no benefit at all (17.7 percent) or value the status chiefly for the donor tax deduction (22.7 percent) — the highest rate for that answer of any band. Among corporations below ¥10 million, in other words, a substantial minority find that the cost of maintaining the status exceeds what it returns.

By field, arts and culture bodies value the credibility most (87.1 percent), followed by professional bodies (82.9 percent) and social welfare bodies (80.2 percent). Research institutes value the tax exemption most (72.7 percent). Support bodies for non-profit activity value access to grants most (50.0 percent) — more than twice the average.

The difficulties

The difficulties are dominated by a single answer: **865 corporations (65.7 percent) name the preparation of the annual filings** — activity reports, financial statements, audit reports. Interpreting the law and the guidelines follows at 40.9 percent, and change-of-certification and notification procedures at 30.5 percent.

The financial constraints that were the centerpiece of the 2025 reform rank *below* all three. Being constrained in activity despite the new multi-year balance rule is named by 28.3 percent; the difficulty of setting up and explaining the Public-Interest Enhancement Fund by 18.8 percent; the reserve-asset provisions by 15.7 percent; the unrestricted-use asset rules by 13.9 percent. **Only 5.9 percent report no difficulty at all.**

Difficulty (multiple answers)	Assoc.	Found.	Total	%
Preparing and filing the annual documents	405	460	**865**	**65.7%**
Interpreting law and guidelines on operations and finance	228	310	538	40.9%
Change-of-certification and notification procedures	193	208	401	30.5%
Activity still constrained despite the multi-year balance rule	179	193	372	28.3%
Anticipating the burden of inspections and guidance	122	146	268	20.4%
Securing and retaining outside directors and auditors	164	85	249	18.9%
Setting up, managing and explaining the Enhancement Fund	118	129	247	18.8%
Setting up and explaining the continuity reserve	95	112	207	15.7%
Unable to prepare for contingencies despite the new asset rules	94	89	183	13.9%
The 50 percent public-interest activity ratio constrains activity	105	71	176	13.4%
Running the statutory bodies properly	69	108	177	13.4%
No particular difficulty	19	59	78	5.9%

One difficulty divides the two legal forms more than any other: **securing outside directors and auditors** is a problem for 28.0 percent of associations but only 11.6 percent of foundations. In the regional cross-tabulation it becomes acute — above 60 percent in Fukui, Mie and Kumamoto — and it reappears in Part 4 as the single heaviest governance burden, and in section 5.3 as one of the widest regional divergences in the survey. In a country where the pool of people willing and qualified to serve on a small non-profit board is thin outside the big cities, a requirement drafted with large organizations in mind lands hardest on the smallest.

The regional pattern for the filing burden is striking in a different way. It is the top difficulty **everywhere**, but the rate ranges from 45.5 percent (Nagasaki) to 92.3 percent (Kumamoto), with Shimane and Okinawa at 90.0 percent. Our reading is that the problem is not regional variation but the weight of the process itself, which is why it recommends simplification rather than local remedies.

Would they do it again?

Asked which legal form they would choose if they could choose afresh, **1,090 corporations — 82.8 percent — say public-interest status again**. Foundations are markedly more settled (89.2 percent) than associations (74.9 percent); conversely, 19.8 percent of associations would opt for general nonprofit corporation status against 7.1 percent of foundations. Every other option — specified non-profit, social welfare, for-profit — draws under 1 percent.

This is the survey's most important single result, and it should be read against the difficulties above rather than apart from them. A sector that finds the paperwork onerous, the guidance hard to interpret and the board requirements hard to meet nonetheless overwhelmingly wants to keep the status — because, as the benefits above showed, what it is buying is credibility, and there is no substitute for it. The one in five associations who would leave are the margin at which the exchange stops being worth making.

Part 3 — Donations and Tax

3.1 How little the sector depends on donations

For a sector whose defining characteristic is public benefit, the most arresting figure in the survey is this: **640 public-interest corporations — 48.6 percent — received no donations at all in FY2024.** A further 416 (31.6 percent) received donations amounting to less than 10 percent of income. Taken together, **more than four-fifths of Japan's certified public-interest corporations run on something other than philanthropy.**

Donations as a share of total income	Associations	Foundations	Total	Share
0%	353 (60.2%)	287 (39.3%)	640	**48.6%**
Under 10%	179 (30.5%)	237 (32.5%)	416	31.6%
10% – under 20%	13 (2.2%)	50 (6.8%)	63	4.8%
20% – under 30%	7 (1.2%)	25 (3.4%)	32	2.4%
30% – under 50%	14 (2.4%)	33 (4.5%)	47	3.6%
50% and over	20 (3.4%)	98 (13.4%)	118	9.0%

The distribution is **bimodal, not merely low**. The middle bands are almost empty — no band between 10 and 50 percent holds more than 4.8 percent of corporations — while 9.0 percent draw more than half their income from donations. A corporation either lives on donations or it does not; there is very little in between. Foundations are far more likely to be in the donation-dependent group (13.4 percent above 50 percent, against 3.4 percent of associations), and associations are far more likely to receive nothing at all (60.2 percent).

Donation dependence also runs **inversely to size**. Among corporations with income under ¥10 million, 20.2 percent draw more than half their income from donations; above ¥500 million the figure falls to 1.0 percent, and above ¥1 billion to 2.8 percent. Conversely, the share receiving nothing rises from 36.1 percent in the smallest band to over half in the larger ones. Small corporations are the ones that depend on giving; large ones live on dues, contracts, subsidies and endowment income.

3.2 Tax-credit certification: known, and not taken up

Japan allows individual donors to a public-interest corporation a **tax credit** rather than a deduction, provided the corporation has obtained a separate **tax-credit certification** by meeting either a donor-number test or a public-support test. The survey asked whether corporations had done so.

Only **381 corporations (29.0 percent) have the certification.** The largest group — **540, or 41.0 percent** — know the scheme exists but have not obtained it. And **347 (26.4 percent) have never heard of it**, a figure that rises to 32.5 percent among associations.

Tax-credit certification	Associations	Foundations	Total	Share
Obtained	136 (23.2%)	245 (33.6%)	381	29.0%
Aware of the scheme, not obtained	241 (41.1%)	299 (41.0%)	540	**41.0%**
Not aware of the scheme	190 (32.5%)	157 (21.5%)	347	26.4%
Other	35 (6.0%)	52 (7.1%)	88	6.7%

The relationship with size is **counter-intuitive and revealing**. Take-up is *highest* among the smallest corporations — 40.3 percent below ¥10 million and 37.4 percent in the ¥10–30 million band — and *lowest* in the ¥100–500 million band, at 20.7 percent. Meanwhile the “aware but not obtained” answer peaks in exactly that band, at 48.7 percent.

The explanation is visible in section 3.1: small corporations are the donation-dependent ones, so the certification is worth the effort to them, while large corporations funded by dues and contracts have no reason to pursue it. The scheme is being used, in other words, by the corporations that need it — but a quarter of the sector does not know it exists, which is a straightforward failure of communication rather than of policy design.

By field the variation is wide. Disaster and community safety bodies lead at 52.6 percent, followed by international cooperation at 43.8 percent — both fields that appeal for public donations. At the other end, industry-creation bodies (5.6 percent), industry associations (11.3 percent) and government-related bodies (13.1 percent) barely use it. Awareness gaps are worst in social welfare (39.5 percent unaware) and community contribution (39.0 percent), which the report singles out as a concern precisely because these are fields where public giving would be natural.

3.3 What the sector actually wants from tax policy

The free-text question on desired tax changes produced the most concentrated body of opinion anywhere in the survey — and it is not about donations.

The consumption tax and the invoice system

Extending the transitional measures of the invoice system — 57 separate mentions, by far the largest single request in the entire survey.

Expanding consumption-tax exemption — 26 mentions.

Abolishing the invoice system — 11 mentions, with 2 further asking for special measures and 2 asking that Silver Human Resource Center members be excluded from it.

Beyond the counts, the argument recurs in detail: because membership dues and public subsidies are outside the scope of consumption tax, the “specified income” rules restrict the input tax credit, so corporations end up bearing consumption tax on activities that are not taxable in the first place. Unlike corporation tax, one respondent noted, **consumption tax cannot be escaped** — and it falls on precisely the mid-sized bodies that the public-interest system is built around.

Property tax is the second theme, with repeated requests for exemption or relief on fixed-asset tax and depreciable-asset tax — one respondent arguing that with inflation raising costs that cannot be recovered from income, fixed-asset relief has become *“indispensable for public-interest corporations.”* A third cluster concerns the per-capita levy of local corporate residence tax, which respondents complain is applied differently by different municipalities.

General nonprofit corporations raise the same consumption-tax and invoice-system complaints, and add one of their own: several ask for **donor tax relief to be extended to the strictly non-profit type**, which is treated like a public-interest corporation for corporation-tax purposes but confers no benefit on its donors.

The pattern is worth stating plainly for readers outside Japan. Debate about non-profit tax policy in Japan tends to focus on the incentives for giving. **The corporations themselves are principally concerned with an indirect tax that falls on their operations** — and, on the evidence of this survey, would trade a good deal of donation-side reform for relief on it.

Part 4 — Responding to the 2025 Reform

The survey was fielded four to five months after the reform took effect. Much of what follows is therefore a record of first impressions and of preparation in progress — including a great deal of candid uncertainty.

4.1 Financial discipline made flexible

The multi-year balance rule — the reform's most successful element

The replacement of the single-year income-expenditure balance requirement with a **five-year balancing period** is the change respondents rate most highly. **756 corporations (57.4 percent) evaluate it positively**, against 17.8 percent who see no real change, 8.1 percent who find the system has become more complicated, and 15.1 percent who cannot judge.

Assessment of multi-year financial management	Associations	Foundations	Total	Share
Positive — multi-year management is now possible	327 (55.8%)	429 (58.8%)	756	**57.4%**
No particular improvement felt	108 (18.4%)	126 (17.3%)	234	17.8%
The system has become more complicated	45 (7.7%)	62 (8.5%)	107	8.1%
Cannot judge	100 (17.1%)	98 (13.4%)	198	15.1%
Other	6 (1.0%)	16 (2.1%)	21	1.6%

Approval is highest among research institutes (72.7 percent), arts and culture bodies (68.2 percent) and social welfare bodies (66.3 percent) — organizations whose expenditure is naturally lumpy across years. It is lowest among welfare grant-makers (38.9 percent) and disaster-safety bodies (42.1 percent). The report's own gloss is that the ability to carry losses forward is genuinely valued, **but only by corporations that generate surpluses to carry**; where deficits are chronic the change makes no difference.

The Public-Interest Enhancement Fund — understood by few, used by fewer

The new fund into which surpluses may be placed for future public-interest use has been taken up by almost nobody. **Only 107 corporations (8.1 percent) have decided on a policy and are preparing to use it.** 411 (31.2 percent) are considering whether they need it; 404 (30.7 percent) understand it and have no plans; and **350 (26.6 percent) do not understand it well enough to say.**

Understanding tracks size almost perfectly. Among corporations below ¥10 million, **48.7 percent** say they do not understand the scheme; above ¥1 billion, 9.4 percent do. Conversely, 45.8 percent of the largest corporations are actively considering it against 16.8 percent of the smallest. The free-text answers explain the gap in one line, repeated in many forms: *"we have nothing spare to set aside."*

Use of the Enhancement Fund	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Policy decided, preparing	3.4%	3.3%	8.1%	10.4%	12.5%	10.3%
Considering necessity and use	16.8%	18.5%	30.0%	36.9%	40.4%	**45.8%**
Understood, no plans	26.1%	41.7%	33.6%	26.5%	23.1%	28.0%
Do not understand it well enough	**48.7%**	33.7%	25.3%	23.6%	21.2%	9.4%

Unrestricted-use assets and the continuity reserve

The renaming of "idle assets" as **unrestricted-use assets**, with the ceiling calculable on a five-year average, produces the same pattern in sharper form. The most common answer is **"I do not understand the scheme well enough to answer" — 528 corporations, or 40.1 percent** (the original prints 37.1 percent in this cell, which is its foundations-only figure) — followed by **“the calculation method is still complicated and hard to follow” (354, 26.9 percent)**. Only 20.1 percent record the five-year averaging as a positive change and 13.3 percent the flexibility of choosing the calculation period.

The **continuity reserve** — roughly one year of public-interest expenditure held against contingencies — is even less advanced. 36.9 percent do not understand it well enough to judge, 36.2 percent understand it but have not begun, 20.4 percent see no need, and **just 3.6 percent are working on a holding policy.** Among the smallest corporations, 47.9 percent cannot judge.

Our conclusion is worth quoting in substance: the principle of the reform is understood, but **most corporations are prevented by their financial position from acting on it**. Chronic deficits, tight cash flow and business models that generate no surplus mean the new latitude has nothing to work with.

Segment accounting: waiting out the transition

Segment accounting has a three-year transitional period, and corporations are using it. **650 (49.4 percent) intend to adopt at the end of the transition**; 325 (24.7 percent) will adopt without waiting; 126 (9.6 percent) do not intend to adopt at all; 41 (3.1 percent) will use an alternative.

The larger the corporation the more likely it is to wait — 62.5 percent of the ¥500 million–1 billion band will use the full transition, against 37.8 percent of the smallest — because system changes take time to prepare. At the other end, **26.1 percent of corporations below ¥10 million say they will not do segment accounting at all**, against 5.6 percent above ¥1 billion. The report attributes the general delay to incomplete understanding, waiting for accounting software to be updated, and heavy reliance on outside tax accountants.

4.2 Administrative simplification: the gap between intention and experience

The reform replaced prior certification with simple notification for many changes, and redesigned the application and filing forms. On the evidence of this survey, **the great majority of corporations had not yet had occasion to find out whether any of it worked.**

Change procedures

754 corporations (57.3 percent) have not yet filed anything under the new procedure and cannot say. Of those who have, 372 (28.3 percent) judge the process simplified and 169 (12.8 percent) do not. Positive assessment rises modestly with size (31.8 percent above ¥1 billion against 21.9 percent below ¥10 million), and the share with no experience falls correspondingly.

The free-text comments from those who *have* filed are less positive than the numbers suggest: notification has not reduced the volume of documents; operating practice is opaque; where the work is delegated to a professional, the corporation feels no change at all. Several respondents make the same point in the same words — *“the documents and the office work have not changed.”*

Application and filing forms

The revision of the forms produces the survey's least enthusiastic result. **Only 77 corporations (5.9 percent) report that the work has actually got lighter.** 283 (21.5 percent) see partial simplification but no substantial change; 219 (16.6 percent) noticed the change but find the workload identical; and **113 (8.6 percent) say simplification has made interpretation and verification *harder*.** A further 27.2 percent have not filed yet and 18.3 percent have not examined the new forms.

The gap between associations and foundations on the first line is notable — 8.7 percent against 3.6 percent — as is the gap on the fourth: 10.5 percent of foundations say simplification made things harder, against 6.1 percent of associations.

Amending the articles and restructuring

Here too, experience is thin: **504 corporations (38.3 percent) have not carried out such a procedure**, 14.9 percent have had no organizational change to which it would apply, and 13.6 percent do not understand the changes. Only 2.2 percent are strongly positive and 12.5 percent broadly positive.

The overall verdict on procedures

Asked directly whether post-reform procedures are burdensome, **809 corporations (61.5 percent) answered that they do not know what changed and cannot judge.** 17.9 percent see room for improvement; 17.6 percent find the procedures not particularly onerous.

> *The most common answer to a question about whether a reform worked was that the respondent did not know what the reform contained. That is the central practical finding of this section.* — Editors' note

We draw the same conclusion in policy terms: **communication and comprehension are the first-order problem**, ahead of any further change to the rules. The free-text answers add texture — complaints about document complexity, about **certifying authorities interpreting the same rules differently**, and about opaque decision criteria. Requests for concrete worked examples and step-by-step manuals recur throughout.

4.3 Governance and transparency

Outside directors: the sharpest single burden

473 corporations (35.9 percent) name securing outside directors and auditors as the hardest part of the post-reform governance regime — the largest response by a wide margin. Revising the articles and internal rules follows at 26.3 percent and governance reporting in the activity report at 23.9 percent.

The figure conceals an enormous divergence: **55.3 percent of associations against 20.4 percent of foundations.** Correspondingly, 40.6 percent of foundations report no particular difficulty against 20.1 percent of associations. A membership association with a lay board in a provincial city and an endowed foundation in Tokyo are simply not in the same position.

Hardest part of governance compliance (multiple answers)	Assoc.	Found.	Total	%
Securing outside directors and auditors	324	149	**473**	**35.9%**
Revising the articles and internal rules	177	169	346	26.3%
Governance disclosures in the activity report	119	195	314	23.9%
Stronger disclosure of officer appointment, remuneration, liability	35	60	95	7.2%
Documenting the reasonableness of officer remuneration	38	46	84	6.4%
Custom makes appointing outside directors difficult	47	5	52	4.0%
No particular difficulty	118	296	414	31.5%

By size, the outside-director problem peaks in the **¥10–30 million band at 44.6 percent** and falls to 23.4 percent above ¥1 billion; the largest corporations instead find the documentation work hardest. By region it exceeds 60 percent in Fukui, Mie and Kumamoto. One respondent puts the objection in principle rather than in logistics: *“our articles provide that officers serve without remuneration, so an outside auditor cannot always be found — and does requiring one not imply that the existing auditors are neglecting their duty?”*

The disclosure portal

The Cabinet Office's **Public Interest Corporation Information** portal was rebuilt as part of the reform. **874 corporations (66.4 percent) say it is much the same as before.** Only 98 (7.4 percent) find it much easier to use; 109 (8.3 percent) still find it hard to search; and 163 (12.4 percent) cannot judge because their own data has not yet been loaded.

The regional cross-tabulation is unusually stark: in Saga and Okinawa 90 percent answered “much the same,” and **fifteen prefectures recorded zero positive assessments.** Free-text comments ask for better search, for a portal-like structure, and for improved operability of the filing system itself.

The governance code

Adoption of a voluntary governance code remains marginal. **87 corporations (6.6 percent) have adopted one.** The largest single answer — **429, or 32.6 percent** — is that compliance with the articles, internal rules and guidelines is sufficient and no code is planned. A further 19.3 percent are too stretched to take it on, 15.9 percent lack the expertise but feel the need, and 13.8 percent see no problem to solve.

Adoption rises with size, from 3.4 percent below ¥10 million to 12.2 percent above ¥1 billion, but never becomes common. Twenty-two prefectures recorded no adoptions at all. The report's reading is that this is **considered restraint rather than neglect**: corporations already carrying a heavy statutory compliance load see a voluntary code as duplicative.

Social impact measurement

Formal impact measurement is rarer still. **52 corporations (4.0 percent) evaluate social impact regularly using indicators**; 135 (10.3 percent) track outcomes for some activities; 522 (39.7 percent) are conscious of impact internally but do not quantify it; and **597 (45.4 percent) have not considered the question in these terms at all.**

Even among the largest corporations regular measurement reaches only 9.3 percent. The concept has spread — four in ten corporations think in these terms informally — but the practice has not.

4.4 The FY2024 accounting standard

If one part of the reform is generating real anxiety, it is this one.

Only 106 corporations (8.1 percent) will move to the new standard during FY2025. The largest group — **538, or 40.9 percent** — are still deciding when. 190 (14.4 percent) plan FY2026, 158 (12.0 percent) FY2027, and 175 (13.3 percent) FY2028 or later. A further 138 (10.5 percent) do not yet understand the changes well enough to plan.

Asked what worries them, corporations named, in order:

Concern about the new accounting standard (multiple answers)	Assoc.	Found.	Total	%
System and form changes create a heavy workload	263	415	**678**	**51.5%**
The standard is complex; interpretation and practice are worrying	249	321	570	43.3%
More note disclosures mean a heavier drafting burden	199	317	516	39.2%
Small corporations lack the staff and structure to cope	230	247	477	36.2%
Effects on the closing timetable	159	227	386	29.3%
Training staff takes time and money	137	168	305	23.2%
Concerns about engaging and working with an auditor	34	44	78	5.9%
No particular concern	57	62	119	9.0%

Foundations are markedly more anxious than associations about both system changes (56.8 against 44.9 percent) and note disclosures (43.4 against 34.0 percent). The free-text answers are unusually specific and unusually consistent, and they identify a problem the drafters may not have anticipated: **the burden is one of timing, not only of volume.**

> *Under the old rules the financial statements and the annual report had different deadlines, so each could be dealt with in turn. Under the new rules the content of the annual report is folded into the financial statements, so the statements have become much longer and must be produced within a compressed closing period. The problem is less the forms or the content than when the work has to be done.*
>
> — A responding foundation

Others report that documents previously due by the annual filing deadline must now be ready before the auditor's review, expanding the workload in early April; that note disclosures have *“certainly increased the practical work”*; and that changed formats mean parallel record-keeping — *“double management, which is more trouble, not less.”*

4.5 The overall verdict

Asked to assess the 2025 reform as a whole, corporations decline to commit. **821 (62.4 percent) answer “neither one thing nor the other.”** Only 164 (12.5 percent) give a positive verdict, 73 (5.5 percent) a negative one, and 247 (18.8 percent) say they do not understand the reform well enough to judge — a figure that should be read alongside the 61.5 percent in section 4.2 who could not assess the procedures.

Asked instead which *parts* of the reform are most beneficial and which most burdensome, the picture becomes much sharper — and the two answers point in opposite directions.

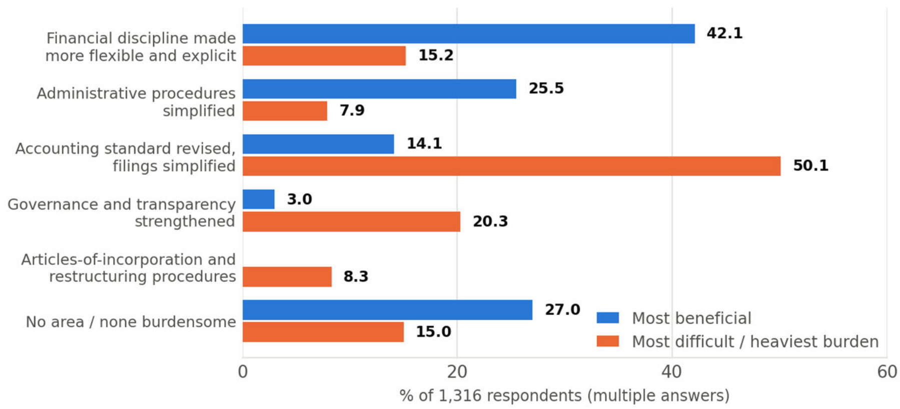

***Chart 4.1** Which parts of the reform are most beneficial, and which most burdensome. Drawn for this English edition from Tables 72 and 74 of the original report. Multiple answers permitted; percentages of 1,316 respondents. “Articles of incorporation and restructuring” was offered only in the burden question.*

The flexibilization of financial discipline is the clear winner — 42.1 percent name it as most beneficial, against 15.2 percent who find it burdensome. **The accounting standard is the clear loser** — 50.1 percent name it as the heaviest burden, against 14.1 percent who see it as beneficial. Administrative simplification is modestly positive (25.5 against 7.9 percent); governance and transparency is the one element that is *net negative in both directions*, named as beneficial by 3.0 percent and as burdensome by 20.3 percent.

That last figure deserves emphasis. **Of every hundred corporations, three consider the governance provisions a benefit and twenty consider them a burden.** Whatever the reform achieved in transparency, the corporations subject to it do not experience it as something done for them.

It follows that support requests concentrate on accounting. Asked where additional guidance is needed, **775 corporations (58.9 percent) name the accounting standard, accounts and note disclosures** — far ahead of the multi-year balance rule and the Enhancement Fund (34.4 percent), notification and articles procedures (20.6 percent), and outside-director appointment and governance (16.1 percent). Only 16.3 percent say they need no support at all.

4.6 Charitable trusts

The reform of Japan's charitable trust regime runs parallel to the corporate reform, and the survey asked whether corporations were interested. They are not. **772 (58.7 percent) have no interest at present** and **350 (26.6 percent) do not understand the scheme.** Five corporations — 0.4 percent — say they would definitely like to be involved.

As an indicator of how far a newly available instrument has penetrated the sector for which it was designed, four in a thousand is a striking number, and one worth setting beside the policy expectations attached to the trust reform.

Part 5 — One Law, Many Sectors

The original report cross-tabulates almost every question three ways: by income size band, by principal field of activity, and by certifying authority. Those cross-tabulations occupy more than half of its 110 tables, and some of its most useful findings sit only there. This part gathers them.

5.1 Size: the gradient that runs through everything

Public-interest corporations are sorted into six income bands, from under ¥10 million to ¥1 billion and above. Almost every question in the survey produces a monotonic gradient across them. What the gradient measures, however, is not always what one would expect.

Size does not buy approval — it buys an opinion

The overall verdict on the reform is the clearest case. Read down the “positive” row and there is **no gradient at all**: between 10.3 and 15.0 percent of every band judges the reform favorably, and the smallest corporations are marginally more positive than the ¥30–100 million band. What size changes is something else entirely.

Overall verdict on the 2025 reform	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Positive	14.3%	13.3%	10.3%	12.8%	12.5%	15.0%
Cannot say either way at this stage	50.4%	57.8%	65.3%	65.5%	59.6%	65.4%
Negative	5.9%	2.8%	5.6%	5.1%	6.7%	**11.2%**
Do not understand the content well enough	**28.6%**	26.1%	18.1%	15.4%	21.2%	6.5%
(responding corporations)	*119*	*211*	*360*	*415*	*104*	*107*

The “do not understand” share falls from 28.6 percent to 6.5 percent as income rises; the “cannot say either way” share rises to absorb most of it; and the *negative* verdict nearly doubles, from 5.9 percent in the smallest band to 11.2 percent in the largest. **Comprehension rises with size, and so does dissatisfaction.** The corporations best equipped to read the reform are the likeliest to dislike some of it — a pattern that should temper any reading of the low overall disapproval rate as contentment.

What each band thinks it gained

Asked which element of the reform is most beneficial, corporations divide almost perfectly by size — and the dividing line is the multi-year balance rule.

Most beneficial element of the reform	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Financial discipline made more flexible	22.7%	27.0%	42.2%	49.9%	51.9%	**53.3%**
Administrative procedures simplified	24.4%	28.4%	25.6%	25.3%	26.9%	20.6%
Accounting standard and filings revised	19.3%	22.3%	12.5%	12.0%	6.7%	12.2%
Governance and transparency strengthened	5.9%	1.9%	4.2%	2.2%	2.9%	1.9%
Nothing was particularly beneficial	**38.7%**	32.2%	26.4%	23.1%	22.1%	25.2%

The flexibilization of financial discipline is named by 53.3 percent of the largest corporations and 22.7 percent of the smallest — a 30-point spread, the widest in the survey on any question about the reform's merits. Administrative simplification, by contrast, is valued **uniformly** across every band at around a quarter, and the governance provisions are valued by almost nobody anywhere.

And in the smallest band the modal answer is that **nothing about the reform was beneficial** — 38.7 percent, against 25.2 percent of the largest. A reform whose principal gift is latitude in multi-year financial planning has little to offer a corporation whose annual income is under ¥10 million and whose accounts run to a few pages.

What each band finds heaviest

The burden question inverts the picture, but not symmetrically. The accounting standard is the heaviest burden in **every** band, and the burden grows with size: 42.0 percent below ¥10 million, 62.6 percent above ¥1 billion. Larger corporations have more systems to modify, more segments to account for, and auditors to satisfy.

Heaviest burden of the reform	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Accounting standard, filings, auditor requirement	42.0%	39.8%	46.4%	56.4%	54.8%	**62.6%**
Governance and transparency	17.7%	21.8%	22.5%	18.6%	**25.0%**	15.0%
Financial discipline	10.9%	**21.3%**	15.3%	15.2%	11.5%	11.2%
Administrative procedures	12.6%	9.5%	8.6%	5.5%	5.8%	8.4%
Articles and restructuring procedures	8.4%	9.5%	9.4%	8.7%	5.8%	2.8%
No particular burden	**22.7%**	17.1%	15.0%	14.0%	12.5%	8.4%

Two rows repay attention. The financial-discipline row peaks not at either extreme but in the **¥10–30 million band, at 21.3 percent** — corporations large enough to be caught by the rules and too small to have the staff to work them. And the "no particular burden" row falls steadily from 22.7 to 8.4 percent, which is the same finding as the verdict table in different clothing: **the smallest corporations are not enjoying the reform, they are largely untouched by it.**

Where the support is wanted

The request for guidance follows size in the same direction, and with unusual consistency.

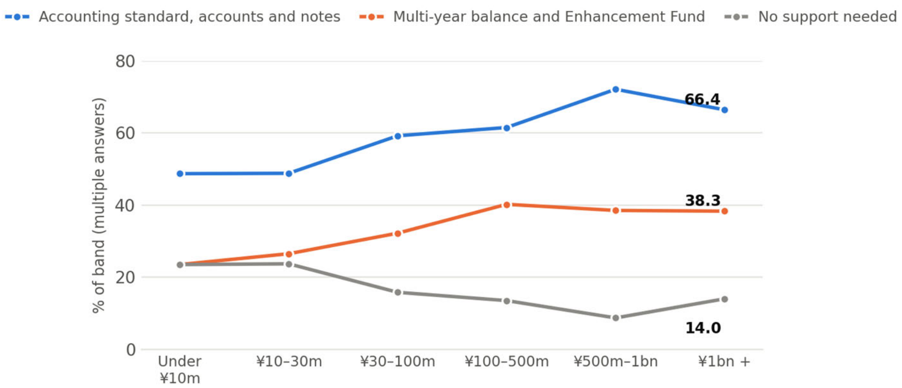

Chart 5.1 *What kind of guidance corporations say they need, by income band. Drawn for this English edition from Table 77 of the original report. Multiple answers permitted; percentages of each band.*

Demand for help with the accounting standard rises from 48.7 percent in the smallest band to 72.1 percent in the ¥500 million–1 billion band. Demand for help with the multi-year balance rule and the Enhancement Fund rises from 23.5 to about 38 percent and then plateaus. Only the "no support needed" line falls — from 23.5 percent to 8.7 percent at its lowest.

It is worth stating what this does *not* show. The smallest corporations are not asking for less support because they need less; section 4.1 established that 48.7 percent of them do not understand the Enhancement Fund at all. **They**

are asking for less because they are further from the point at which the question becomes live — no surplus to allocate, no auditor to satisfy, and, in a quarter of cases, no intention of doing segment accounting at all. Support designed around expressed demand will systematically miss them.

The benefits, seen by band

The gradient on what the status is *worth* is the mirror image, and it is the one that should worry policymakers most.

Benefit of public-interest status	Under ¥10m	¥10–30m	¥30–100m	¥100–500m	¥500m–1bn	¥1bn +
Greater public trust	59.7%	68.3%	72.8%	73.7%	72.1%	**80.4%**
Public-interest activities are tax-exempt	38.7%	46.0%	47.5%	54.0%	62.5%	**68.2%**
Easier access to grants and contracts	11.8%	18.5%	15.6%	27.7%	**35.6%**	22.4%
Donor tax-deduction benefits	**22.7%**	22.3%	15.6%	14.2%	19.2%	15.9%
Withholding-tax and deemed-donation relief	12.6%	10.9%	8.6%	10.4%	14.4%	15.9%
No particular benefit	**17.7%**	7.6%	7.5%	6.5%	4.8%	1.9%

Every benefit except the donor deduction rises with size, and the “no benefit” row falls almost tenfold, from 17.7 percent to 1.9 percent. The exception is instructive: **the donor tax deduction is the one benefit the smallest corporations value most**, at 22.7 percent, because they are the corporations that actually live on donations (section 3.1). It is also the benefit that requires a further certification a quarter of the sector has never heard of (section 3.2).

Reading the size gradient
The pattern is not that small corporations are dissatisfied. It is that **they are absent from the transaction**. They report less benefit, less burden, less comprehension, less demand for support, and less opinion of any kind.
The reform distributed **discretion** — over multi-year budgeting, over reserves, over fund accumulation. Discretion is usable only by an organization with a surplus to allocate and the staff to document the allocation. A reform that distributes latitude distributes it in proportion to existing capacity, and the tables in this section are what that looks like question by question.

5.2 Field: twenty-four sectors under one statute

The survey classifies respondents into twenty-four fields of activity, from social welfare to hall management. Japan's certification regime applies one set of financial and governance rules to all of them. The cross-tabulations show how differently that single set of rules lands.

What each field values

Public trust is the leading benefit in **every** field without exception — but the margin, and what comes second, varies a great deal.

Field (respondents)	Public trust	Tax exemption	Grants and contracts	Donor deduction	No benefit
Arts and culture (85)	**87.1%**	65.9%	31.8%	20.0%	4.7%
Professional bodies (35)	82.9%	54.3%	17.1%	8.6%	11.4%
Social welfare (86)	80.2%	45.3%	44.2%	20.9%	5.8%
Learned societies (48)	79.2%	64.6%	8.3%	27.1%	8.3%
Sport (58)	77.6%	48.3%	41.4%	20.7%	5.2%
Environmental protection (41)	75.6%	53.7%	9.8%	19.5%	9.8%
Health promotion (48)	75.0%	60.4%	31.3%	18.8%	4.2%
Child and youth development (47)	74.5%	46.8%	19.1%	**34.0%**	4.3%
International cooperation (32)	71.9%	59.4%	12.5%	31.3%	0.0%
Grant-making and awards (141)	70.9%	57.5%	3.5%	25.5%	3.5%
Government-related (122)	68.0%	49.6%	25.4%	3.3%	10.7%
Community contribution (146)	67.1%	30.1%	31.5%	4.1%	**15.8%**
Research institutes (44)	59.1%	**72.7%**	9.1%	27.3%	9.1%
Support for non-profit activity (18)	61.1%	22.2%	**50.0%**	11.1%	5.6%
Welfare grant-making (18)	44.4%	61.1%	22.2%	16.7%	11.1%
All fields (1,316)	**71.8%**	**51.3%**	**21.7%**	**17.2%**	**7.5%**

Table 21 of the original report; fifteen of twenty-four fields shown, ordered by the public-trust column. Multiple answers permitted. Respondent counts follow Table 10, which the percentages confirm; Table 21 itself labels three of these fields one or two lower. The all-fields row is Table 21's own, which prints 71.8 and 7.5 where Table 19 gives 71.7 and 7.4.

Three readings stand out; the first two are noted in passing in section 2.5 and are set out here with the figures behind them. **Research institutes are the only field that values the tax exemption above public trust** (72.7 against 59.1 percent) — the profile of a body whose costs are salaries and equipment rather than reputation. **Support bodies for non-profit activity value access to grants at 50.0 percent**, more than twice the average, because grant intermediation is their business model. And **community contribution bodies — the single largest field — report the weakest benefits of any large field**: 30.1 percent on tax exemption against a 51.3 percent average, 4.1 percent on the donor deduction, and 15.8 percent reporting no benefit at all. These are the local bodies, often close to a municipality, for which certification is closest to a formality.

What each field finds hard

The filing burden is the top difficulty in every field, but its intensity varies by half again: from **54.6 percent among grant-making bodies** — organizations that disburse rather than deliver, and file accordingly — to **81.3 percent in health promotion, 80.5 percent in environmental protection and 80.0 percent among professional bodies**.

Field (respondents)	Annual filings	Interpreting the law	Change procedures	Multi-year balance	Outside directors
Health promotion (48)	**81.3%**	35.4%	22.9%	31.3%	12.5%

Field (respondents)	Annual filings	Interpreting the law	Change procedures	Multi-year balance	Outside directors
Learned societies (48)	75.0%	**52.1%**	33.3%	20.8%	29.2%
Child and youth development (47)	70.2%	46.8%	31.9%	23.4%	12.8%
Research institutes (44)	63.6%	43.2%	20.5%	27.3%	20.5%
Medical facilities (16)	62.5%	31.3%	25.0%	12.5%	12.5%
Museums, zoos, gardens (39)	61.5%	33.3%	23.1%	20.5%	7.7%
Social welfare (86)	58.1%	36.0%	31.4%	**41.9%**	18.6%
Education (74)	58.1%	32.4%	29.7%	27.0%	14.9%
Scholarships (70)	57.1%	38.6%	24.3%	28.6%	17.1%
Welfare grant-making (18)	55.6%	27.8%	22.2%	11.1%	22.2%
Grant-making and awards (141)	54.6%	46.1%	29.8%	31.9%	9.9%
All fields (1,316)	**65.7%**	**40.9%**	**30.5%**	**28.3%**	**18.9%**

Table 23 of the original report; eleven of twenty-four fields shown. Multiple answers permitted.

Two columns are worth isolating. **Learned societies find the law hardest to interpret** (52.1 percent against a 40.9 percent average) and are among the most troubled by the outside-director requirement (29.2 percent) — a membership body of academics, run by volunteers, with no professional secretariat, is exactly the case the reform's drafters appear not to have had in mind. And **social welfare bodies are the most constrained by the multi-year balance rule** (41.9 percent), because their expenditure is committed to continuing services and cannot be flexed across years however the rule is written.

The rule that lands unevenly

The multi-year balance rule — the reform's most popular change overall, introduced in section 4.1 — illustrates the point. Approval runs from **72.7 percent among research institutes** and 68.2 percent in arts and culture down to **38.9 percent among welfare grant-makers** and 42.1 percent among disaster and community-safety bodies. The determinant is not size or sophistication but **whether a field's expenditure is naturally lumpy across years**. A research institute running three-year projects gains a great deal; a grant-maker disbursing a fixed annual sum gains nothing, because it had no timing problem to solve.

The same logic explains the income-scale table in section 2.4: medical facilities and sport bodies are capital-intensive and cluster in the high bands; scholarship bodies (21.4 percent below ¥10 million), environmental protection (48.8 percent in the ¥30–100 million band) and industry bodies (43.4 percent in the same band) run leaner. **A field's cost structure predicts more of its answers than its purpose does.**

5.3 Prefecture: one law, forty-seven administrations

Certification and supervision are exercised by the **Cabinet Office** for corporations operating nationwide — 388 respondents, 29.5 percent of the sample — and by the **governor of the prefecture** where the corporation is based for everyone else. The two-tier structure is administrative, not legal: the statute, the guidelines, and the filing forms are identical throughout. What the survey records is how far the *experience* of that identical law diverges.

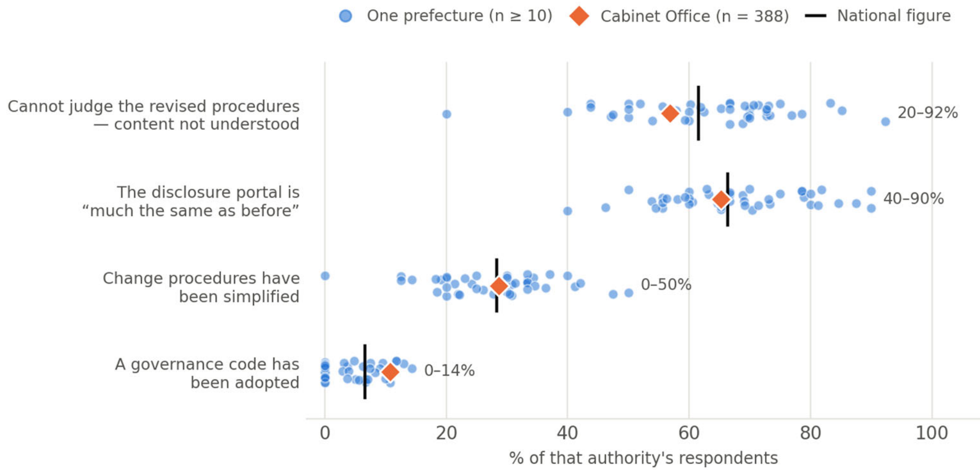

Chart 5.2 *The same question, forty-five administrations. Each dot is one prefecture with ten or more respondents; the diamond is the Cabinet Office; the vertical line is the national figure. Drawn for this English edition from Tables 44, 53, 59 and 62 of the original report.*

The spread is not a rounding artifact. On whether the revised procedures can be assessed at all, prefectural rates run from **20 percent to 92 percent**; on whether the disclosure portal is much the same as before, from **40 to 90 percent**; on whether change procedures have been simplified, from **0 to 50 percent**. Small samples inflate the tails — several prefectures returned only ten to twenty responses — but the middle of each distribution is wide too, and the pattern repeats across four unrelated questions.

Two structural facts sit underneath the dispersion.

- **The Cabinet Office is not an outlier — it is close to the middle on every question.** Its corporations are larger and better staffed, yet it sits at 28.6 percent on procedural simplification (national figure 28.3), 56.8 percent on "cannot judge" (national 61.5), and 65.2 percent on the portal being unchanged (national 66.4). The nationwide regulator's caseload does not produce a distinctly better or worse experience.
- **The prefectures diverge from each other far more than either tier diverges from the average.** Twenty-two prefectures recorded not one corporation that had adopted a governance code; fifteen recorded not one that found the rebuilt disclosure portal easier to use. Those are zeros in populations of ten to forty, so they are not conclusive individually — but twenty-two of them are a pattern.

Where the differences are visible in the difficulties

The difficulty question, cross-tabulated by authority, shows the two tiers agreeing on the biggest problems and diverging on the rest.

Difficulty reported	Cabinet Office (388)	Tokyo (93)	National (1,316)
Preparing the annual filings	63.9%	66.7%	**65.7%**
Interpreting the law and guidelines	**44.8%**	37.6%	40.9%
Change-of-certification procedures	28.6%	**38.7%**	30.5%
Multi-year balance constrains activity	30.9%	26.9%	28.3%
Anticipating inspections and guidance	21.9%	**26.9%**	20.4%
Securing outside directors and auditors	17.3%	**28.0%**	18.9%
Explaining the Enhancement Fund	20.6%	16.1%	18.8%
No particular difficulty	**8.0%**	3.2%	5.9%

The outside-director gap between Tokyo (28.0 percent) and the Cabinet Office's nationwide bodies (17.3 percent) is the reverse of what the “thin provincial talent pool” explanation would predict — and it survives into the governance question, where the difficulty of securing outside officers is named by **41.9 percent of Tokyo corporations against 30.4 percent of Cabinet Office corporations**. The peaks, however, are provincial: **Mie 66.7 percent, Fukui 63.6 percent, Kumamoto 61.5 percent.** The most plausible reading is that the constraint binds in two different ways — supply of candidates in the regions, and the cost of qualified outside officers in the capital.

What the free text says about it

The multiple-choice dispersion has a direct counterpart in the verbatim answers, quoted more fully in Part 7: guidance that differs by official; two bodies under the same local government told different things; inspection criteria that appear discretionary; document-retention rules read differently in different offices. The survey cannot establish that administrations *are* inconsistent — it records what corporations experience. But a 20-to-92-percent spread on whether a national procedural reform can even be assessed is hard to attribute entirely to the corporations.

> *Guidance differs depending on which official you get. Two external bodies under the same local government are told different things, so we cannot take a consistent approach.*
>
> — A public-interest association

The one thing that does not vary

Against all of this, one result is constant. **The preparation of the annual filings is the leading difficulty in every prefecture, in every field, and in every income band** — 63.9 percent at the Cabinet Office, 66.7 percent in Tokyo, at or above 90 percent in Kumamoto, Shimane and Okinawa, and never below 45.5 percent in any prefecture with ten or more respondents. Where a finding survives every cut of the data, it is describing the process rather than the population. We draw the obvious conclusion, and so should any reader: **the filing burden is a design problem in the process itself, and no amount of local remedy will touch it.**

Part 6 — General nonprofit corporations

721 responding corporations: 500 associations and 221 foundations. These bodies are not certified, are not supervised in the way public-interest corporations are, and received a shorter questionnaire.

6.1 Who they are

Like their certified counterparts, most responding general nonprofit corporations are **not new**. 279 (38.7 percent) completed the transition from a former Civil Code corporation, and a further 240 (33.3 percent) are still implementing the **public-interest purpose expenditure plan** inherited from that transition — a legacy obligation that, as section 6.2 shows, colors their whole experience. Only 29 corporations (4.0 percent) were newly established after December 2008.

By tax classification the sample splits three ways: **286 strictly non-profit (39.7 percent)**, **136 mutual-benefit (18.9 percent)** and **299 ordinary (41.5 percent)**. Foundations are much more likely to hold ordinary status (49.2 percent) than associations (38.0 percent).

Their fields of activity differ markedly from the public-interest population. **Industry bodies dominate at 192 corporations (26.6 percent)** — more than three times their share among public-interest corporations — followed by learned societies (64), education (50), government-related bodies (45), research institutes (39) and community contribution (38). Grant-making, which is the second-largest public-interest field, accounts for just 17 general nonprofit corporations.

They are also **smaller**. 17.6 percent report income below ¥10 million and 33.9 percent between ¥10 and 50 million, so **more than half fall below ¥50 million**. Only 6.6 percent exceed ¥1 billion. (The two questionnaires use different income bands in the middle of the range, so the distributions in Chart 2.1 cannot be compared band for band.)

Their income structure is different again. **Membership dues are named by 90.6 percent of associations** — even higher than among public-interest associations — while **profit-making activity income is named by 42.0 percent overall and 53.9 percent of foundations**, roughly four times the public-interest rate. Donations from individuals reach 4.9 percent.

Principal income source (multiple answers)	Associations	Foundations	Total
Membership dues	**90.6%**	38.0%	74.5%
Income from profit-making activities	36.8%	**53.9%**	42.0%
Commissioned work and management fees	19.8%	23.5%	20.9%
Government subsidies	18.8%	13.6%	17.2%
Income from public-interest activities	17.8%	14.0%	16.6%
Investment income	2.2%	19.0%	7.6%
Donations from individuals	4.0%	6.8%	4.9%
Private grants	4.4%	5.9%	4.9%

6.2 What general status is worth

Asked what is good about being a general nonprofit corporation, **285 (39.5 percent) answer that they are free of administrative supervision and can concentrate on their work.** Freedom from annual filings follows at 30.1 percent, freedom from the 50 percent public-interest activity ratio at 24.4 percent, and taxation limited to profit-making activities at 24.8 percent.

But **198 corporations (27.5 percent) say the status has brought them no particular benefit** — a much higher rate of indifference than among public-interest corporations, where the equivalent figure was 7.4 percent. General status is, for a substantial minority, simply the default rather than a choice.

Benefit of general nonprofit corporation status (multiple answers)	Assoc.	Found.	Total	%
No supervision; can concentrate on our activities	195	90	**285**	**39.5%**
No annual filing obligation	157	60	217	30.1%
Corporation tax only on profit-making activities	130	49	179	24.8%
No public-interest activity ratio constraint	111	65	176	24.4%
No multi-year balance constraint	60	43	103	14.3%
No unrestricted-use asset regulation	27	15	42	5.8%
No particular benefit	137	61	198	27.5%

On the other side, **312 corporations (43.3 percent) report no particular difficulty at all** — and among associations the figure reaches 48.6 percent. Where difficulties are reported, the largest by far is the **legacy supervision** noted above: 234 corporations (32.5 percent), and **44.8 percent of foundations**, are still subject to reporting and oversight until their public-interest purpose expenditure plan is complete.

Notably, **only 59 corporations (8.2 percent) feel that general status carries less public credibility than public-interest status.** The reputational premium that public-interest corporations pay so much to obtain is not, on this evidence, experienced as a corresponding deficit by those without it.

6.3 Would they choose again — and why not certification?

617 general nonprofit corporations — 85.6 percent — would choose general status again, a figure almost as emphatic as the 82.8 percent of public-interest corporations who would stay certified. Only 52 (7.2 percent) would choose public-interest status. Associations are the more settled (87.4 percent against 81.4 percent of foundations).

The 601 corporations who would not choose certification were asked why. Their answers are the clearest statement in the whole survey of what the certification regime looks like from outside it:

Reason for not choosing public-interest status (multiple answers)	Assoc.	Found.	Total	%
We want to conduct public-benefit work freely and flexibly	224	98	**322**	**53.6%**
The annual filing workload is too heavy	172	82	254	42.3%
The public-interest activity ratio would constrain us	126	72	198	32.9%
The burden of inspections and administrative guidance	122	59	181	30.1%
Change-certification and notification procedures are burdensome	97	42	139	23.1%
The multi-year balance rule would constrain us	58	40	98	16.3%
The unrestricted-use asset rules prevent preparing for contingencies	33	17	50	8.3%
Proper operation of the statutory bodies would be difficult	21	9	30	5.0%
No particular reason	73	24	97	16.1%

Autonomy comes first and paperwork second, and between them they account for the decision. The financial rules that the 2025 reform was designed to loosen rank sixth and seventh, below the burden of inspections and the change-of-certification procedures. This is the finding on which any assessment of the reform's strategy has to turn: if the barrier to certification is chiefly the loss of freedom and the weight of filings, then relaxing the financial constraints was not aimed at the binding constraint.

The free-text answers add reasons the multiple-choice list could not capture: some corporations were told at transition that their work did not qualify; some run a rental property or a contracting business that disqualifies them; some are mutual-benefit in character and could not qualify; several note that as **strictly non-profit corporations they already receive public-interest-equivalent corporation tax treatment** and see no reason to take on the obligations for it.

6.4 Donations

If public-interest corporations depend little on donations, general nonprofit corporations depend on them almost not at all. **574 (79.6 percent) received none in FY2024**, and a further 117 (16.2 percent) received under 10 percent of income. Just 13 corporations (1.8 percent) exceed 50 percent.

The 590 corporations that do not solicit donations were asked why. **334 (56.6 percent) say activity and investment income are sufficient** — which is a statement of contentment, not of constraint. But **257 (43.6 percent) say they have never solicited donations and have no idea how to** — a straightforward capacity gap. Administrative burden after a campaign (12.4 percent) and the reporting and accountability obligations that follow (10.5 percent) trail well behind.

Among the 114 corporations that do think about fundraising, the instruments they hope for are **small individual gifts from many donors (52.6 percent)** and **corporate giving (50.9 percent)**, well ahead of major individual gifts (22.8 percent). Six corporations mention tax relief on large in-kind gifts. Several free-text answers ask simply for **the same tax-credit treatment as public-interest corporations**.

6.5 Will the reform bring them in?

This is the question we posed at the outset, and the answer is unambiguous.

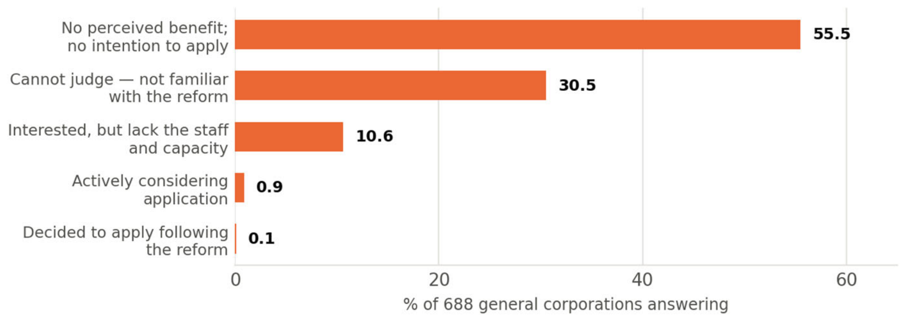

Chart 6.1 *Intention to seek public-interest certification following the April 2025 reform. Drawn for this English edition from Table 103 of the original report; 688 general nonprofit corporations answering.*

382 corporations (55.5 percent) see no benefit in certification and do not intend to apply. A further **210 (30.5 percent) cannot judge because they do not know what the reform contains.** 73 (10.6 percent) are interested but say staffing and capacity constraints put it out of reach.

Six corporations (0.9 percent) are actively considering an application, and one (0.1 percent) has decided to apply because the reform clarified or relaxed the requirements. Out of 688 respondents, the reform has moved seven.

It would be wrong to read this as a verdict on the reform's design as such — nearly a third of respondents say plainly that they do not know what is in it, and awareness may rise. But as a measure of whether the April 2025 changes have so far functioned as an incentive to enter the public-interest system, the number is the number.

6.6 Accounting, disclosure and priorities

On the new accounting standard, general nonprofit corporations are as undecided as certified ones. 253 (36.2 percent) have not grasped the changes and will consider later; 139 (19.9 percent) intend to adopt; 130 (18.6 percent) do not; and 140 (20.0 percent) do not use public-interest corporation accounting at all.

On disclosure, general nonprofit corporations publish more voluntarily than their lack of obligation would suggest. Nearly two-thirds publish a list of officers (63.5 percent) and three-fifths the articles of incorporation (59.6 percent); around half publish financial statements (52.1 percent) and the activity report (46.9 percent). Foundations disclose more than associations across the board — 65.6 percent publish financial statements against 46.2 percent. **70 corporations (9.7 percent) have no website at all.** Annual reports in the Western sense are rare, at 3.7 percent.

Published on the corporation's own website (multiple answers)	Assoc.	Found.	Total	%
List of officers	317	141	458	63.5%
Articles of incorporation	291	139	430	59.6%
Financial statements	231	145	376	52.1%
Activity report	214	124	338	46.9%
Activity plan	209	106	315	43.7%
Budget	177	85	262	36.3%
Annual report	18	9	27	3.7%
No website	49	21	70	9.7%

On their own priorities, general nonprofit corporations are looking inward. The most common answer is **improving the efficiency of operations (39.1 percent)**, followed by staff development (28.3 percent), digital transformation (25.8 percent), strengthening the funding base (24.0 percent) and growth (22.2 percent). Promoting disclosure (7.9 percent) and reviewing board tenure (3.6 percent) — the two items closest to the governance agenda of the reform — come last. **152 corporations (21.1 percent) have no particular priority at all.**

Ambition, however, is a function of scale here exactly as it is among certified corporations. Efficiency and digital transformation both cross 60 percent in the largest band, against 26.4 and 16.5 percent in the smallest; staff development doubles from 24.8 to 48.9 percent. The one line that runs the other way is **"no particular priority," which falls from 32.2 percent to 11.1 percent.** Nearly a third of the smallest general nonprofit corporations have no development agenda of any kind.

What the corporation wants to work on next	Under ¥10m	¥10–50m	¥50–100m	¥100–500m	¥500m–1bn	¥1bn +
Improving operating efficiency	26.4%	36.6%	45.8%	49.0%	42.1%	**66.7%**
Staff development and skills	24.8%	22.4%	30.8%	37.8%	34.2%	**48.9%**
Digital transformation	16.5%	19.0%	19.6%	39.2%	44.7%	**62.2%**
Expanding or growing activities	16.5%	20.3%	28.0%	25.2%	18.4%	**44.4%**
Strengthening the funding base	**28.1%**	26.3%	25.2%	24.5%	23.7%	15.6%
Working-practice reform	5.8%	10.3%	17.8%	16.1%	28.9%	**37.8%**
Promoting disclosure	**13.2%**	7.3%	8.4%	7.0%	2.6%	6.7%
No particular priority	**32.2%**	23.7%	20.6%	16.1%	13.2%	11.1%
(responding corporations)	*121*	*232*	*107*	*143*	*38*	*45*

Table 109 of the original report. Multiple answers permitted; percentages of each band. General nonprofit corporations use different income bands from public-interest corporations in the ¥10–100 million range.

Part 7 — In Their Own Words

The original report devotes 64 pages to verbatim answers. What follows is a thematic selection, translated and lightly condensed. Comments are identified only by legal form, as in the original.

7.1 On the paperwork

No theme recurs more often, or more sharply, than the volume and difficulty of documentation. The requests are specific and repetitive: simplify the activity report; produce a manual for it; make the entry system easier; reduce the notes and supplementary schedules.

> *A very small corporation simply does not have the resources to read 200-plus pages of guidelines accurately and operate on them. We cannot tell whether the guidance issued previously is still partly in force or wholly superseded. The guidelines are explained in March and the filing forms only become clear in April — for a tiny corporation that is extremely hard to work with. When we ask the certifying authority about the points we do not understand, the answer keeps coming back as "we have not been briefed on that yet" or "as set out in the guidelines."* — A public-interest association

Several respondents made the same point about scale in one line — *"for a small corporation the changeover is a large burden"* — and one asked directly for **the rules to be differentiated by size of corporation**. Another asked for the public-interest activity ratio to be graduated by membership numbers. This is the reform's central unsolved problem stated by the people it affects.

Others report friction that is procedural rather than substantive: forms requiring a registered seal; the same information entered repeatedly on different documents; confirmations from the certifying authority arriving so late that an error in one year's filing has to be corrected in the next and the next.

What lifts this material above complaint is how **specific and inexpensive** the remedies proposed in it are. Read together, the free-text answers amount to a short implementation agenda that no one has been asked to cost:

- *"A detailed manual should be produced for each application form. With that, public-interest corporations across the country could make substantial efficiency gains."*
- *"It is still hard to tell whether a change needs an application for re-certification or only a notification, and there is no desk at which that can be confirmed."*
- *"Please give many concrete examples of what the Enhancement Fund and the continuity reserve may actually be spent on."*
- *"The officer list in the activity report should be populated automatically from the most recent notification of change."*
- *"Publish the on-site inspection checklist."*
- *"Sometimes we cannot judge whether a notification is required at all — please show more worked examples."*

Every item on that list is a documentation or interface change rather than an amendment to the law. Set against a reform whose flagship new instrument only 8.1 percent of the sector has so far decided to use, the ratio of effort to benefit is worth noticing.

> *Our activity report from FY2019 has still not been confirmed. When I contact the authority the answer is always that they are checking. I understand they are busy, but I would ask for a result within the year of the report or the change — otherwise the work simply stalls.* A public-interest association

7.2 On inconsistent administration

A distinct and troubling theme is that **the same rules are applied differently by different officials and different authorities** — a complaint that appears in both the multiple-choice results and the free text, and whose statistical shape is set out in section 5.3.

- *"Guidance differs depending on which official you get. Two 外郭 bodies under the same local government are told different things, so we cannot take a consistent approach."*
- *"There seems to be variation in how the guidelines on document retention are interpreted; in practice it has become more complicated, not less."*
- *"The criteria under which the prefecture's three-yearly on-site inspection becomes irregular are unclear — whether it happens or not seems to be a discretionary judgment."*
- *"In on-site inspections there are many trivial, leaf-level findings. Please confine them to matters of substance; it gives the impression that the number of findings is being padded."*

Requests for the **inspection checklist to be published** appear more than once — a modest, concrete proposal that would address a good deal of this.

7.3 On the filing system

The Cabinet Office's online filing system draws unusually pointed criticism, and the criticism is consistent in its diagnosis.

> *The application system, forms and input fields on the Cabinet Office site are a convenient program for the officials who have to review what is submitted — but they take far too much of the applicant's time to fill in.*
> — A public-interest foundation

That sentence identifies the design failure precisely: the system optimizes the reviewer's workflow at the applicant's expense, and 1,316 applicants each bear the cost of doing so.

The rebuilt **disclosure portal** attracts a more granular kind of complaint — the kind that comes from people who use a site regularly and have measured it against the one it replaced.

> *Entry points like "find information from the committee" or "operate as a public-interest corporation" are if anything harder to follow. The top page does not tell you where anything is, so I go back and forth and still take a long time to reach what I need. Please make the top page more of an index. There are also pages that show so little on one screen that you lose track of what you are looking at while scrolling.*
> — A public-interest foundation

Another respondent puts the trade-off exactly: *"the top page has become clean and easy on the eye, but there is far too much scrolling — reaching the information I want was faster on the old site."* Others record concrete improvements: it *"freezes less often,"* and error messages, though still hard to interpret, at least appear. And a large group answers a different question altogether — **seventeen corporations say simply that they cannot judge because they do not use the site**, and several more that they are new in post and have nothing to compare it with. Read beside the 66.4 percent who report no change, this is a portal whose redesign a majority of its user base did not register.

7.4 On the new accounting standard

The accounting comments are the most technically specific in the survey, and they converge on a problem of **sequencing** rather than of substance — set out in section 4.4 and worth restating here in the respondents' own terms.

- *"Documents that previously had to be ready by the annual filing deadline must now be prepared before the audit firm's review, so the workload in the first half of April expands and overtime looks unavoidable."*
- *"The information disclosed in the notes has increased; the practical work will certainly increase with it."*

  "Even if the format changes, we still have to prepare the old material as well — double management, which is more trouble."

- *“The administrative filings have been simplified, but the closing documents have become enormous, so the audit and board-approval schedule is now very tight.”*
- *“Making segment accounting the general rule means preparing multiple sets of notes, which is cumbersome.”*

7.5 On the surplus that does not exist

The reform's financial provisions assume a corporation with a surplus to manage. A large share of the free-text answers is devoted, in various registers, to explaining that this assumption does not hold. On the Public-Interest Enhancement Fund the answers are close to unanimous, and eight corporations gave the same one word for word: **we have no surplus large enough to set aside.**

- *“We would like to use it, but we are pedaling to stay upright every year — where the surplus is supposed to come from is the prior question.”*
- *“We have run at a deficit ever since we became a public-interest association; we cannot draw up a plan to accumulate a surplus.”*
- *“We would like to set money aside to cover deficits, but that is not what the fund may be used for.”*
- *“Securing funds comes second — we still have borrowings to repay.”*
- *“We understand the scheme and we think well of it, but securing the income to put into it is what we find difficult.”*
- *“We would like to use the scheme, but the local government that pays our subsidy will not authorize it.”*

The multi-year balance rule draws the same response in a different key. One comment states the size gradient of section 5.1 more economically than any table:

> *I imagine it is a benefit if you have plenty of assets. For a corporation like ours, which struggles every single year to come out on the right side, it has very little to do with us.* — A public-interest association

Another asks a question that is not rhetorical: *“running a deficit is our normal condition, so I feel no benefit. I genuinely wonder how corporations whose public-interest activities turn a surplus manage to generate one.”* Others identify limits in the design rather than in their own finances — that a five-year window does not fit a business whose cycle is longer or irregular; that **losses from the pandemic years fall outside the window** because the rule commenced in FY2025, *“and a great many public-interest corporations must still be carrying them”*; and that medium-term or not, *“the requirement to come out at plus-or-minus zero has not changed. For working capital we would like a set margin — a few months of activity costs — to be allowed within a single year.”*

7.6 On rules that do not apply

A distinct and easily overlooked category of answer is the one that reports **no engagement with the reform at all, for structural reasons**. On the renaming of idle assets as unrestricted-use assets, forty-nine corporations — fourteen associations and thirty-five foundations — answered that they hold no such assets. Others explain why the change cannot reach them:

- *“Unless the balance requirement itself is relaxed, the means of increasing unrestricted-use assets are limited, so I do not think it means very much.”*
- *“A high proportion of our income is subsidy, which is restricted in its use, so we have no plans to make use of this.”*
- *“We have branches throughout the country and each one budgets and closes its own accounts, so controlling a corporation-wide figure is difficult; we cannot use the new arrangement.”*
- *“Our ceiling is far above our holdings, so the change makes little difference.”*
- *“The point of the renaming is unclear.”*

Set against these, one foundation records a specific and practical gain that no summary table captures: **the ceiling can now be calculated earlier in the year.** *“We have to explain the three financial tests to the board in May, and until now the ceiling could not be worked out until the previous year's accounts were closed. The change has moved* *the calculation forward."* That is what a well-designed procedural reform looks like from inside a finance office — and it is worth noting that it is the kind of benefit the multiple-choice questions were not built to detect.

7.7 On governance, and who decides

The governance-code answers are the survey's quietest but among its most revealing, because they show how much of the sector's governance is settled somewhere other than the board.

- *"That is a matter for the professors to decide, so I do not know."* — a learned society
- *"We will follow the guidance of our parent body."* / *"We will do as the national association does."*
- *"We comply with our parent company's governance code."* — a corporate-affiliated foundation
- *"We will adopt one when adoption becomes compulsory."*

Alongside these are the answers of corporations that have considered the question and concluded it does not apply to them: *"we are a small corporation and do not feel a strong need"*; *"given the foundation's scale and the small number of staff, we consider it unnecessary"*; *"we have articles, internal rules, guidelines, a code of conduct and a safeguarding policy, and complying with those is enough for the time being."* The last of these is the Association's own reading of the 6.6 percent adoption rate — **considered restraint rather than neglect** — stated by a respondent.

On the outside-director requirement — the single heaviest governance burden in the multiple-choice results, quoted in section 4.3 — the objection is as often one of principle as of logistics, and it is the one governance topic on which respondents write at length rather than deferring.

7.8 On the bargain itself

A minority of comments question whether public-interest status remains worth holding — the sentiment behind the 19.8 percent of associations who would choose differently.

> *It is a problem when the bar is raised unilaterally for everyone because of misconduct by a few organizations, as in this reform. Had we known this would happen we might not have chosen public-interest status in the first place. When a change like this is made, it is absolutely essential to provide a route by which a corporation can move to general association status.*
> A public-interest association

The same request — **a workable exit route to general nonprofit corporation status** — appears several times, once phrased as a wish to be able to move between the two statuses as membership numbers rise and fall *"without financial penalty."* Another respondent puts the calculation baldly: *"becoming public-interest brought little tax benefit; the constraints and the reporting outweigh it."*

Set against these, the positive comments are quieter but real: relief at being consulted by government purchasers about employment opportunities; the tax reduction; and, most often, some version of *"we needed to be a public-interest corporation in order to do this work at all."*

7.9 From the general nonprofit corporations

Asked why they do not seek certification, general nonprofit corporations mostly give practical rather than philosophical answers — their business does not qualify, they hold rental income, they are mutual-benefit in character, they were told at transition that they did not meet the requirements. Two answers stand out for what they say about the design of the system:

- *"As a strictly non-profit corporation we already receive tax treatment equivalent to a public-interest corporation."* — the tax incentive, for this respondent, is already fully collected without the obligations.
- *"If we became a public-interest corporation we would be more or less compelled to take on contracted work from the administration."* — certification is understood not only as regulation but as a relationship with government that brings expectations of its own.

And from a foundation, a note on sequencing that any policy designed to widen the sector should probably absorb: *"going straight to public-interest status is too high a hurdle."*

Part 8 — Conclusions

Some time has now passed since the public-interest corporation reform of April 2025, and this survey has been able to shed a certain amount of light both on how public-interest and general nonprofit corporations actually operate and on how the reform has been received on the ground. It was conducted at an important moment — immediately after the reform — and rests on the direct voices of 2,037 corporations, 1,316 public-interest and 721 general nonprofit. We hope it will help clarify the policy questions ahead and contribute to addressing them.

Public-interest corporations: the reality, and the verdict on the new system

The principal reason corporations chose their present legal status is, across every size band and every field of activity, **the high level of public trust it confers (71.7 percent)**, followed by the tax exemption on public-interest activities (51.3 percent).

On the flexibilization of financial discipline — the centerpiece of the reform, and above all the **multi-year balance of income and expenditure** — about six in ten corporations are positive, with support strongest among larger corporations and in fields whose activities run on fixed terms.

On the other side, the leading operational difficulty is **the burden of preparing the annual filings (65.7 percent)**, and about four in ten corporations cite the difficulty of interpreting the system. In governance, **securing outside directors and auditors** has produced serious resource shortages, particularly in the regions and among small and medium-sized corporations.

As for the FY2024 accounting standard, roughly half of all corporations feel strong anxiety about system modification and the increase in note disclosures, and half intend to postpone the change until close to the end of the transitional period — a conspicuously cautious posture.

General nonprofit corporations: the reality, and their intentions on certification

About **86 percent** of general nonprofit corporations say they would choose general nonprofit corporation status again if they could choose afresh. The reason is the degree of freedom it affords: **being able to concentrate on their own activities without administrative supervision (39.5 percent)** is the greatest advantage, and the flexible operating environment it produces enjoys strong support.

Their dependence on donations is extremely low — about **80 percent receive no donation income at all** — and operation on their own resources, principally membership dues and profit-making activity, is firmly established.

As to whether the 2025 reform will lead them to seek certification, more than half answer that **they see no benefit and have no plans to apply**, and about three in ten that they cannot judge because they do not know the reform's content. Corporations moving to consider certification positively as a result of the reform amount to **less than 1 percent**. The reform has not, so far, functioned as a direct incentive for general nonprofit corporations to enter the public-interest system.

The reform's achievements, and the emergence of a gap

The flexibilization of financial discipline — the multi-year balance rule and the creation of the Public-Interest Enhancement Fund — has earned a measure of approval. **But the corporations able to enjoy the benefit are mainly the large ones**, which can manage funds flexibly across several years. Many corporations below ¥10 million answer that they have *"nothing spare to set aside"* or that they *"do not understand the scheme well enough,"* and a **gap** has opened up according to asset base and business structure. That the principle of the reform has not penetrated as far as the small corporations is a substantial problem for the future diffusion of the system.

Administrative procedure and accounting: simplification that is not felt

Although administrative simplification was pursued through the shift to notification and the redesign of application documents, a great many voices from the field say that **the practical workload has not changed**, or that **interpretation has become harder instead**.

On the migration to the new accounting standard in particular, there is concern about the difficulty of the technical vocabulary and the cost of modifying systems, and a **divergence is visible between the policy intention of reducing burden and what practitioners actually experience**. Presenting concrete worked examples geared to practice, preparing manuals for small corporations, and improving the usability of the disclosure portal have become urgent.

Overall

On the evidence of this survey, the 2025 reform can be assessed as an important construction of a framework for raising the autonomy and the operational flexibility of the non-profit sector. **But the corporations that must operate that framework have not caught up with it in practical or in financial capacity**, and for the small and medium-sized corporations who make up more than half the sector, the increasing sophistication of the system has in some respects become a barrier to entry and a weight on continuation.

What is now strongly required is support that goes beyond publicizing the law and is fitted to how corporations actually are: help with the accounting transition, an environment in which specialist knowledge is easier to draw on, and improvements to administrative systems directed at a real reduction in clerical burden.

> *So long as the greatest factor causing general nonprofit corporations to hesitate over public-interest status is cumbersome procedure and strict supervision, the largest key to expanding the public-interest sector will be to build an environment in which the benefits of being a public-interest corporation clearly exceed the costs of remaining one.* — Japan Association of Charitable Organizations

Part 9 — Notes for Readers Outside Japan

Added by the editors of this English edition. Not part of the original report.

The certification is bought for reputation, and reputation is not fungible

71.7 percent name public trust as the benefit of certification; 51.3 percent name tax exemption. In a system where the tax privileges are real and the compliance costs are heavy, this ordering is the whole explanation for why the population is stable at around 9,800 and why 82.8 percent would certify again. **Corporations are buying a signal that only the state can issue**, and no amount of financial deregulation substitutes for it.

The corollary is visible on the other side of the survey. Only 8.2 percent of general nonprofit corporations feel any credibility deficit — because the audiences that matter to an industry association or a learned society do not require the signal. Certification is valuable to organizations that must be trusted by strangers: grant-seekers, donation-takers, contractors to government.

The binding constraint was never the financial rules

The 2025 reform concentrated on loosening financial discipline. Yet when public-interest corporations rank their difficulties, the top three are **paperwork (65.7 percent), interpretation (40.9 percent) and change procedures (30.5 percent)** — and when general nonprofit corporations explain why they will not certify, the top two are **loss of autonomy (53.6 percent) and the filing workload (42.3 percent)**. The financial constraints appear, but lower.

This is not an argument that the reform was wrong; the multi-year balance rule is the single most appreciated change in the survey. It is an argument that **the reform addressed a real problem that was not the largest one**, which is why 42.1 percent call the financial changes beneficial while the reform as a whole draws a 12.5 percent positive verdict.

Every finding has a size gradient, and it runs the same way

The pattern is remarkably consistent across unrelated questions — Part 5 sets it out question by question; the following is a summary across them:

Question	Corporations under ¥10m	Corporations over ¥1bn
Do not understand the Enhancement Fund	48.7%	9.4%
Cannot judge the continuity reserve provisions	47.9%	26.2%
Value the public trust the status confers	59.7%	80.4%
Value the tax exemption	38.7%	68.2%
Report no benefit from the status at all	17.7%	1.9%
Conduct profit-making activity	17.6%	60.7%
Have adopted a governance code	3.4%	12.2%
Will not do segment accounting at all	26.1%	5.6%

We name this a **"gap"** and treats it as the reform's principal unresolved problem. Section 5.1 sets out the mechanism table by table; its short form is that the reform granted **discretion**, and discretion is usable only by an organization that already has a surplus to allocate and the staff to document the allocation.

One respondent's request cuts directly to the remedy: *differentiate the rules by size of corporation*. Nothing in the current design does so.

The most common answer in the survey is "I don't know what changed"

61.5 percent cannot assess the revised procedures because they do not know their content. 40.9 percent have not decided when to adopt the new accounting standard. 40.1 percent do not understand the unrestricted-use asset rules. 30.5 percent of general nonprofit corporations cannot say whether they might certify because they do not know what the reform contains. 26.4 percent of public-interest corporations have never heard of the tax-credit certification scheme — which has existed since 2011.

Some of this is timing: the survey ran four months after the reform commenced. But the tax-credit figure is not a timing artifact, and the free-text answers point to a structural cause — **guidelines running to more than 200 pages, briefings in March, forms finalized in April, and certifying authorities who answer questions with “we have not been briefed on that yet.”** The implementation problem here is not one of substance but of communication design, and it is soluble.

The tax debate the sector wants is not the one it is offered

International discussion of Japanese non-profit tax policy concentrates on incentives for giving. The corporations themselves, asked an open question, produced **57 requests to extend the invoice-system transitional measures, 26 to widen consumption-tax exemption, and 11 to abolish the invoice system** — dwarfing anything said about donation relief.

The mechanism is worth understanding because it is peculiar. Membership dues and public subsidies fall outside the scope of consumption tax; under the “specified income” rules this restricts the input tax credit; so a corporation funded principally by dues and subsidies pays consumption tax on its purchases without being able to recover it. **The tax falls hardest on exactly the dues-funded mid-sized bodies that make up the core of the sector** — and, as one respondent observed, unlike corporation tax it cannot be avoided by being non-profit.

Appendices

Appendix A — Glossary

Japanese legal, tax and accounting terms used in this edition, with the English rendering adopted here.

Legal forms and status

Term	English rendering and note
公益法人 *kōeki hōjin*	**Public-interest corporation** — a general nonprofit corporation that has obtained public-interest certification. Comprises 公益社団法人 (public-interest incorporated association) and 公益財団法人 (public-interest incorporated foundation)
一般法人 *ippan hōjin*	**General nonprofit corporation** — established by registration alone under the 2008 Act, with no certification and no supervision. Comprises 一般社団法人 (general incorporated association) and 一般財団法人 (general incorporated foundation)
公益認定 *kōeki nintei*	**Public-interest certification** — granted by the Cabinet Office for nationwide bodies, by a prefectural governor otherwise
行政庁 *gyōseichō*	**Certifying authority** — the Cabinet Office or the prefectural governor with jurisdiction
特例民法法人	**Former Civil Code corporation** — a body incorporated under the pre-2008 Civil Code, required to transition to one of the new forms
移行法人	**Transition corporation** — a general nonprofit corporation still implementing the public-interest purpose expenditure plan agreed at transition, and therefore still subject to reporting and supervision
公益目的支出計画	**Public-interest purpose expenditure plan** — the plan by which a transition corporation runs down the assets attributable to its former public-interest character
特定非営利活動法人	**Specified non-profit corporation** — the “NPO corporation,” a separate legal form under the 1998 NPO Act

The financial rules

Term	English rendering and note
収支相償	**Income–expenditure balance requirement** — the rule that public-interest income must not exceed public-interest expenditure. Applied annually before the 2025 reform
中期的収支均衡	**Medium-term balance of income and expenditure** — from April 2025, the same test applied over five years, allowing deficits and surpluses to be offset
公益充実資金	**Public-Interest Enhancement Fund** — a reserve created by the 2025 reform into which surpluses may be placed for identified future public-interest use
公益目的事業継続予備財産	**Reserve assets for continuity of public-interest activities** — roughly one year's public-interest expenditure, held against contingencies outside the normal ceiling
遊休財産 → 使途不特定財産	**Idle assets → unrestricted-use assets** — renamed by the reform, with the ceiling now calculable on a five-year average
公益目的事業比率	**Public-interest activity ratio** — the requirement that at least 50 percent of expenditure go to certified public-interest activities
区分経理	**Segment accounting** — separate accounting by activity segment, put on a general footing with a three-year transitional period
収益事業	**Profit-making activity** — used in two distinct senses: the activities enumerated as taxable under the Corporation Tax Act (34 categories), and activities classified as profit-making under the Certification Act. The survey distinguishes them and so does this edition

Procedure, tax and disclosure

Term	English rendering and note
定期提出書類	**Annual filings** — activity report, financial statements, audit report and accompanying schedules, filed each year with the certifying authority
変更認定申請 / 変更届出	**Application for change of certification / notification of change** — the reform converted many of the former into the latter
税額控除証明	**Tax-credit certification** — a separate certification that entitles individual donors to a tax credit rather than a deduction; requires meeting a donor-number or public-support test
みなし寄附金	**Deemed donation** — relief allowing a transfer from taxable to public-interest activities to be treated as a deductible donation
インボイス制度	**Invoice system** — the qualified-invoice regime for consumption tax introduced in October 2023; the single most-raised tax issue in the survey
特定収入	**Specified income** — income outside the scope of consumption tax (dues, subsidies), which restricts the input tax credit and is the mechanism behind the sector's consumption-tax complaint
公益法人インフォメーション	**Public Interest Corporation Information** — the Cabinet Office portal for disclosure and for online filing
ガバナンス・コード	**Governance code** — a voluntary code of governance practice; adoption remains at 6.6 percent
令和 6 年会計基準	**FY2024 (Reiwa 6) accounting standard** — the revised Public Interest Corporation Accounting Standard accompanying the reform
公益信託	**Charitable trust** — reformed in parallel with the corporate regime; 58.7 percent of corporations report no interest
公益法人協会 (JACO)	**Japan Association of Charitable Organizations** — the publisher of the survey; a public-interest incorporated foundation itself

Appendix B — About the original report

Japanese title	公益法人・一般法人の運営および寄附等に関するアンケート結果（2025 年 8 月実施分）報告書
English title	Survey of the Operation and Donation of Public-Interest and General nonprofit corporations — Report on the Round Conducted in August 2025
Extent	176 pages, comprising 84 pages of analysis, 64 pages of verbatim responses, and both questionnaires in full
Tables	110
Published	June 2026
Publisher	Japan Association of Charitable Organizations 2-27-15 Honkomagome, Bunkyo-ku, Tokyo 113-0021, Japan Tel +81-3-3945-1017 · https://www.kohokyo.or.jp/
Structure	I. Survey overview · II. Results: public-interest corporations · III. Results: general nonprofit corporations · IV. Conclusions · V. Verbatim responses · VI. Full questionnaires