

JET Pre-departure Seminar: Money Management June 25, 2016

Ellen Matthews
ALT, Shizuoka 2012-2015
e.m.matthews@hotmail.com

How Much Money Should I Bring To Japan?

- Receive first paycheck (probably) end of August, so you will need enough money to cover August rent, utilities, **food**, travel and setup costs (cell, car, some housewares) for the first month.
- \$2,500-\$3,000 in CASH
- ATMs at post offices, Citibank and 7-11s allow you to withdrawal money from your accounts at home using a US card
- Places to change your money into yen:
 - Your bank
 - US airport
 - Narita airport (not recommended)
 - Keio Plaza hotel

Salary1

Year 1: ¥3,360,000

Year 2: ¥3,600,000

Year 3: ¥3,900,000

Year 4-5: ¥3,960,000

The above figures are pre-deductions. Deductions include payments for National Health Insurance, JET Accident Insurance, Pension Fund, and payment to Employment Insurance. Schools and Boards of Education may also setup automatic deductions from your pay for costs such as rent or other fees as this is a very common way of settling bills in Japan. Please ask your supervisor what charges are coming out of your pay. And trust that this system has been in place for generations of JETs before you, so, although it is strange to have certain things out of your control, this may be your contracting organization's system.

Pension ~¥20 000/month (Take good care of your blue pension book, you need it to get your pension refund)

Employment Insurance ~¥2000/month

Health Insurance ~¥10 000/month

As a JET, you are also covered under the JET Program Accident Insurance Policy. This covers the 30% deductible that the National Health Insurance doesn't cover and also provides you with health and accident insurance when you travel overseas while on JET. You will receive a book in Tokyo explaining this. Read it and keep it.

Taxes

From the JET Program website: "Given the terms of a current U.S.-Japan tax treaty, ALTs from the U.S. are exempt from paying Japanese taxes for the first 2 years, and are requested to provide their contracting organizations with an IRS 6166 form for this purpose. CIRs are not eligible for this tax exemption. From the third year onward, ALTs will also be responsible for paying Japanese taxes."

There are some great prefectural wiki pages with step-by-step tax help (AkitaJET wiki I highly recommend).

Banks

- You most likely will use the bank all the other JETs in your contracting organization uses or the one in your local area.
- To open an account you will need your Residents Card and your hanko (personal name seal/stamp).
- Bank book. Try to update it regularly.

ATMs

- Not 24/7.
- You may incur charges to withdraw money outside of peak hours.
- You can deposit notes and coins at ATMs.
- Almost all convenience stores have ATMS. These have later operating hours.
- Some ATMs (especially with the larger banks) have the option of English menus.

Credit Cards

- Are NOT often used in day-to-day life. Japan is still a cash-based society and other than at major stores, credit cards won't be accepted. Some convenience stores do accept credit cards.
- Can be useful for online purchases, so consider leaving some money in your bank account in the US for that occasional Amazon purchase (Amazon Japan is great!).

Utilities

- You may be responsible for paying for gas, electric and water. ~¥10,000/month
- Your BOE/school will help you setup the utilities in your apartment.
- There is an annual NHK (television license) fee of ~¥15,000. You don't have to pay if you don't own a TV.

Phones

- Landline –get through NTT. Getting rarer but your supervisor may want you to get a landline.
- Not very expensive, though most people use their cell phones to make calls.
- Can have the Internet without a landline.

Cell Phones

- Three main providers are Docomo, AU and Softbank.
- Simple plans: ¥2,000/month Smartphone plans: ¥5,000/month + cost of phone (you can pay upfront or over a one or two year plan)
- To get a phone and plan you will need your city registration paperwork, hanko, and bankbook to setup automatic payments. Your supervisor or another JET can help you with this.
- Some city stores have English-speaking staff. If not, bring a friend that speaks Japanese or ask your supervisor to help as the contracts can be difficult to fill out.

Internet

- Depending on the plan, expect to pay between ¥3000 and ¥6000/month.
- There are two options; ADSL and Fiber Optic internet. ADSL is available pretty much everywhere. Fiber Optics service is cheaper/faster but not widely available.
- ISPs: YahooBB and NTT plus a whole lot of smaller companies.
- Can take a LONG time to setup the internet at home so get into the application process ASAP. While waiting you may think of using your cell phone internet (tethering).
- May get a discount if getting cable TV service at the same time with contract.
- There is a service called BB Apply that is free and there explicitly to help foreigners (non---Japanese speakers) setup the internet. Visit bbapply.com/jet/index.html

Cars

Buying

- See the General Information Handbook for details
- You can buy from another JET or a local dealership
- Buying a used car from a JET is cheaper than buying it from a dealer.
- ASK the person you're buying from if it comes with WINTER tires!! These can cost ¥20000 or more and are necessary in areas with snow.
- Shakan (inspection) is required every 2 years so find out when your car is due. Shakan includes taxes, recycling fees, etc. and can be expensive

Leasing

- Situation B: about \$3,000 USD / year for Subaru yellow plate
- Leaser pays shaken and handles regular maintenance (changing the tires for winter, broken headlights, etc.)
- When you ultimately leave Japan, you just return the car (no worries about selling, disposing, etc.)
- *Insurance*
- Leased cars come with car insurance. Privately owned cars require car insurance, but your supervisor should help you with this. JETs over 26 years old will pay less in insurance.

Paying Bills

- Automatic payments –when you receive a gas bill, etc in the mail, there will be a form included that you can fill out and setup automatic payments. If you want to do this, have your supervisor or a friend help you.
- Convenience Store & Bank –Simply take the bill and some cash down to your local convenience store or bank, give it to the person behind the counter and you are done. Easy.

Buying From Your Predecessor

- Most JETs do buy things from their predecessor. It's cheaper and easier.
- Ask to see photos or get a list of items for sale.
- Feel free to negotiate or say you don't want an item. Don't feel like you *have* to purchase from them.
- Use your judgment. Do I really need their entire anime collection?
- May sell at a flat rate or per item.

Sending Money Home

- Surviving in Japan has a great guide.
<http://www.survivingjapan.com/2012/06/how-to-transfer-money-toand-from-japan.html>
- Popular options are through GoRemit (<https://www.goremit.jp/index/en>) which is linked to your account in Japan and also through the Post Office.
- Both options cost about ¥2000 per transaction, though you may face additional outside fees using GoRemit.
- Post Office is slower while GoRemit can be same day.

ESID (Every Situation Is Different) –This is a phrase that you will hear over and over again in Japan, from your contracting organization and other JETs, because it is true. The information provided here is partly based on my personal experience and that of other JETs. For the most detailed and accurate information, speak with your predecessor, the other JETs in your area, and your supervisor. Consult also the GIH and the JET website.