

**Statement by Kengo Sakurada, Chairman of Keizai Doyukai
on FY2020 Tax Reform Outline**

1. The fiscal 2020 tax reform outline sets out measures to promote open innovation by large corporations and ventures, external fund raising by National University Corporations for higher and enhanced research capacity, and introduction of 5G facilities. We welcome the latest outline as it will contribute to the creation of new businesses, leading to sustainable economic growth. We, business executives, must pursue self-transformation of our own corporations and will be determined to address issues for business innovation.
2. The outline marshals our country's thoughts on global tax system, responding to digitalization of economies. This is the first step for making progress in concrete measures over the issue. We have a hope for Japan to play a leading role in international discussions toward a resolution due at the end of 2020.
3. Going forward, we must quickly proceed to the agenda of benefits and burdens in a 100-year life society, taking future generation's interests into full consideration. Consumption tax rate hike beyond 10% is deemed worthwhile for deliberation with priority. Meanwhile, we will request the government to initiate a full-fledged nationwide tax reform.

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