

WHAT ARE MY SOFA-STATUS SPOUSE'S EMPLOYMENT OPTIONS WHILE WE ARE STATIONED IN JAPAN?



Can my spouse work off-installation?

- Yes. The US–Japan Status of Forces Agreement (SOFA) exempts service members and their dependents from Japanese laws and regulations on the registration and control of aliens. Therefore, spouses with SOFA status are exempt from the requirement to obtain a work visa.
- You may need permission from your chain of command before working off the installation. Please contact the Misawa Air Base Legal Office at 315-226-4022 or visit us in building 656 (Torii Building 2nd Floor)

Can my spouse work online for a US-based company?

- Yes, as long as your spouse has the right to work in the US. It does not matter whether you and your spouse live on-installation or off-installation.

If my spouse works online for a US-based company, or off-installation at a Japanese business, will my spouse have to pay Japanese tax?

- Japan source income: Your spouse will have to pay Japanese taxes on any income derived from Japanese sources, to include capital gains earned from investments. Japan source income includes money earned:
 - Working at a Japanese business
 - Selling goods or services to a company in Japan
 - As interest accrued in a Japanese bank account
- Non-Japan source income: Your spouse is exempt from paying Japanese tax on income derived from sources outside Japan. Non-Japan source income includes money earned:
 - Working at an on-installation business
 - Selling goods or services on-installation through a home-based business (HBB)
 - Working online for a US-based company
 - As interest accrued in a US bank account

If my spouse works online for a US-based company, or off-installation at a Japanese business, will my spouse have to pay federal income tax?

- Yes, all income received by a US resident alien or US citizen, derived from any source, is subject to federal income taxation. However, your spouse may be eligible to claim a Foreign Earned Income Exclusion (FEIE). Consult your servicing legal office for more information.

If my spouse works online or off-installation, will my spouse have to pay state income tax?

- Potentially. Each state has its own tax code. Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming do not tax the income earned by their residents or by employees of in-state businesses. However, other states tax the income earned by residents and employees of in-state businesses. Consult the tax codes of your spouse's state of residence and state of employment for more information.