

Japan raises taxes on its spenders despite growth worries

Yasuo Sugiuchi can't avoid death, but he knew that — if he hurried — he would be able to escape taxes.

He rushed to buy a new *familial cemetery* plot to beat a tax increase that could have a profound impact on the country's spenders.

familial 家族的; 遗传的

cemetery 公墓; 墓地

Japan increased its tax on a wide variety of consumer goods and services. The increase could test the signature achievement of Prime Minister Shinzo Abe, who came into office promising to reform the country's economy after decades of *stagnation*.

stagnation 停滞

flagging 下垂的; 衰弱的

He argues that Japan will need to spend on assisting its aging population and on young families, who the government is counting on to drive up the country's *flagging* birthrate. The money could also help pay down the enormous national debt.

As the *tax hike* goes into effect Tuesday, the big question for Japan is whether consumers like Sugiuchi will start to tighten their purse strings.

tax hike 加税

If the tax makes consumers reluctant to spend, Japan could slip into recession, just as it did when Tokyo last raised the consumption tax five years ago. Abe's government raised the tax to 8% from 5% in 2014, and the Japanese economy immediately sank into recession.

Abe's government is hoping for a different result this time. This year's tax increase is not as big, and some economists say fewer consumers rushed to make their purchases to beat the clock this time.

The government also has hopes to *defray* some of the impact of the increase through programs such as offering *incentives* for purchasing cars and houses.

defray 支付

incentive 刺激; 奖励