

Outline of incentive programs for establishing businesses under the “Ordinance Concerning Invigoration of Economy and Employment through Promotion of Business Establishment”

○ Building/facilities establishment type (Investment support type) 【Acquiring land and buildings, and conducting capital investment】

As of April 1, 2016

		General Areas			Designated Areas		
		Idled Land (Former Factory Sites) Revitalization Area (2 hectares or more)	Factory Establishment Promotion Area (Industrial complex, etc.)	Others	Idled Land (Former Factory Sites) Revitalization Area (2 hectares or more)	Factory Establishment Promotion Area (Industrial complex, etc.)	Others
Establishment of factories, etc.	① Capital investment subsidy	Subsidy ratio: 3% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 1 billion yen or more All business facilities (not limited to designated businesses)	Subsidy ratio: 3% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 2 billion yen or more for large enterprises, and 1 billion yen or more for SMEs Must be an advanced business (not limited to manufacturing business) (***)		Subsidy ratio: 5% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 100 million yen or more All business facilities (not limited to designated businesses)	Subsidy ratio: 5% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 100 million yen or more Need not be an advanced business (not limited to manufacturing business) (***)	
	② Employment subsidy	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) (Up to 300 million yen) Requirement: new employment of 11 or more full-time workers; a capital investment (excluding land) of 50 million yen or more (***)			Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) (Up to 300 million yen) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers; no requirement for capital investment amount (***)		
	③ Tax reduction (Corporate enterprise tax)	Reduction ratio: 1/3 (5 years, no maximum amount) Requirement: a capital investment (excluding land) of 200 million yen or more for large enterprises, and 100 million yen or more for SMEs; new employment of 11 or more full-time workers		Reduction ratio: 1/4 (5 years, no maximum amount) Requirement: same as the left	Reduction ratio: 1/2 (5 years, no maximum amount) Requirement: a capital investment (excluding land) of 100 million yen or more for large enterprises, and 50 million yen or more for SMEs; new employment of 6 or more full-time workers		
	④ Tax reduction (Real estate acquisition tax [land, building])	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building (***)		/	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building (***)		Reduction ratio: 1/2 (Up to 200 million yen) Requirement: newly built building (new employment of 6 or more full-time workers) (***)
Establishment of research facilities	① Capital investment subsidy	Subsidy ratio: 5% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 500 million yen or more [Requirement for research facilities] (a) R&D employees account for 20% or more of all full-time workers in the facility (b) The area used for R&D accounts for 20% or more of the total area, or the investment amount for R&D accounts for 20% or more of total investment amount (***)			Subsidy ratio: 7% of the capital investment (excluding land) Requirement: a capital investment (excluding land) of 100 million yen or more [Requirement for research facilities] (a) R&D employees account for 20% or more of all full-time workers in the facility (b) The area used for R&D accounts for 20% or more of the total area, or investment amount for R&D accounts for 20% or more of total investment amount (***)		
	② Employment subsidy	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) (Up to 300 million yen) Requirement: new employment of 11 or more full-time workers; a capital investment (excluding land) of 50 million yen or more (***)			Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) (Up to 300 million yen) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers; no requirement for capital investment amount (***)		
	③ Tax reduction (Corporate enterprise tax)	Reduction ratio: 1/3 (5 years, no maximum amount) Requirement: a capital investment (excluding land) of 200 million yen or more for large enterprises, and 100 million yen or more for SMEs; new employment of 11 or more full-time workers		Reduction ratio: 1/4 (5 years, no maximum amount) Requirement: same as the left	Reduction ratio: 1/2 (5 years, no maximum amount) Requirement: a capital investment (excluding land) of 100 million yen or more for large enterprises, and 50 million yen or more for SMEs; new employment of 6 or more full-time workers		
	④ Tax reduction (Real estate acquisition tax [land, building])	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building (***)		/	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building (***)		Reduction ratio: 1/2 (Up to 200 million yen) Requirement: newly built building (new employment of 6 or more full-time workers) (***)
Establishment of headquarters (**)	① Capital investment subsidy	Subsidy ratio: 5% of the capital investment (excluding land) Requirement: (1) Transfer of headquarters functions from one of the three major metropolitan areas of Japan (and outside of Hyogo) or from overseas, or (2) new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo (excluding transfer to existing urban areas in Hyogo); a capital investment (excluding land) of 2 billion yen or more for large enterprises, or 1 billion yen or more for SMEs <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">Headquarters functions: functions eligible for the tax credits based on the Regional Revitalization Act for promoting enterprises' regional hubs (managerial decision making, management resources control [general affairs, accounting, human resources], integrated sectors [R&D, international affairs], etc.)</div>			Subsidy ratio: 7% of the capital investment (excluding land) Requirement: (1) Transfer of headquarters functions from one of the three major metropolitan areas of Japan (and outside of Hyogo) or from overseas, or (2) new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo (excluding transfer to existing urban areas in Hyogo); a capital investment (excluding land) of 100 million yen or more <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">The three major metropolitan areas of Japan: - Existing urban areas specified in the Metropolitan Area Readjustment Act - Existing urban areas specified in the Kinki Area Adjustment Act (includes Hyogo) - Part of urban improvement areas specified in the Chubu Area Development and Improvement Act</div>		
	② Employment subsidy	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) (Up to 300 million yen) Requirement: new employment of 11 or more full-time workers; no requirement for capital investment amount			Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) (Up to 300 million yen) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers; no requirement for capital investment amount		
	③ Tax reduction (Corporate enterprise tax)	Reduction ratio: 1/3 (5 years, no maximum amount) Requirement: employment of 11 or more full-time workers (Must be newly employed full-time workers in case of new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo)			Reduction ratio: 1/2 (5 years, no maximum amount) Requirement: employment of 6 or more full-time workers (Must be newly employed full-time workers in case of new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo)		
	④ Tax reduction (Real estate acquisition tax [land, building])	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building		Reduction ratio: 1/2 (Up to 200 million yen) Requirement: newly built building (new employment of 11 or more full-time workers)	Reduction ratio: 1/2 (Up to 200 million yen) Requirement: [land] newly acquiring land, and starting building construction within one year [building] newly built building		Reduction ratio: 1/2 (Up to 200 million yen) Requirement: newly built building (new employment of 6 or more full-time workers)

* Transfer from the three major metropolitan areas (outside of Hyogo) or from overseas, or new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo ** Must include new business launch if the investment is made by existing companies within existing premises

【Designated Areas】 Tajima region, Tamba region, Awaji region, Nishiwaki City, Taka Town, Kamikawa Town, Ako City, Tatsuno City (former Shingu Town area only), Shiso City, Kamigori Town, Sayo Town

Outline of incentive programs for establishing businesses under the “Ordinance Concerning Invigoration of Economy and Employment through Promotion of Business Establishment”

○ Business activities establishment type (Management support type) 【Moving into office buildings, etc.】

As of April 1, 2016

		General Areas			Designated Areas	
		Intensive Urban Redevelopment Area	International Economic Area	Others		Project to support IT companies located in Designated Areas
Establishment of offices	① Office rent subsidy	—	Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: foreign or foreign-affiliated company	Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: new employment of 11 or more full-time workers	Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: new employment of 6 or more full-time workers	Subsidy ratio: 1/2 Office rent & communication fees: each up to 600,000 yen/year x 3 years Renovation cost: up to 1.5 million yen Business equipment acquisition fee: up to 500,000 yen Requirement: establisher of IT-related business offices in Designated Areas
	② Employment subsidy	—	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) Requirement: foreign or foreign-affiliated company; new employment of 11 or more full-time workers	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 11 or more full-time workers	Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers	Intended recipient: establisher of IT-related business offices in Designated Areas Requirement: more than one high level IT professional Subsidy amount: 1 million yen/person/year x 3 years
	③ Tax reduction (Corporate enterprise tax)	Reduction ratio: 1/3 (5 years) Requirement: Moving into new building (meeting requirements for floor area ratio) in little- or non-used land; occupied floor area of 3,000 m ² or more; not limited to designated businesses	Reduction ratio: 1/3 (5 years) Requirement: foreign or foreign-affiliated company; occupied floor area of 3,000 m ² or more	Reduction ratio: 1/4 (5 years) Requirement: new employment of 11 or more full-time workers	Reduction ratio: 1/2 (5 years) Requirement: new employment of 6 or more full-time workers	
	④ Establishment support subsidy	—	Reduction ratio: 1/2 Maximum amount: (1) Market research cost: 1 million yen (2) Corporate registration cost: 200,000 yen Requirement: foreign or foreign-affiliated company (limited to costs related to Japanese headquarters)	—	—	—
Establishment of research facilities	① Research facility rent subsidy	Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: SME's research facilities moving into R&D support facilities that have been certified as regional core facilities			Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: A company's research facilities moving into R&D support facilities that have been certified as regional core facilities	
	② Employment subsidy	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) Requirement: SME's research facilities moving into R&D support facilities that have been certified as regional core facilities; new employment of 11 or more full-time workers; a capital investment of 50 million yen or more			Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers	
	③ Tax reduction (Corporate enterprise tax)	—	Reduction ratio: 1/4 (5 years) Requirement: new employment of 11 or more full-time workers		Reduction ratio: 1/2 (5 years) Requirement: new employment of 6 or more full-time workers	
Establishment of headquarters (*)	① Office rent subsidy	Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: new employment of 11 or more full-time workers			Subsidy ratio: 1/2 (1/4 by the prefecture, 1/4 by city/town) Maximum amount: 2 million yen/year x 3 years Requirement: new employment of 6 or more full-time workers	
	② Employment subsidy	Subsidy amount: [full-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 11 or more full-time workers			Subsidy amount: [full-time workers] 600,000 yen/person (newly employed workers) [part-time workers] 300,000 yen/person (newly employed workers) Requirement: new employment of 6 or more full-time workers	
	③ Tax reduction (Corporate enterprise tax)	Reduction ratio: 1/3 (5 years) Requirement: employment of 11 or more full-time workers (Must be newly employed full-time workers in case of new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo)			Reduction ratio: 1/2 (5 years) Requirement: employment of 6 or more full-time workers (Must be newly employed full-time workers in case of new establishment of additional headquarters functions within Hyogo by a company originally based in Hyogo)	

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