

## Subsidy for Promoting Establishment of Business Facilities in the Northern Gamo Area

### Subsidy Details

#### 1 Establishment [New・Expansion・Relocation in Sendai City]

Basic Subsidy : **100 %** of amount equivalent to fixed asset taxes, etc. related to new investment (No upper limit)

Period: **3 years** (+**2** years if Extra Period/Subsidy for Reconstruction Special Zone)

[Extra Period/Subsidy for Reconstruction Special Zone]

•The subsidy period for businesses specified under the reconstruction special zone system will be extended to 5 years.

•Businesses receiving an exemption from fixed asset tax under the reconstruction special zone system may opt to receive the subsidy over the 5 years after termination of the exemption.

[This is equivalent to a 10-year exemption from fixed asset tax]

#### 2 Additional Subsidy for Hiring

Basic Subsidy : + **600 thousand** yen per newly hired or transferred regular employee (No upper limit)

※Condition: If newly hired or transferred regular employee number 20 or more, subsidy only provided once during the period.

**What is a newly hired or transferred regular employee?**

**Those who fulfill the following 3 conditions:**

[1] Resides within Sendai City [2] Continued employment for 1 year or longer [3] Social Insurance insured person

### Subsidy Eligibility

#### [Business facilities in the Northern Gamo area]

Business facilities such as offices, factories, warehouses, etc. located in the Northern Gamo area (construction area of the Land Readjustment Project for Reconstruction of Disaster-affected Urban Areas in Northern Gamo).

The above excludes the following business facilities.

- [1] Stores, etc. [2] Hotels and inns [3] Game arcades, adult entertainment facilities, etc. [4] Public facilities, hospitals, schools, etc. [5] Wholesales markets, crematories, slaughterhouses, sanitation facilities, garbage incineration plants, etc. [6] Thermal power plants

•Business facilities if it is eligible for the city's other subsidies for Promoting Enterprise Establishment.

### Subsidy Requirements

Amount equivalent to fixed asset investments related to establishment of facilities: **100 million yen** or more (**10 million yen** or more for SMEs within Sendai City)

○Acquisition: "Amount equivalent to fixed asset investments" is defined as a value calculated by multiplying acquisition price by 0.5 for land, 0.7 for building, and 0.7 for manufacturing equipment.

○Rental: "Amount equivalent to fixed asset investments" is defined as a value calculated by multiplying monthly rental costs by 100 for land, and 70 for building.

However, the upper limit for monthly rental costs is 500 yen/m<sup>2</sup> for land, and 8,000 yen /m<sup>2</sup> for building.

○Subsidy requirements will be reconfirmed when one first apply for the subsidy.

### Application Procedure

To be designated to receive the subsidy, in principle it is required to conduct a prior consultation before expressing the intent to establish a project, and to submit the subsidy application at least **30 days** in advance of starting a project.

For 5 years after the last fiscal year in which the subsidy was received, a report of operational continuity must be submitted. If the report is not submitted, or the project is discontinued or stopped, repayment of the subsidy may be required.

#### [Inquires]

**Enterprise Attraction Section, Economic Affairs Bureau, City of Sendai** Tel : 022-214-8245 / E-mail : kei008040\_13@city.sendai.jp

**Tokyo Office, General Affairs Bureau, City of Sendai** Tel : 03-3262-5765 / E-mail : som001310@city.sendai.jp