

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/m² for land, and 8,000 yen /m² 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]

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