

City of SENDAI

series 5

Subsidy for Promoting Establishment of Software Industry, Digital Content Industry, and Datacenters

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 Priority Extra Period/Subsidy Area)

[Priority Extra Period/Subsidy Area]

Urban area Urban Regeneration Urgent Development District which is provided in Paragraph 3, Article 2 of the Act on Special Measures concerning Urban Regeneration

Aobayama area: Tohoku University Aobayama New Campus area, Aobayama North Campus area and Aobayama East Campus area

Seiryō area: Tohoku University Seiryō Campus area

Oroshimachi area: Applicable area which is in the class 7 specialized services area in Oroshimachi area plan and Oroshi-shodanchi complex

Rokuchonome area: Rokuchonome-nishimachi, Rokuchonome-motomachi, Rokuchonome-nakamachi (nearby commercial area only) and Rokuchonome-minamimachi (nearby commercial area only)

2 Additional Subsidy for Hiring

Basic Subsidy: +**1 million** yen per newly hired employee or transferred regular employee (**resides within Sendai City**) (No upper limit)

+**100 thousand** yen per newly hired employee or transferred regular employee (**resides outside Sendai City**)
(**50 million** yen upper limit)

※Condition : If newly hired employee or transferred regular employee (resides within city) number 5 or more, subsidy only provided once during the period.

What is a newly hired employee or transferred regular employee?

Those who fulfill the following 3 conditions:

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

What locations are in the Sendai City Zone?

Sendai, Shiogama, Natori, Tagajo, Iwanuma, Tomiya, Watari, Yamamoto, Matsushima, Shichigahama, Rifu, Taiwa, Osato, Ohira

Subsidy Eligibility

[Software Industry]

Business office belonging to Internet-based services and Information services, and which are classified as 39 and 40 in

G - Information and communications, as listed in the Japan Standard Industrial Classification.

[Digital Content Industry]

Business office for producing products or providing services which use digital technology, and which are classified as 38 Broadcasting (except 381), or 41 Video picture information, sound information, character information production and distribution, or 726 Design Services, or 7462

Commercial photography of 73 Advertising, as listed in the Japan Standard Industrial Classification.

[Datacenter]

Business office which intensively manages data provided by customers using communication lines and PCs, and provides additional value for creation and operation of data processing system, etc.

Subsidy Requirements

[Software Industry, Digital Content Industry]

Amount equivalent to fixed asset investments related to establishment of facilities: **10 million yen** or more

[Datacenter]

Amount equivalent to fixed asset investments related to establishment of facilities: **30 million yen** or more

○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 (31,000 yen/m² for service office).

○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 establishing 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.

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