

# City of Yokohama

## Outline of Business Location Incentive Program for Growth Industries

– Financial assistance for companies establishing operations in Yokohama –

\*Applications for this year will be accepted until 28 December 2021.

### ① Program Overview (\*See P. 2 for the detailed requirements for each category)

#### ● Locating/Expanding Into Yokohama for the First Time

Targeted Industries	Requirements	Facilities	Subsidy	Category
<ul style="list-style-type: none"> <li>◆ Environment/energy</li> <li>◆ Healthcare/medical</li> <li>◆ MICE</li> <li>◆ IT</li> <li>◆ Manufacturing</li> <li>◆ Innovative solutions</li> </ul> <p>*See p. 4 for eligible industrial fields</p>	<p><b>[Floor area]</b> At least 50 m<sup>2</sup></p> <p>and</p> <p><b>[Personnel]</b> At least 3 employees</p>	<p><b>Offices</b> (See p.2)</p>	<p>100 thousand yen per employee</p> <p>Max. <b>5 million yen</b></p>	<p><b>Category 1</b></p>
	<p>&lt;Special cases for service offices&gt;</p> <p><b>[Floor area]</b> At least 10 m<sup>2</sup></p> <p>and</p> <p><b>[Personnel]</b> At least 3 employees</p>		<p>50 thousand yen per employee</p> <p>Max. <b>2.5 million yen</b></p>	<p><b>Category 2</b></p>

#### ● Expanding Within Yokohama (Expansion/Relocation Special Cases)

Targeted Industries	Requirements	Facilities	Subsidy	Category
<ul style="list-style-type: none"> <li>◆ Environment/energy</li> <li>◆ Healthcare/medical</li> <li>◆ MICE</li> <li>◆ IT</li> <li>◆ Manufacturing</li> <li>◆ Innovative solutions</li> </ul> <p>*See p.4 for eligible industrial fields</p>	<p><b>[Floor area]</b> Floor area has increased by more than 50m<sup>2</sup> and is more than twice the size before expansion</p> <p>and</p> <p><b>[Personnel]</b> The number of employees has increased by more than 3 and is more than double the number before expansion</p>	<p><b>Head office facilities</b> (See p.2)</p>	<p>100 thousand yen per employee</p> <p>Max. <b>1 million yen</b></p>	<p><b>Category 3</b></p>

#### Special Cases for the Kannai District

When expanding into the Kannai district, the support amounts above will be multiplied by 1.5. See page 2 for details.

#### <Contact>

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## ② Subsidy Requirements/Subsidy Contents (\*Requirements and contents differ according to the categories laid out on P. 1)

### ● Locating/Expanding into Yokohama for the First Time:

The subsidy program is for **non-Yokohama companies** <sup>(\*1)</sup> establishing **offices** <sup>(\*3)</sup> in Yokohama for the first time.

#### Category 1

<Subsidy amount> 100 thousand yen per employee Max. 5 million yen

#### Category 2

<Subsidy amount> 50 thousand yen per employee Max. 2.5 million yen <Special cases for service offices <sup>(\*6)</sup>

[Industries] Companies must be mainly engaged in work for the industries listed on P.4.

[Floor area/personnel] Floor area <sup>(\*4)</sup> in their new location in Yokohama or an employee count <sup>(\*5)</sup>, must be of the scope shown in the system outline (P.1) or greater.

[Function of facilities] : Offices <sup>(\*3)</sup>

### ● Expanding Within Yokohama (Expansion/Relocation Special Cases):

The subsidy program is for **companies** <sup>(\*0)</sup> which have **offices** <sup>(\*3)</sup> in Yokohama moving their **head office facilities** <sup>(\*2)</sup> from other locations to Yokohama, or for **companies** <sup>(\*0)</sup> which have **head office facilities** <sup>(\*2)</sup> in Yokohama and are expanding existing functions/establishing new facilities.

#### Category 3

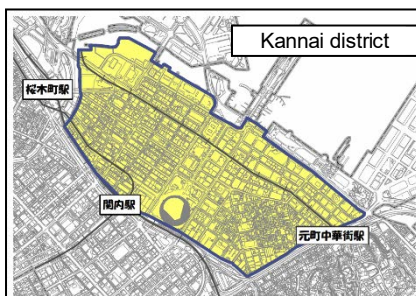
<Subsidy amount> 100 thousand yen per employee Max. 1 million yen

[Industries] Companies must be mainly engaged in work for the industries listed on P.4.

[Floor area/Personnel] The Floor area<sup>(\*4)</sup> of the new location in Yokohama or employee count<sup>(\*5)</sup> must be of the scope shown in the system outline (P.1) or greater.

[Function of facilities] Head office facilities<sup>(\*2)</sup>

### ● Special Cases for the Kannai District



When expanding into the Kannai district, the subsidy amount for each category will be multiplied by 1.5.

<Subsidy Amount>

Category 1: 150 thousand yen per employee (max. 7.5 million yen)

Category 2: 75 thousand yen per employee (max. 3.75 million yen)

Category 3: 150 thousand yen per employee (max. 1.5 million yen)

(\*0) **Companies:** This refers to entities like public companies, limited partnerships, unlimited partnerships, limited companies, limited liability companies or Japanese branches of foreign companies (excluding representative offices).

(\*1) **Non-Yokohama Companies:** This refers to companies that have not established a head office, branch, place of business, or other similar facilities in Yokohama. Organizations such as incorporated organizations in MICE related industries are also included.

(\*2) **Head office facilities:** This refers to divisions/departments in charge of general affairs/human resources, accounting/financial affairs, planning/coordination, public relations, international relations, sales supervision, R&D, information systems and others supervision (excluding branch and sales offices that cover only the area within Kanagawa Prefecture).

(\*3) **Offices:** This refers to offices, laboratories, and other similar facilities used in a company's business (excluding factories, warehouses, and stores).

(\*4) **Floor Area:** This refers to sections in offices other than storehouses used to store goods, display spaces/showrooms, shops that provide services or sell products, and food/drink facilities.

**In special cases for service offices:** This refers to a lockable partitioned exclusive space in offices, etc.

(\*5) **Employee count:** This refers to workers eligible to receive employment insurance.

(\*6) **Special cases for service offices:** This is a special case when a company moves into a service office for one years or more under a contract including additional services related to the use of business office. It is a requirement that the service office can be registered as a corporation and that it generally recruits tenants.

### ③ Location Planning Summary Submission (Prior to Closing of Lease Contract)

**Note that subsidy cannot be applied for if the necessary documentation has not been submitted at least one day prior to closing of lease contract.**

\*In cases of Category 1 and 3, the contract refers to a lease contract of a building, and in case of Category 2 (special cases for service offices), the contract refers to the one including additional services related to the use of office.  
[Following submission of form 1]

\*Contact one of our representatives after closing your lease contract.

\*When applying for an expansion/relocation special case: before relocating, please obtain "Applicable Business Ledger Header 1" from the Hello Work office to which your area is assigned. This document will be required at the time of application in order to confirm the number of employees.

\*When applying, you need to submit a copy of "Notification of Corporation Establishment" or a similar document.

### ④ Procedural Flow and Schedule

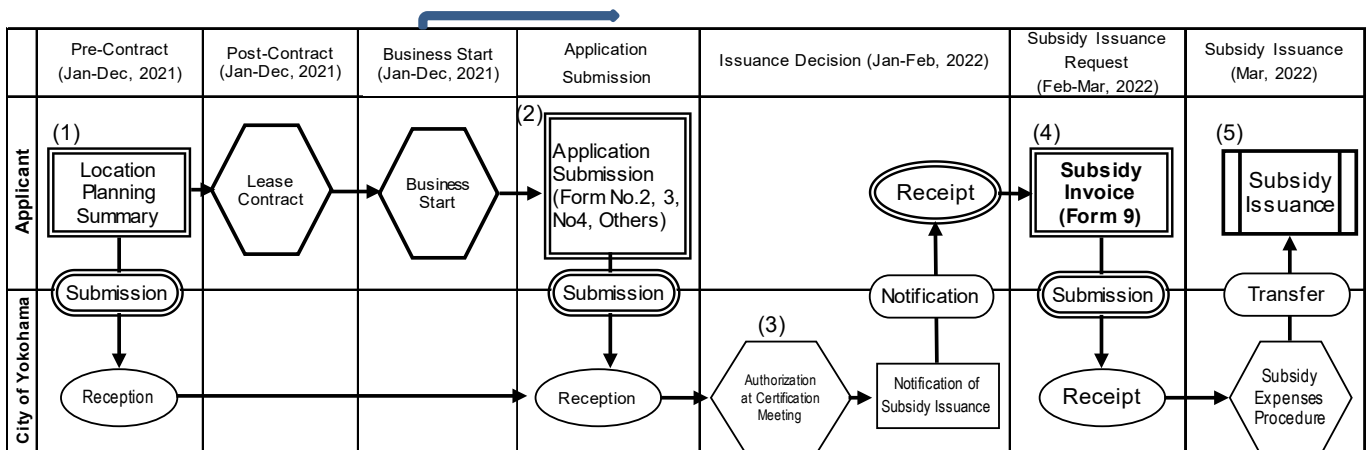
The procedures and schedule up until the granting of the subsidy are roughly as follows.

- |                                                                            |                                                                               |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| (1) Submission of "Business Plan Summary" (Form 1):                        | January-December<br>(At least one day prior to closing of lease contract)     |
| (2) Subsidy Application:                                                   | April-December (Following Business start)                                     |
| (3) Authorization, Notification of Subsidy Issuance/Subsidy Amount Issued: | Following January-February                                                    |
| (4) Submission of "Subsidy Invoice (Form 9)":                              | February-March (Grant request for subsidy)                                    |
| (5) Subsidy Payment:                                                       | End of March<br>(Subsidy transferred to designated bank account of applicant) |

Please apply for subsidy within 1 year of submitting "Business Plan Summary (Form 1)"

#### <Procedural Flow>

If start of business will occur during or after Jan 2022, application will be attributed to next fiscal year.



### ⑤ Notes (Post Subsidy Issuance Obligations)

- (1) **During the following period after starting business in a new location in Yokohama, it is necessary to continue running the business at the new location.**

Application category	Obligatory business continuity period
Category 1 and 3	Period from the day business starts up until the day on which two years have elapsed
Category 2	Period from the day business starts up until the day on which one year has elapsed

- (2) During the obligatory period of business continuity in (1), companies report on the status of the past year by submitting a "Status Report (Form 10)", a "Directors Name List (Form 5)," and a copy of the city tax return every year in the month the contract signing took place. However, if the contract was signed between January and March, the report following the first year of establishment is to be submitted at the end of April.

\*Please note that if any of the above obligations (business continuity period and documents to be submitted) is violated, the subsidy grant decision will be canceled, and the subsidy must be returned. Upon refund, a 10.95% surcharge will be added to the amount of the subsidy depending on the number of days from the date of receipt of the subsidy to the date of payment of the refund.

- **We will check the financial status of the parent company for the latest two terms. (In order to be eligible for the subsidy, we must be able to confirm the settlement period, and that liabilities do not exceed assets for both terms)**
- **If the total amount requested exceeds the City's budget, the subsidy will be allotted on a pro-rata basis**

within the limits of the budget.

## ⑥ Business Location Incentive Program: Eligible Industrial Fields

Classification		Specific industries		
Environment and energy related industries		New energy technology development businesses	Manufacturing of photovoltaic power systems	Businesses that develop and manufacture components for lithium batteries and next-generation storage batteries
		Fuel cell manufacturing businesses	Technological development/manufacturing of highly efficient gas turbine combined cycle power systems	Businesses that manufacture next-generation automobiles as well as relevant parts and accessories/fittings
		Businesses that manufacture environmentally friendly aircraft as well as relevant parts and accessories/fittings	Businesses that develop and manufacture LEDs, OLEDs and other next-generation lighting devices	Smart-grid-compatible device and systems businesses
		Businesses that develop and produce alternative materials to rare earth elements, rare metals, etc.	Businesses in the environment/energy field that manufacture components, materials and/or products, accredit, or develop relevant technologies	
Healthcare and medical related industries	Healthcare/medical	R&D/manufacturing of pharmaceuticals	Businesses that develop and manufacture medical equipment and devices	Businesses that pursue research, development, and applied production of medical and nursing robots
	Biotechnology	Businesses that pursue research, development, and production of chemical product ingredients	Businesses that pursue research, development and production of biosensors	Businesses that pursue research, development and production of analytical equipment (amino acid analysis equipment, automated sugar chain labeling equipment, etc.)
		DNA analysis service businesses	Genetic testing subcontractors	
		Businesses that develop, accredit, and/or manufacture equipment related to the development and manufacturing of components and/or materials for the medical/healthcare field		
MICE (Meetings, Incentive Travel, Conventions, Exhibitions) related industries	Professional conference organizer (PCO)	Businesses that handle the subcontracting of surveys, planning, design, exhibitions, organization, production, and execution management in an integrated fashion, and undertake comprehensive organization and presentation efforts as well as corresponding tasks including interior and exterior decor, exhibition machinery and equipment (sound, video, etc.) and so forth		
	MICE related corporations	<p>Corporations that have experience hosting or are expected to gain experience hosting conferences and so forth based on either criterion (1) or (2) below for the administrative offices of academic societies, various associations, and other such organizations</p> <p>(1) Conference or similar event hosted or backed by the head office of an international organization registered under the Union of International Associations (UIA) fulfilling the following requirements:                      (a) At least 50 participants                      (b) At least 3 participating countries including the host country                      (c) An event period of at least 1 day</p> <p>(2) Conference or similar event hosted by a domestic organization or the domestic branch of an international organization fulfilling the following requirements:                      (a) At least 300 participants (with at least 40% of participants coming from outside of the host country)                      (b) At least 5 participating countries including the host country                      (c) An event period of at least 3 days</p>		
IT	Hardware	Manufacturing of electrical wires/cables	Manufacturing of equipment for the manufacturing of semiconductors and flat panel displays	Manufacturing of vacuum devices/apparatuses
		Manufacturing of office appliances	Manufacturing of service/entertainment related equipment	Manufacturing of meters/measuring/testing/surveying/scientific instruments and equipment
		Manufacturing of optical equipment and lenses	Manufacturing of electronic devices	Manufacturing of electronic parts
		Manufacturing of recording media	Manufacturing of electronic circuits	Manufacturing of unit parts
		Manufacturing of other electronic parts, devices, and circuits	Manufacturing of equipment for use with electronics	Manufacturing of electronic measuring equipment
		Manufacturing of other electric and/or mechanical equipment	Manufacturing of communications equipment and related equipment	Manufacturing of audiovisual equipment
		Manufacturing of electronic calculation equipment and related equipment	Manufacturing of information recordings (other than printed materials such as newspapers and books)	
	Information Communication	Software development subcontracting	Embedded software	Software packages
		Game software	Portal site server management	Application service content provider
		Internet utilization support business	Accreditation bodies related to the above IT industry	
Manufacturing industry	Research, development, application, and manufacturing of micromachines	Manufacturing of laser equipment	Manufacturing of robots	
	Manufacturing of automobiles/related accessories	Manufacturing of aircraft/related accessories	Manufacturing of equipment for the space industry	
	Manufacturing of train cars/related accessories	Development of marine vessels and marine resource development equipment	Manufacturing of plant related equipment	
	Research, development, application, and manufacturing of high-tech materials	Accreditation bodies related to the above Manufacturing industry		
Innovative Solutions	AI technology utilization business	Biotechnology utilization business	Quantum technology utilization business	
	Safety and security business	Agricultural business	Other priority business*	

\*Fields categorized as the most advanced and important fields in the Integrated Innovation Strategy 2019  
 In the field of innovative solutions, submission of documents to confirm the business contents prior to application may be required.

Effective as of April 2021