

Program Regulations for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy

1. Purpose

1. The purpose of these Program Regulations is to promote business locations in Fukuoka Prefecture in order to prevent the hollowing out of the Prefecture's local industries and to concentrate and revitalize financial functions by providing the Fukuoka Prefecture Business Location Promotion Subsidy (hereinafter, the "Subsidy") within the budget for initial investments to establish Business Facilities (as defined in 1-2 below) by companies intending to launch business operations in Fukuoka Prefecture, thereby facilitating industry concentration and revitalization and expanding employment opportunities for prefectural residents, which will contribute to the economic development of the Prefecture.
2. The granting of the Subsidy shall be governed by the provisions of these Program Regulations in addition to the Fukuoka Prefecture Regulations for Granting of Subsidies, etc. (Fukuoka Prefecture Regulations No. 5 of 1958; hereinafter, the "Regulations").

1-2 Definitions

As used in these Program Regulations, the definitions of the terms listed in the following items shall be as specified in the respective items:

(1) Business Facilities

(A) Manufacturing and Business Facilities: In the case of the manufacturing industry, the term "Manufacturing and Business Facilities" means facilities for the manufacturing or processing of goods. In the case of other industries among those specified in Schedule 1, the term means those facilities that form the basis for classification into those industries. In the case of contact centers and data centers, the term means facilities for carrying out the businesses specified respectively in Schedule 1.

(B) Specified Business Facilities: Offices, research centers and training centers specified in Schedule 2.

(C) Financial Company Business Facilities: Facilities used by a foreign/foreign-affiliated financial institution, asset management company, or fintech company as defined in Schedule 3 (hereinafter, "Financial Companies") to carry out its operations.

(2) Capital Investment Amount: The amount of investment required to establish Business Facilities, which shall be the total acquisition cost of the assets listed in Schedule 4 among those listed in Article 6, items 1 through 3 and 7 of the Order for Enforcement of the Income Tax Act (Cabinet Order No. 96 of 1965) (excluding land acquisition costs and consumption taxes).

(3) Company Housing: Residential facilities for employees established within the Prefecture by companies as they launch their business operations.

(4) Company Housing Acquisition and Renovation Costs: Costs for acquiring and renovating Company Housing, which shall be limited to the total acquisition cost of the assets listed in Article 6, items 1 and 2 of the Order for Enforcement of the Income Tax Act (Cabinet Order No. 96 of 1965) (excluding land acquisition costs and consumption taxes).

(5) Operation: In the case of the manufacturing industry, the term "Operation" means starting the manufacturing or processing of products for shipment. In the case of other industries, the term means starting operations that form the basis for classification into those industries. In the case of contact centers and data centers, the term means starting the business specified respectively in Schedule 1. In the case of companies that establish Specified Business Facilities and Financial Companies, the term means starting a business at their respective Business Facilities.

(6) New Permanent Employees: Persons newly hired for Operation (including those hired within three years of the start of Operation) who are residents of the Prefecture (limited to those with Japanese nationality, permanent residents, and special permanent residents who have a certificate of residence in the Prefecture) and are employed as insured persons pursuant to the provisions of Article 7 of the Employment Insurance Act (Act No. 116 of 1974).

(7) Relocatees: Employees engaged in head office functions for Operation who have been relocated from business establishments outside the Prefecture.

(8) Initial Costs: Initial costs associated with renting Business Facilities, such as key money, membership fees, security card fees, and restoration fees, that must be paid upon moving in and are not refundable to the business operator.

- (9) Consultation Fees for Experts: Expenses paid to lawyers, administrative scriveners, tax accountants, public consultants on social and labor insurance, etc., for such services as consultation and preparation and submission of documents in connection with the acquisition of licenses for financial instruments business and other legal and tax affairs.
- (10) Recruitment Expenses: Expenses paid to a provider of paid employment placement services licensed under Article 30 of the Employment Security Act or to an overseas provider of paid employment placement services for the employment of human resources who are introduced by the provider and will work at the employer's business base.
- However, if an overseas provider of paid employment placement services is used, the provider must have obtained approval for its notification, license, or filing in the country or region in which the provider is located.

2. Businesses Eligible for the Subsidy

Businesses eligible for the Subsidy shall be businesses involved in the establishment, expansion, or relocation of Manufacturing and Business Facilities in the industries specified in Schedule 1 (excluding the relocation of contact centers and road freight transport businesses), the establishment, expansion, or relocation of Specified Business Facilities specified in Schedule 2, and the establishment of facilities where Financial Services Companies specified in Schedule 3 conduct their operations provided that these facilities satisfy the granting requirements specified in Schedule 5. The calculation basis for the amount of the Subsidy shall be as specified in Schedule 5.

However, in the case of the establishment or expansion of Manufacturing and Business Facilities in the special industries specified in Schedule 6, the businesses eligible for the Subsidy shall those businesses that satisfy the granting requirements set forth in the same Schedule, and the calculation basis for the amount of the Subsidy shall also be as specified in the same Schedule.

In cases where the business that a company plans to launch is expected to have a significant impact on the local economy, and the Governor determines it to be particularly necessary, eligibility for the Subsidy shall be determined separately.

The base date for determining whether the granting requirements are satisfied shall be the start date of Operation.

The Subsidy for Manufacturing and Business Facilities and the Subsidy for Specified Business Facilities may be used together.

2-2. Parties Ineligible for the Subsidy

Parties listed in the following items shall not be eligible for the Subsidy.

- (1) An organized crime group or a member of an organized crime group;
- (2) A business operator whose business owner or officer is a member of an organized crime group;
- (3) A business operator that has a close relationship with an organized crime group or a member of an organized crime group;
- (4) A business operator engaged in a business that falls under the category of the amusement business as defined in Article 2, paragraph (1) of the Act on Control and Improvement of Amusement Business (Act No. 122 of 1948) or of a sex-related business as defined in Article 2, paragraph (5) of the same Act; and
- (5) A business operator in which Fukuoka Prefecture or municipalities within the prefecture have invested.

3. Target Period

The Subsidy will be granted to companies that establish, expand, or relocate Business Facilities if they start Operation pertaining to the relevant business during the period from the day on which these Guidelines come into effect to March 31, 2028.

4. Business Approval

1. A person who wishes to receive the Subsidy (hereinafter, "Applicant") shall submit a Business Approval Application Form (Form No. 1) to the Governor via the municipality where the relevant Business Facility is located before construction of the Business Facility begins (or before the lease agreement is concluded if the facility is leased).
2. When an application form under the preceding paragraph is submitted, the mayor of the municipality concerned shall attach a written opinion on the business (Form No. 2) and forward it to the Governor.

3. When the Governor receives an application under the preceding paragraph and deems it eligible for the Subsidy, the Governor shall issue an Approval Notice for Eligible Business (Form No. 3) in response to the application.

5. Changes to Business Plans

1. If there is a change in the plan for a business that has been approved under the preceding paragraph, the Applicant shall obtain approval for the change by submitting an Application Form for Business Plan Change (Form No. 4) without undue delay.

2. Approval for the application under the preceding paragraph shall be given by means of an Approval Notice for Business Plan Change (Form No. 5).

6. Application for Grant of Subsidy

1. When an Applicant who has received business approval under 4. above wishes to receive the Subsidy, the Applicant shall submit an Application Form for Subsidy Grant (Form No. 6) together with the specified supporting documents to the Governor on or after the day on which Operation starts.

2. In the case referred to in the preceding paragraph, a company that wishes to receive a Subsidy of more than 500 million yen shall submit an Application Form to the Governor each fiscal year, with the maximum amount being 500 million yen per fiscal year, and the Subsidy being paid out over multiple fiscal years.

3. When an application under the preceding two paragraphs is made, a performance report as prescribed in Article 13 of the Regulations shall be deemed to have been made.

6-2. Decision on and Notification of Grant of Subsidy

When an application under the preceding paragraph is received, the Governor shall examine the content of the application and, if necessary, conduct an on-site investigation. If the Governor determines that a Subsidy should be granted, the Governor shall determine the amount of the Subsidy and notify the grant recipient that submitted the application by means of a Subsidy Grant Decision Notice (Form No. 7).

6-3. Payment of Subsidy

1. A business operator that has been approved for the grant of a Subsidy (hereinafter, "Grant Recipient") shall submit a Subsidy Payment Request Form (Form No. 8) to the Governor when it wishes to receive the Subsidy.

2. The Subsidy shall be granted in Japanese yen to a bank account in Japan.

When the expenses that form the basis for calculating the amount of Subsidy are paid in foreign currency, the exchange rate that applies shall be the Telegraphic Transfer Middle rate (TTM) of the official foreign exchange rate on the date of payment of the expenses or on a date that the Prefecture Government deems appropriate.

6-4. Revocation of a Decision to Grant a Subsidy and Return of a Subsidy

1. The Governor may revoke all or part of the decision to grant a Subsidy if the Governor finds that the Grant Recipient falls under any of the following items:

- (1) It is found that the application made pursuant to the provisions of 6. above contains false information;
- (2) It is found that the Grant Recipient falls under any of the items listed in 2-2 above; or
- (3) Operation is suspended or discontinued within five years after its commencement, except for causes beyond the control of the Grant Recipient.

2. In the case where the Governor revokes the decision to grant a Subsidy pursuant to the provisions of the preceding paragraph, if the Subsidy has already been received pursuant to the provisions of 6-3 above, the Governor shall order the return of the Subsidy within a specified period.

6-5. Maintenance of Accounting Records

The Applicant shall prepare books and related documents that clarify the status of the subsidy grant application and must retain these documents for five years after the end of the fiscal year in which the subsidy grant application is submitted. If the Subsidy is to be paid in installments pursuant to the provisions of paragraph 2 of 6. above, the Applicant shall retain these documents for five years after the end of the fiscal year in which the final subsidy grant application is submitted.

7. Miscellaneous Provisions

In addition to the matters stipulated in these Guidelines, other matters necessary for the implementation of these Program Regulations shall be stipulated separately.

8. Effective Date

With regard to businesses eligible for the Subsidy for which Business Approval Application Forms were submitted before the revision of these Program Regulations, the previous rules shall apply unless otherwise specified.

Supplementary Provisions

These Program Regulations shall come into effect on May 20, 1996 and apply to the Subsidy for the period from FY1996 to FY2027.

Supplementary Provisions

These Program Regulations shall come into effect on April 21, 1997, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY1997 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 1998, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY1998 onward.

Supplementary Provisions

These Program Regulations shall come into effect on November 9, 1999, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY1999 onward.

Supplementary Provisions

These Program Regulations shall come into effect on July 30, 2002, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2002 onward.

Supplementary Provisions

These Program Regulations shall come into effect on June 2, 2004, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2004 onward.

Supplementary Provisions

These Program Regulations shall come into effect on September 30, 2005, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2005 onward.

Supplementary Provisions

These Program Regulations shall come into effect on May 10, 2006, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2006 onward.

Supplementary Provisions

These Program Regulations shall come into effect on November 1, 2007, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2007 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2010, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2010 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 20, 2012, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2012 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2013, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2013 onward.

Supplementary Provisions

These Program Regulations shall come into effect on July 1, 2013, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2013 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2015, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2015 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2016, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2016 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2019, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2019 onward.

Supplementary Provisions

These Program Regulations shall come into effect on December 28, 2020, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2020 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2021, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2021 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2022, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2022 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 15, 2024, and the provisions of the revised Guidelines for the Granting of the Fukuoka Prefecture Business Location Promotion Subsidy shall apply to the Subsidy for the period from FY2024 onward.

Supplementary Provisions

These Program Regulations shall come into effect on April 1, 2025.

Supplementary Provisions

These Program Regulations shall come into effect on July 24, 2025.