

Overview of the Tax Reduction Fund to Countermeasure Deindustrialization

	1. Promotion of Large-Scale Investments ~Subsidy Program to Promote Investments in the Cutting-Edge Sectors of the 21st Century ~	2. Comprehensive Support for Small and Medium-Scale Investments ~Subsidy Program to Promote Investments for the Creation of New Aichi ~		3. Support for R&D and Proving Tests ~Subsidy Program to Support R&D for the Creation of New Aichi ~	
Section	Promotion of large-scale investments in cutting-edge fields	Type A	Type B	Support of R&D and proving tests which sustain high-value added manufacturing	
Purpose	<ul style="list-style-type: none"> Substantially raising the limit on subsidies for large-scale manufacturing or R&D facilities in cutting-edge fields (1 billion yen → 10 billion yen, one of the largest subsidies in Japan). The Aichi Prefectural Government aims to promote the establishment and expansion of large-scale manufacturing or R&D facilities which will have a positive impact on Aichi Prefecture's economy by means of the diffusion of enhanced technology and job creation. 	<ul style="list-style-type: none"> To stabilize business operations of local companies, the Aichi Prefectural Government provides collaborated support with municipalities for company reinvestments. By providing support, the Aichi Prefectural Government prevents a drain of companies which have supported the local economy and employment for many years. 	<ul style="list-style-type: none"> Supporting brilliant investment projects (even small scale investments) in fields occupying the core of the supply chain or expanding fields. The Aichi Prefectural Government aims to stimulate the local economy, avoid job loss, enable job creation, and contribute to the maintainance of Japan's supply chain. 	<ul style="list-style-type: none"> Supporting the R&D and proving tests performed by companies in promising fields. In addition to setting up Knowledge Hub Aichi, by providing a high-level R&D environment, the Aichi Prefectural Government aims to maintain and further develop its high-value added manufacturing. Simultaneously contributes to achieving the goal of development in aerospace industry, which is a target of the International Strategy Comprehensive Zone. 	
Overview	Overview	Overview		Overview	
Applicable fields	aerospace, environment / energy, health and longevity, advanced materials, nanotechnologies, biotechnologies, IT, and other cutting-edge technology fields approved by the Governor	1. aerospace, next generation vehicles, environment / new energies, robots, IT, health and longevity, and other fields approved by the Governor 2. All fields designated in the basic plan are based on the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities, etc.		1. aerospace, next generation vehicles, environment / new energies, robots, IT, health and longevity, and other fields approved by the Governor (For R&D only) 2. All technology fields designated by the SME Manufacturing Technology Enhancement Law 3. All technology fields supported by Aichi Center for Industry and Science Technology	
Eligible entities	Companies	Companies		Companies (Large companies, SMEs, consortiums, etc.), municipalities (only for proving tests)	
Subsidy rates	10% (5% for additional investments in existing facilities) →For R&D facilities, a subsidy rate of 20% will be applied to new facilities, and 10% in existing facilities. →For investments over 30 billion yen, the amount above 30 billion yen receives a 5% subsidy.	5% (10% in total with municipal subsidies)	10% (The rate is reduced to 5% for equipment investments at existing plants)	In general, 1/2 for large companies and 2/3 in all other cases	
Amount limit	10 billion yen (For investments under 30 billion yen, subsidies up to 1 billion yen)	500 million yen (1 billion yen in total with municipal subsidies)	1 billion yen	200 million yen In the case of SMEs, generally 100 million yen	
Subsidy requirements	【Conditions regarding investment amount】 Large companies: 5 billion yen or more SMEs: 200 million yen or more 【Conditions regarding employment】 Required increase of full-time employees Large companies: 20 employees or more SMEs: 5 employees or more → For investments over 30 billion yen, an additional increase of 10 full-time employees is necessary for every 10 billion yen of investment.	【Conditions regarding investment amount】 Large companies: 2.5 billion yen or more SMEs: 100 million yen or more →Facilities operated in Aichi Prefecture for over 20 years are eligible. 【Conditions regarding employment】 Number of full-time employees must be maintained during the supported period. Large companies: 100 or more SMEs: 25 or more	【Conditions regarding investment amount】 Large companies: 500 million yen or more (5 billion yen for②) SMEs: 20 million yen or more 【Conditions regarding employment】 ① Number of employees must be maintained for 4 years at the same level as before the Great East Japan Earthquake. ② Increase in the number of full-time employees Large companies: 20 or more SMEs: 5 or more	Following types of R&D performed by companies, etc. with a facility in Aichi. ① In the case of SMEs, consortiums, etc., in general, R&D is performed in collaboration with a public R&D institute. ② In the case of large companies, in general, R&D is performed by a consortium where industries, academia, and governments collaborate.	Applicable proving tests for companies, etc. to perform in Aichi. ① Proving tests which utilize next-generation technologies or local strengths and are performed in collaboration with municipalities. ② Proving tests which can enhance the technologies related to next-generation growth fields, or commercially viable technologies that improve Aichi industry's competitiveness.
Eligible expenses	<ul style="list-style-type: none"> Expenses for the acquisition of fixed assets (excluding land cost) - Includes expenses for the construction or extension of facilities, the acquisition of machinery / equipment, and altering facilities in order to install new machinery / equipment. 	<ul style="list-style-type: none"> Expenses for the acquisition of fixed assets (excluding land cost) - Includes expenses for the construction or extension of facilities, the acquisition of machinery/equipment, and altering facilities in order to install new machinery / equipment. 		Expenses related to raw materials, machinery / equipment, commissioned transformations, commissioned tests, commissioned research, etc.	Expenses related to experiment equipment and systems, facility operations, necessary expenses for collaborators performing experiments, etc.