

Act on Regulation of Execution of Budget Pertaining to Subsidies, etc.

(Act No. 179 of August 27, 1955)

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Chapter I General Provisions

Article 1 Purpose

The purpose of this Act is to prescribe matters related to application for and decision on granting of Subsidies, etc., and basic matters related to the execution of budget pertaining to Subsidies, etc. in order to prevent unlawful application for granting of Subsidies, etc. and unlawful use of Subsidies, etc., and to regulate the execution of budget pertaining to Subsidies, etc. and the decision on granting of Subsidies, etc.

Article 2 Definitions

(1) In this Act, "Subsidies, etc." means the following items granted by the Government to persons other than the Government.

- (i) Subsidies
- (ii) Share of expenses (excluding share of expenses based on international treaties)
- (iii) Interest subsidies
- (iv) Other grants specified in Cabinet Orders involving no commensurate performance in return

(2) In this Act, "Subsidized Work, etc." means an operational matter or work that is subject to Subsidies, etc.

(3) In this Act, "Subsidized Work Enterprise, etc." means a person engaged in Subsidized Work, etc.

(4) In this Act, "Indirect Subsidies, etc." means the following items.

- (i) Grants involving no commensurate performance in return that are granted by persons other than the Government, which are directly or indirectly financed in whole or in part by Subsidies, etc., and which are granted in accordance with the purpose of the said Subsidies, etc.
- (ii) Funds loaned at a reduced interest rate by a person given a grant specified in the preceding item as an interest subsidy or for the purpose of interest reduction, which are extended in accordance with the purpose of the grant.

(5) In this Act, “Indirectly Subsidized Work, etc.” means an operational matter or work that is subject to grants specified in item (i) of the preceding paragraph or loan of funds specified in item (ii) of the said paragraph.

(6) In this Act, “Indirectly Subsidized Work Enterprise, etc.” means a person engaged in Indirectly Subsidized Work, etc.

(7) In this Act, “Ministry or Agency” means those government ministries and agencies specified in Article 21 of the Public Finance Act (Act No. 34 of 1947), and “Head of Ministry or Agency” means the head of government ministries and agencies specified in Article 20-2 of the said Act.

Article 3 Duties of Concerned Persons

(1) The Head of Ministry or Agency shall, in the execution of budget pertaining to Subsidies, etc. that come under its jurisdiction, pay special attention to the fact that Subsidies, etc. are financed by taxes collected from the public and other precious sources of revenue, and shall endeavor to ensure the just and efficient use of Subsidies, etc. in accordance with the provisions of laws and ordinances and budget.

(2) Subsidized Work Enterprises, etc. and Indirectly Subsidized Work Enterprises, etc. shall pay attention to the fact that Subsidies, etc. are financed by taxes collected from the public and other precious sources of revenue, and shall endeavor to faithfully implement Subsidized Work, etc. or Indirectly Subsidized Work, etc. in accordance with the provisions of laws and ordinances and purpose of the granting of Subsidies, etc., or in accordance with the purpose of the Indirect Subsidies, etc. granted or the purpose of loans granted.

Article 4 Relationship to Other Laws and Ordinances

Subsidies, etc. are subject to the provisions of this Act, exclusive of matters specifically provided for in other laws, orders based on such laws, or orders for the implementation of such laws.

Chapter II Application for and Decision on Granting of Subsidies, etc.

Article 5 Application for Granting of Subsidies, etc.

A person intending to apply for granting of Subsidies, etc. (including application for contract; the same shall apply hereinafter) shall, in accordance with the provisions of Cabinet Orders, submit to the responsible Head of Ministry or Agency an application indicating the purpose and description of the Subsidized Work, etc., necessary expenses for the Subsidized Work, etc. and other necessary matters. The said application shall be accompanied by documents specified by the Head of Ministry or Agency, and shall be submitted within the time specified.

Article 6 Decision on Granting of Subsidies, etc.

(1) When an application has been filed, the Head of Ministry or Agency shall examine the documents, etc. pertaining to the application and shall undertake on-site inspections, etc. as needed to investigate the following matters: whether the granting of Subsidies, etc. under the said application violates laws or ordinances or budget; whether the purpose and description of the Subsidized Work, etc. are appropriate; and whether the calculation of amounts is correct. When it is recognized that Subsidies, etc. should be granted, the Head of Ministry or Agency shall make a decision on the granting of Subsidies, etc. (including decision on acceptance of contract; the same shall apply hereinafter) without delay.

(2) The Head of Ministry or Agency shall specify and act to publicize an appropriate duration of time normally needed for rendering a decision on the granting of Subsidies, etc. from the time an application for granting of Subsidies, etc. is received. (When, in accordance with provisions of laws and ordinances, the said application is to be submitted to an organization other than the said Head of Ministry or Agency, the time normally needed for the said application to be delivered to the Head of Ministry or Agency from the time the said application is received at the offices of the said organization shall be added to the said duration.)

(3) With regard to paragraph (1) above, the Head of Ministry or Agency may, when necessary for purposes of ensuring the appropriate granting of Subsidies, etc., render a decision on the granting of Subsidies, etc. following revision of matters indicated in the application for the granting of the said Subsidies, etc.

(4) When, in accordance with the provisions of the preceding paragraph, a decision is to be rendered following revision of matters indicated in the application for granting of Subsidies, etc., measures shall be taken to avoid rendering the performance of the Subsidized Work, etc. related to the application unduly difficult.

Article 7 Terms and Conditions of Granting of Subsidies, etc.

(1) When rendering a decision on the granting of Subsidies, etc., the Head of Ministry or Agency may attach terms and conditions concerning the following matters as deemed necessary for the achievement of the purposes of the granting of Subsidies, etc. as specified in laws and ordinances and budget.

(i) Approval of the Head of Ministry or Agency shall be obtained when revising the allocation of necessary expenses for Subsidized Work, etc. (excluding minor revisions specified by the Head of Ministry or Agency).

(ii) Matters pertaining to contracts entered into for the performance of Subsidized Work, etc., and matters pertaining to the use of funds in Subsidized Work, etc.

(iii) Approval of the Head of Ministry or Agency shall be obtained when revising the content of Subsidized Work, etc. (excluding minor revisions specified by the Head of Ministry or Agency).

(iv) Approval of the Head of Ministry or Agency shall be obtained when suspending or terminating Subsidized Work, etc.

(v) When Subsidized Work, etc. cannot be completed within the scheduled period of time, or when performance of Subsidized Work, etc. is rendered difficult, the matter shall be reported without delay to the Head of Ministry or Agency and instructions received.

(2) The Head of Ministry or Agency may attach the condition that the Subsidized Work Enterprise, etc. shall repay to the Government an amount equivalent to the whole or part of the Subsidies, etc. that it has received if it is recognized that the said Subsidized Work Enterprise, etc. has profited substantially from the completion of the Subsidized Work, etc., on the condition that such repayment does not contravene the purpose of the granting of the said Subsidies, etc.

(3) In addition to the terms and conditions provided in the preceding two paragraphs, the provisions of the preceding two paragraphs shall not prevent the Head of Ministry or Agency from attaching other terms and conditions deemed necessary for achieving the purpose of the granting of Subsidies, etc. as stipulated in laws and ordinances and budget.

(4) Terms and conditions attached to a decision on the granting of Subsidies, etc. shall be fair and equitable, and shall not go beyond necessary limits for the achievement of the purpose of Subsidies, etc. to constitute unjust interference in the Subsidized Work Enterprise, etc.

Article 8 Notification of Decision

When the Head of Ministry or Agency has rendered a decision on the granting of Subsidies, etc., it shall notify the applicant for granting of Subsidies, etc. without delay. Such notification shall include the details of the decision, and the relevant terms and conditions when such terms and conditions have been attached.

Article 9 Withdrawal of Application

(1) When an applicant for granting of Subsidies, etc. has received a notification specified in the preceding article and is unsatisfied with the contents of the decision on the granting of Subsidies, etc. pertaining to the said notification or attached terms and conditions, it may withdraw its application within the period specified by the Head of Ministry or Agency.

(2) When an application has been withdrawn pursuant to the provisions of the preceding paragraph, the decision on granting Subsidies, etc. pertaining to the application shall be deemed null and void.

Article 10 Cancellation, etc. of Decision Due to Change in Situation

(1) When the Head of Ministry or Agency has rendered a decision on the granting of Subsidies, etc. and special need arises due to a subsequent change in the situation, it may cancel the whole or part of its decision of the granting of Subsidies, etc., or it may change the content of its decision or the terms and conditions attached to the decision. However, this shall not apply to portions of the Subsidized Work, etc. that have already been completed.

(2) The cancellation of decision on the granting of Subsidies, etc. by the Head of Ministry or Agency as stipulated in the preceding paragraph is

limited to instances where a natural disaster or a change in the situation occurring after the decision on the granting of Subsidies, etc. has rendered the whole or part of the Subsidized Work, etc. unnecessary, or in other instances specified in Cabinet Orders where cancellation is deemed necessary.

(3) The Head of Ministry or Agency shall, in accordance with Cabinet Orders, grant Subsidies, etc. for operational matters or work that specifically have been rendered necessary by the cancellation of decision on granting of Subsidies, etc. as specified in paragraph (1) above.

(4) The provisions of Article 8 apply mutatis mutandis to dispositions under the provisions of paragraph (1) above.

Chapter III Performance, etc. of Subsidized Work, etc.

Article 11 Performance of Subsidized Work, etc. and Indirectly Subsidized Work, etc.

(1) A Subsidized Work Enterprise, etc. shall perform Subsidized Work, etc. with due care of a prudent manager and in accordance with the provisions of laws and ordinances, the contents of decisions on the granting of Subsidies, etc. and the terms and conditions attached to such decisions, and dispositions undertaken by the Head of Ministry or Agency based on laws and ordinances, and shall at no time use Subsidies, etc. for other purposes. (With regard to Interest Subsidies, this means that failure to use Interest Subsidies for reducing loan or interest payments, which constitutes the purpose of the grant, contravenes the purpose of the Subsidies, etc. received; the same shall apply hereinafter.)

(2) An Indirectly Subsidized Work Enterprise, etc. shall perform Indirectly Subsidized Work, etc. with due care of a prudent manager and in accordance with the provisions of laws and ordinances and the purpose of the Indirect Subsidies, etc. or the loan, and shall at no time use Indirect Subsidies, etc. for other purposes. (With regard to grants for interest reduction as specified in Article 2, paragraph (4), item (i), this means that failure to use such grants to reduce loan or interest payments, which constitutes the purpose of the grant, contravenes the purpose of the Indirect Subsidies, etc. received. With regard to funds specified in Article 2, paragraph (4), item (ii), this means failure to use the funds loaned in accordance with the specified purpose constitutes unlawful receipt of interest reduction. The same shall apply hereinafter.)

Article 12 Progress Report

Subsidized Work Enterprises, etc. shall, in accordance with provisions specified by the Head of Ministry or Agency, submit reports to the Head of Ministry or Agency on progress in the performance of Subsidized Work, etc.

Article 13 Performance Order to Subsidized Work Enterprises, etc.

- (1) When the Head of Ministry or Agency deems, based on reports submitted by a Subsidized Work Enterprise, etc., that the Subsidized Work, etc. is not being performed in accordance with the contents of the decision on granting of Subsidies, etc. or attached terms and conditions, it may issue an order to the said Subsidized Work Enterprise, etc. to perform the Subsidized Work, etc. in accordance with the same.
- (2) When a Subsidized Work Enterprise, etc. is found to be in violation of the order specified in the preceding paragraph, the Head of Ministry or Agency may temporarily suspend the performance of the pertinent Subsidized Work, etc.

Article 14 Completion Report

Subsidized Work Enterprises, etc. shall, in accordance with provisions specified by the Head of Ministry or Agency, submit reports to the Head of Ministry or Agency upon completion of a Subsidized Work, etc. (including approved termination of Subsidized Work, etc.). Such reports shall indicate the results of the Subsidized Work, etc. and be accompanied by documents specified by the Head of Ministry or Agency. The same shall apply when the Government's accounting year covering the period in which the decision on granting of Subsidies, etc. has been rendered comes to an end.

Article 15 Determination, etc. of the Amount of Subsidies, etc.

Upon receiving a report on completion or termination of a Subsidized Work, etc., the Head of Ministry or Agency shall examine the said report and related documents and undertake on-site inspections as needed to investigate whether the results of the Subsidized Work, etc. are in compliance with the contents of the decision on the granting of the Subsidies, etc. and the attached terms and conditions. If deemed to be in compliance, the Head of Ministry or Agency shall determine the amount of Subsidies, etc. to be granted and notify the pertinent Subsidized Work Enterprise, etc.

Article 16 Corrective Measures

- (1) When upon receiving a report on completion or termination of a Subsidized Work, etc., the Head of Ministry or Agency determines that the results of the Subsidized Work, etc. are not in compliance with the contents of the decision on the granting of the Subsidies, etc. and the attached terms and conditions, the Head of Ministry or Agency may order the pertinent Subsidized Work Enterprise, etc. to take measures to bring the Subsidized Work, etc. into compliance.
- (2) The provisions of Article 14 apply mutatis mutandis to Subsidized Work, etc. undertaken in accordance with the order specified under the provisions of the preceding paragraph.

Chapter IV Return, etc. of Subsidies, etc.

Article 17 Cancellation of Decision

- (1) The Head of Ministry or Agency may cancel the whole or part of a decision rendered on the granting of Subsidies, etc. when a Subsidized Work Enterprise, etc. has used Subsidies, etc. for other purposes, and in relation to the Subsidized Work, etc., has acted in violation of the contents of the decision on the granting of the said Subsidies, etc. or the attached terms and conditions, or violated the provisions of other laws and ordinances or dispositions undertaken by the Head of Ministry or Agency based on the same.
- (2) The Head of Ministry or Agency may cancel the whole or part of a decision rendered on the granting of Indirect Subsidies, etc. to an Indirectly Subsidized Work Enterprise, etc. when the said Indirectly Subsidized Work Enterprise, etc. has used Indirect Subsidies, etc. for other purposes, and has acted in violation of other laws and ordinances in relation to the Indirectly Subsidized Work, etc.
- (3) The provisions of the preceding two paragraphs shall also apply after a determination has been made on the amount of Subsidies, etc. to be granted to a Subsidized Work, etc.
- (4) The provisions of Article 8 apply mutatis mutandis to instances of cancellation as specified in paragraph (1) or paragraph (2) above.

Article 18 Return of Subsidies, etc.

- (1) When a decision on granting of Subsidies, etc. has been cancelled, if Subsidies, etc. have already been paid out, the Head of Ministry or Agency shall order the return, within a specified period of time, of amounts pertaining to the portion of the Subsidized Work, etc. that has been cancelled.
- (2) When the amount of Subsidies, etc. that has already been paid out exceeds the amount of Subsidies, etc. determined to be granted to a Subsidized Work Enterprise, etc., the Head of Ministry or Agency shall order the return of the amount in excess within a specified period of time.
- (3) When Subsidies, etc. relating to a return order specified in paragraph (1) above have been cancelled pursuant to the provisions of paragraph (2) of the preceding article, the Head of Ministry or Agency may extend the period of return, or cancel the whole or part of the return order in accordance with the provisions of Cabinet Orders if unavoidable reasons are deemed to exist.

Article 19 Surcharges and Delinquency Charges

- (1) When a Subsidized Work Enterprise, etc. has been ordered to return Subsidies, etc. subsequent to dispositions under the provisions of Article 17, paragraph (1) or the provisions of other laws corresponding to the said provisions, the Subsidized Work Enterprise, etc. shall pay to the Government a surcharge calculated in accordance with the provisions of Cabinet Orders on the amount of Subsidies, etc. to be returned (when a portion has been previously returned, thereafter the amount excluding the amount previously returned) at the rate of 10.95 percent per year based on

the number of days between the day on which the Subsidies, etc. subject to the order were received and the day of return.

(2) When a Subsidized Work Enterprise, etc. has been ordered to return Subsidies, etc. and fails to do so by the specified due date, the Subsidized Work Enterprise, etc. shall pay to the Government delinquency charges calculated in accordance with the provisions of Cabinet Orders on outstanding amounts at the rate of 10.95 percent per year based on the number of days between the due date and the day of payment.

(3) With regard to instances specified in the preceding two paragraphs, the Head of Ministry or Agency may cancel the whole or part of surcharges or delinquency charges in accordance with the provisions of Cabinet Orders if unavoidable reasons are deemed to exist.

Article 20 Temporary Suspension of Other Subsidies, etc.

When a Subsidized Work Enterprise, etc. has been ordered to return Subsidies, etc. and fails to return the whole or part of Subsidies, etc. or fails to pay the whole or part of surcharges or delinquency charges, the Head of Ministry or Agency may suspend in corresponding amounts the granting of Subsidies, etc. to the said Subsidized Work Enterprise, etc. for similar operational matters or work, or may offset unpaid amounts against grants for said Subsidies, etc.

Article 21 Collection

(1) Return of Subsidies, etc. ordered by the Head of Ministry or Agency or surcharges or delinquency charges pertaining to the same may be collected in ways equivalent to coercive tax collection by the National Tax Agency.

(2) Preferential right of collection of the return of Subsidies, etc. and surcharges and delinquency charges specified in the preceding paragraph shall come after the collection of national and local taxes.

Chapter V Miscellaneous Provisions

Article 21-2 Presentation of Reasons

The Head of Ministry or Agency shall present reasons to the relevant Subsidized Work Enterprise, etc. when it cancels a decision on the granting of Subsidies, etc., orders the performance or temporary suspension of Subsidized Work, etc., or orders the implementation of corrective measures for Subsidized Work, etc.

Article 22 Restrictions on Disposal of Assets

With regard to assets specified in Cabinet Orders that have been acquired or whose utility has been increased in the course of the performance of Subsidized Work, etc., a Subsidized Work Enterprise, etc. shall not, without the approval of the Head of Ministry or Agency, use the said assets for purposes other than the granting of Subsidies, etc., or transfer,

exchange, lend or submit the said assets as collateral. This provision shall not apply when otherwise provided for in Cabinet Orders.

Article 23 On-Site Inspection, etc.

(1) When deemed necessary for ensuring the appropriate execution of budget pertaining to Subsidies, etc., the Head of Ministry or Agency may order Subsidized Work Enterprises, etc. or Indirectly Subsidized Work Enterprises, etc. to produce reports, or its officers may conduct on-site inspections of offices and places of business, inspect books and other materials, or question related persons.

(2) Officers specified in the preceding paragraph shall carry identification cards and present the same to persons subject to inspection upon request.

(3) The powers granted under paragraph (1) above shall not be construed to include the conduct of criminal investigation.

Article 24 Prevention of Unjust Interference, etc.

Government employees or Prefectural Government employees engaged in administration pertaining to the granting of Subsidies, etc. or administration pertaining to the execution of budget pertaining to Subsidies, etc. shall not unjustly prolong their administrative matters, nor shall they unjustly interfere in the affairs of Subsidized Work Enterprises, etc. or Indirectly Subsidized Work Enterprises, etc. beyond the limit of what is necessary for achieving the purpose of the granting of Subsidies, etc.

Article 24-2 Exclusion from Application of the Administrative Procedure Act

The provisions of Chapter II and Chapter III of the Administrative Procedure Act (Act No. 88 of 1993) shall not apply to dispositions of the Head of Ministry or Agency regarding the granting of Subsidies, etc.

Article 25 Administrative Appeals

(1) A Local Government Organization (including port authorities specified in the Port and Harbor Act (Act No. 218 of 1950); the same shall apply hereinafter) with objections to a decision on the granting of Subsidies, etc., cancellation of decision on the granting of Subsidies, etc., order to return Subsidies, etc. or other dispositions of the Head of Ministry or Agency related to the granting of Subsidies, etc. may, in accordance with the provisions of Cabinet Orders, file an administrative appeal with the Head of Ministry or Agency.

(2) When an administrative appeal has been filed as specified in the preceding paragraph, the Head of Ministry or Agency shall provide the appellant with an opportunity to state its views, whereupon it shall take necessary measures and notify the appellant of the same.

(3) A person with objections to the measures specified in the preceding paragraph may state its views to the Cabinet.

Article 26 Implementation of Administration

- (1) The Head of Ministry or Agency may, in accordance with the provisions of Cabinet Orders, entrust part of the administrative matters pertaining to the granting of Subsidies, etc. to the organizations and bodies of Ministries and Agencies.
- (2) The Government may, in accordance with the provisions of Cabinet Orders, entrust part of the administrative matters pertaining to the granting of Subsidies, etc. to Prefectural Governments.
- (3) The administrative matters to be performed by Prefectural Governments as specified in the preceding paragraph shall constitute Type I Statutory Entrusted Functions as specified in Article 2, paragraph (9), item (i) of the Local Autonomy Act (Act No. 67 of 1947).

Article 26-2 Exclusion from Application of the Act on Use of Information and Communications Technology in Administrative Procedure

Procedures stipulated under this Act or orders based on this Act shall not be subject to the provisions of Article 3 and Article 4 of the Act on Use of Information and Communications Technology in Administrative Procedure (Act No. 151 of 2002).

Article 26-3 Preparation of Electromagnetic Records

Applications, etc. (meaning applications, documents, and paper and other tangible objects bearing characters, diagrams and other forms of information recognizable to human perception; the same shall apply to the following article) to be prepared as stipulated under this Act or orders based on this Act may be prepared in the form of an electromagnetic record (a record made by an electronic form, a magnetic form, or any other form not recognizable to human perception, which is used in information processing by computers as specified by the Head of Ministry or Agency; the same shall apply to paragraph (1) of the following article) containing matters to be stated in an Application, etc., and submitted in place of an Application, etc. In such instances, the said electromagnetic record shall be deemed to constitute an Application, etc.

Article 26-4 Submission by Electromagnetic Method

- (1) With regard to the submission of Applications, etc. as stipulated under this Act or orders based on this Act, Applications, etc. prepared in the form of electromagnetic records may be submitted by electromagnetic methods (methods using electronic data processing systems or methods using other information communication technologies as specified by the Head of Ministries and Agencies; the same shall apply to the following paragraph).
- (2) When Applications, etc. are submitted by electromagnetic methods as specified in the preceding paragraph, the time at which the said Applications, etc. are recorded in the computer files of the intended recipient of the same shall be deemed to be the time at which the said Applications, etc. are received by the intended recipient.

Article 27 Exclusion of Application

Subsidies, etc. granted on the basis of other laws, orders based on such laws, or orders for the implementation of such laws, may be excluded from the application of some provisions of this Act as specified in Cabinet Orders.

Article 28 Delegation to Cabinet Order

In addition to what is provided in this Act, necessary matters concerning the enforcement of this Act shall be specified by a Cabinet Order.

Chapter VI Penal Provisions

Article 29

- (1) Any person who obtains the grant of Subsidies, etc., the grant of Indirect Subsidies, etc, or loans by means of misrepresentation or other unjust methods shall be punishable by imprisonment with work for not more than five years or by a fine of not more than one million yen, or both.
- (2) Any person who has knowingly granted subsidies or loans under the circumstances specified in the preceding paragraph shall be similarly punishable.

Article 30

Any person who violates the provisions of Article 11 by using Subsidies, etc. for purposes other than the intended use or using Indirect Subsidies, etc. for purposes other than the intended use shall be punishable by imprisonment with work for not more than three years or by a fine of not more than 500,000 yen, or both.

Article 31

Any person who falls under any of the following items shall be punishable by a fine of not more than 30,000 yen.

- (i) A person in violation of orders based on the provisions of Article 13, paragraph (2).
- (ii) A person in violation of laws and ordinances by reason of failing to report the results of Subsidized Work, etc.
- (iii) A person failing to submit reports as stipulated by the provisions of Article 23. A person submitting false reports, or who has refused, hindered, or avoided inspection, or who has refused to respond to questions or has made false responses.

Article 32

- (1) Where the representative person of a juridical person (including organizations without juridical personality for which representative persons or administrators have been designated; the same shall apply hereinafter in this paragraph), or an agent, employee, or other worker of a juridical person or individual has, with regard to the functions of the juridical person or individual, acted in violation of any of the preceding

three articles, not only shall the offender be punishable but also the said juridical person and said individual shall be punishable by the fine prescribed in the respective articles.

(2) In cases where an organization without juridical personality is punishable under the provisions of the preceding paragraph, the representative person or administrator thereof shall represent the organization with regard to procedural acts, and the provisions of laws concerning criminal procedures where a juridical person is the defendant shall apply mutatis mutandis.

Article 33

(1) The provisions of the preceding article shall not apply to the Government or to Local Government Organizations.

(2) In cases of violation of the provisions of Article 29 through Article 31 by the Government or by Local Government Organizations, the Head of Ministry or Agency or other employees found in violation or the head of Local Government Organizations or other employees found in violation shall be punishable as prescribed in the respective articles.

Supplementary Provisions Excerpt

1. This Act shall come into force 30 days after the day of its promulgation. However, the provisions of this Act shall not apply to Subsidies, etc. and related Indirect Subsidies, etc. that come under the budget of fiscal year 1954 or earlier.
2. Special exemptions to the provisions of this Act may be implemented by a Cabinet Order with regard to operational matters and work that have been granted Subsidies, etc. prior to the enforcement of this Act, or operational matters and work for which intent to grant Subsidies, etc. has been conveyed prior to the enforcement of this Act.

Supplementary Provisions (Act No. 148 of April 20, 1959) Excerpt

Date of Enforcement

1. This Act shall come into force on the date of enforcement of the National Tax Collection Act (Act No. 147 of 1959)

Transitional Measures on Revision of Preferential Right of Collection of Taxes and Other Public Charges

7. The provisions of the revised laws and ordinances (limited to provisions concerning the order of preferential right of collection) specified in Chapter II shall be rendered applicable where distribution procedures pursuant to procedures of compulsory conversion into money as stipulated in Article 2, paragraph (12) of the National Tax Collection Act have commenced after the enforcement of this Act. In cases where distribution procedures have commenced before the enforcement of this Act, the

provisions then in force concerning the order of preferential right of collection shall remain applicable as stipulated in the provisions of the said laws and ordinances.

Supplementary Provisions (Act No. 161 of September 15, 1962) Excerpt

1. This Act shall come into force on October 1, 1962.
2. Provisions revised by this Act shall apply to dispositions implemented by administrative agencies prior to the enforcement of this Act and to nonfeasance of administrative agencies pertaining to applications submitted prior to the enforcement of this Act, and other matters occurring prior to the enforcement of this Act, with the exception of matters that come under special provisions contained in the Supplementary Provisions; provided, however, that this shall not preclude the effects that have already come into force pursuant to the provisions prior to the revision by this Act.
3. Petitions, requests for examination, formal objections, and other appeals (hereinafter referred to as "Petitions, etc.") that have been submitted prior to the enforcement of this Act shall remain subject to the provisions then in force even after the enforcement of this Act. The same shall apply to judgments, decisions, and other dispositions (hereinafter referred to as "Judgments, etc.") rendered prior to the enforcement of this Act, and to Petitions, etc. filed prior to the enforcement of this Act in which the appellant remains dissatisfied with Judgments, etc. rendered after the enforcement of this Act.
4. With regard to those Petitions, etc. specified in the preceding paragraph that pertain to dispositions eligible for administrative appeal under the Administrative Appeal Act after the enforcement of this Act, Petitions, etc. to which laws other than this Act are applicable shall be deemed to constitute administrative appeal under the Administrative Appeal Act.
5. Administrative appeals under the Administrative Appeal Act cannot be filed against Judgments, etc. rendered after the enforcement of this Act on requests for examination, formal objections, and other appeals specified under the provisions of paragraph 3 above.
6. With regard to dispositions made by administrative agencies prior to the enforcement of this Act, those dispositions eligible for Petitions, etc. under the provisions prior to the revision by this Act and for which a period of appeal was not specified, the period during which administrative appeal can be filed under the Administrative Appeal Act shall be counted from the day on which this Act comes into force.
- 7.
8. With regard to penal provisions applicable to acts prior to the enforcement of this Act, the provisions then in force shall remain applicable.
9. In addition to what is provided in paragraph 8 above, necessary matters concerning transitional measures for the enforcement of this Act shall be specified by a Cabinet Order.

Supplementary Provisions (Act No. 13 of April 1, 1970) Excerpt

Article 1 Date of Enforcement

This Act shall come into force on the day of its promulgation.

Supplementary Provisions (Act No. 89 of November 12, 1993) Excerpt

Article 1 Date of Enforcement

This Act shall come into force on the day of the enforcement of the Administrative Procedure Act (Act No. 88 of 1993)

Article 2 Transitional Measures related to Adverse Dispositions on which Consultation, etc. Was Filed

Where, pursuant to laws or ordinances prior to the enforcement of this Act, a consultation or other request has been filed with a council or other organization adopting a council system to the effect that procedures of hearing or grant of opportunity for explanation prescribed in Article 13 of the Administrative Procedure Act, or other procedures equivalent to the procedures of statement of opinions shall be taken, with regard to procedures for adverse dispositions pertaining to the consultation or request, the provisions then in force shall remain applicable, notwithstanding the provisions of relevant acts revised by this Act.

Article 13 Transitional Measures related to Penal Provisions

With regard to penal provisions applicable to acts prior to the enforcement of this Act, the provisions then in force shall remain applicable.

Article 14 Transitional Measures Accompanying the Arrangement of Provisions on Hearings

Hearings or hearing meetings held pursuant to the provisions of an act prior to the enforcement of this Act (excluding those pertaining to adverse dispositions) or procedures thereof shall be deemed to have been conducted pursuant to the corresponding provisions of the relevant act revised by this Act.

Article 15 Delegation to Cabinet Order

In addition to what is prescribed in Article 2 through the preceding article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act shall be specified by a Cabinet Order.

Supplementary Provisions (Act No. 87 of July 16, 1999) Excerpt

Article 1 Date of Enforcement

This Act shall come into force on April 1, 2000. However, the provisions in the items below shall come into force on the day prescribed in the item.

(i) The provision for revision in Article 1 to add five Articles, Section heading, two Subsections and Subsection headings after Article 250 of the Local Autonomy Act (limited to the portion pertaining to paragraph (1), Article 250-9 of such Act (limited to the portion pertaining to obtaining the consent of both Houses of the Diet)); the provision in Article 40 to revise paragraphs (9) and (10) of the Supplementary Provisions of the Natural Parks Act (limited to the portion pertaining to paragraph (10) of such Supplementary Provisions); the provision of Article 244 (excluding the portion pertaining to the provision to revise Article 14-3 of the Agricultural Improvement Promotion Act) and the provision of Article 472 (excluding the portion pertaining to the provisions to revise Article 6, Article 8 and Article 17 of the Act on Special Provisions of the Merger of Municipalities); and the provisions of Article 7, Article 10, Article 12, the proviso to Article 59, paragraphs (4) and (5) of Article 60, Article 73, Article 77, paragraphs (4) to (6) of Article 157, Article 160, Article 163, Article 164 and Article 202 of the Supplementary Provisions: the date of promulgation.

Article 159 Administrative Matters of the Government, etc.

In addition to matters specified by the respective laws in force prior to the revision of this Act, those administrative matters of the Government, other Local Government Organizations and other public organizations (referred to as "Administrative matters of the Government, etc." in Article 161 of the Supplementary Provisions) that, prior to the enforcement of this Act, were managed or implemented by agencies of Local Government Organizations pursuant to laws or Cabinet Orders based on such laws shall, following the enforcement of this Act, be performed by Local Government Organizations pursuant to laws or Cabinet Orders based on such laws as administrative matters specific to the relevant Local Government Organization.

Article 160 Transitional Measures related to Dispositions, Applications, etc.

(1) With regard to the application of respective revised acts after the date of enforcement of this Act, permissions given and other dispositions imposed or other acts carried out pursuant to the provisions of respective acts prior to the revision before the enforcement of this Act (with regard to the provisions listed in the items of Article 1 of the Supplementary Provisions, the respective provisions; hereinafter the same shall apply in this article and Article 163 of the Supplementary Provisions) (hereinafter referred to as the "dispositions and other acts" in this article), or applications for permission, etc. filed or other acts carried out pursuant to the provisions of respective acts prior to the revision at the time of the enforcement of this Act (hereinafter referred to as the "applications and other acts" in this article), for which the administrative matters are to be carried out by a different person on the date of enforcement of this Act,

shall be deemed to be the dispositions and other acts or the applications and other acts carried out pursuant to the corresponding provisions of the respective revised acts, except those prescribed in the provisions of Article 2 to the preceding article of the Supplementary Provisions and in the provisions concerning transitional measures in the respective revised acts (including orders based thereon).

(2) With regard to matters for which reports, notifications, and submissions must be filed with the Government or Local Government Organizations and other procedures must be performed as mandated under the provisions of respective acts prior to the revision before the enforcement of this Act, but for which such reports, notifications, submissions, and procedures have not been implemented prior to the enforcement of this Act, reports, notifications, and submissions to be filed with the Government or Local Government Organizations and other procedures as mandated under the respective revised acts, except those prescribed in the provisions of this Act and Cabinet Orders based on this Act, shall be deemed not to have been implemented, and the provisions of the respective acts revised by this Act shall be applied.

Article 161 Transitional Measures related to Appeal

(1) With regard to appeals to dispositions related to administrative matters of the Government, etc. undertaken prior to the enforcement of this Act by an administrative agency (hereinafter referred to as "Disposing Agency" in this article) and pursuant to the Administrative Appeal Act prior to the enforcement of this Act where the Disposing Agency came under a higher administrative agency (hereinafter referred to as "Higher Administrative Agency" in this article) as prescribed under the said Act, it shall be deemed that the Disposing Agency comes under a Higher Administrative Agency even after the enforcement of this Act, and the provisions of the Administrative Appeal Act shall apply. In such cases, the administrative agency to be deemed to be the Higher Administrative Agency of the Disposing Agency shall be the administrative agency that was the Higher Administrative Agency of the Disposing Agency prior to the enforcement of this Act.

(2) In the case specified in the preceding paragraph, if the administrative agency deemed to be the Higher Administrative Agency is an organ of a Local Government Organization, the matters to be disposed of by the said organ under the provisions of the Administrative Appeal Act shall constitute Type I Statutory Entrusted Functions as prescribed under Article 2, paragraph (9), item (i) of the revised Local Autonomy Law.

Article 162 Transitional Measures related to Fees

With regard to fees payable under the provisions of respective acts prior to the revision before the enforcement of this Act (including orders based thereon), the provisions then in force shall remain applicable, except those prescribed in the provisions of this Act and Cabinet Orders based on this Act.

Article 163 Transitional Measures related to Penal Provisions

With regard to penal provisions applicable to acts prior to the enforcement of this Act, the provisions then in force shall remain applicable.

Article 164 Delegation of Other Transitional Measures to Cabinet Order

(1) In addition to what is provided in the Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including transitional measures related to penal provisions) shall be specified by a Cabinet Order.

(2) Necessary matters concerning the application of the provisions of Article 18, Article 51 and Article 184 of the Supplementary Provisions shall be specified by a Cabinet Order.

Matters to be Considered

Article 250

With regard to Type I Statutory Entrusted Functions as prescribed under Article 2, paragraph (9), item (i) of the revised Local Autonomy Law, efforts shall be made to avoid as much as possible the addition of new functions. Type I Statutory Entrusted Functions listed in Appended Table 1 of the revised Local Autonomy Act and those specified in Cabinet Orders based on the revised Local Autonomy Act shall be examined from the perspective of promoting decentralization, and shall be reviewed when needed and appropriately revised.

Article 251

In order to ensure that Local Government Organizations are able to perform administrative matters and work independently and autonomously, the Government shall examine means to secure and allocate sufficient fiscal resources of local tax revenue in line with the division of responsibilities between the Government and Local Government Organizations. Such examination shall take into consideration developments in economic conditions, and necessary measures shall be implemented based on the results of the examination.

Article 252

The Government shall, in line with reforms implemented in the health insurance system, the public pension system, etc., examine such matters as social insurance administration systems, the status of employees working in these areas, etc., and implement, when deemed necessary, necessary measures based on the results of the examination from the perspective of ensuring greater convenience to insured persons, etc. and improving the efficiency of administration.

Article 1 Date of Enforcement

This Act shall come into force on the date of enforcement of the Act on Use of Information and Communications Technology in Administrative Procedure (Act No. 151 of 2002).

Article 4 Transitional Measures related to Penal Provisions

With regard to penal provisions applicable to acts prior to the enforcement of this Act, the provisions then in force shall remain applicable.

Article 5 Delegation of Other Transitional Measures to Cabinet Order

In addition to what is prescribed in the preceding three articles of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act shall be specified by a Cabinet Order.