

Overview of the Supplementary Budget for FY2023

(billion yen)

Expenditures		Revenues	
1. Protecting people's lives from price hikes	2,736.3	1. Tax revenues	171.0
2. Achieving sustainable wage increases and income increase, including in local firms and SMEs, and growth in regional economies	1,330.3		
3. Promoting domestic investment that contributes to strengthening and upgrading growth potential	3,437.5		
4. Overcoming population decline and launching and driving social transformation that turns changes into power	1,340.3	2. Non-tax revenues	762.1
5. Ensuring People's Safety and Security (building national resilience and disaster prevention and mitigation)	4,282.7	(1) Revenue for building up defense capability	222.2
		(2) Others	539.9
Subtotal (expenses related to the economic stimulus measures) (Note 2)	13,127.2		
6. Other expenses	1,485.1	3. Surplus from the previous fiscal year	3,391.1
(1) Transfer to the funds for building up defense capability	1,039.0		
(2) Others	446.0		
7. Transfer to the Special Account for the National Debt Consolidation Fund	1,314.7		
8. Local allocation tax grants	782.0	4. Government bond issuance	8,875.0
9. Reduction in previously approved expenses	-3,509.8	(1) Construction bonds	2,510.0
(1) Contingency fund for COVID-19 and measures to address soaring crude oil and commodity prices (Note 3)	-2,000.0	(2) Special deficit-financing bonds	6,365.0
(2) Contingency fund for Economic Emergency (including the impact from the Ukraine Crisis)	-500.0		
(3) Others	-1,009.8		
Total	13,199.2	Total	13,199.2

(Note 1) Figures may not add to the totals due to rounding.

(Note 2) The total of the expenses related to the economic stimulant measures, the expenses for a fixed amount of income tax cut, and related expenses is expected to be between 17 and 17.5 trillion yen.

(Note 3) The "contingency fund for COVID-19 and measures to address soaring crude oil and commodity prices" is changed to the "contingency fund for measures to address soaring crude oil and commodity prices and for measures to develop an environment for promotion of wage hikes."

Overview of the Supplementary Budget for FY2023

I. Protecting people's lives from price hikes	2,736.3 bn
1. Support for households and businesses in the difficulties caused by price hikes	2,480.7 bn
○ Focused support grant for local governments [support for low-income households: 1,059.2 bn; support for encouraged projects: 500.0 bn]	
○ Mitigation measures against sudden fluctuations in the price of electricity, gas, and fuel oil [794.8 bn] (about 3.9 tn including the previously approved expenses)	etc.
2. Improving the resilience of the economy and society against energy cost hikes	255.6 bn
○ Promotion of energy efficiency and renewable energy for households and housing [239.9 bn*] (432.9 bn including the special account*)	etc.
II. Achieving sustainable wage increases and income increase, including in local firms and SMEs, and growth in regional economies	1,330.3 bn
1. Creating an environment for wage hikes among SMEs, addressing labor shortages, supporting for further wage hikes through improvement of productivity	599.1 bn
○ SME labor-saving investment subsidy program [100.0 bn] (formerly SME business reconstruction promotion project; 500.0 bn including the existing fund)	
○ SME large-scale investment subsidy [100.0 bn]	
○ Wage increase for long-term care workers [58.1 bn]	etc.
2. Promotion of the trinity labor market reforms to achieve structural wage increases	13.1 bn
○ Career development support through upskilling and reskilling [9.7 bn]	etc.
3. Spreading of the recovery trend to regional economies and expansion of economic interaction	718.1 bn
○ Production of dry-field crops as main crops through the conversion of paddy fields into dry fields [75.0 bn]	
○ Expansion of exports of agricultural, forestry and fishery products and food products [36.0 bn*]	
○ Expand inbound tourism through the promotion of measures to attract visitors to local areas, the revitalization and creation of high added value in tourist sites and the tourism industry, etc. [68.9 bn]	etc.
III. Promoting domestic investment that contributes to strengthening and upgrading growth potential	3,437.5 bn
1. Further expansion of domestic investment to raise the potential growth rate by improving productivity and strengthening supply capacity	2,930.8 bn
○ Moonshot R&D Program [214.4 bn]	
○ Specified Semiconductor Fund (advanced semiconductors) [632.2 bn]	
○ Post-5G ICT System Infrastructure Reinforcement R&D Fund (next-generation semiconductors) [617.5 bn] (645.6 bn including the special account)	
○ Support fund for ensuring stable supply (conventional semiconductors, etc.) [294.8 bn] (575.4 bn including the special account)	
* As support measures related to semiconductors, 2 trillion yen including the special account and the existing fund	

- Promotion of energy efficiency and renewable energy for factories, offices, and buildings, etc. [48.8 bn*] (150.9 bn including the special account*)
- Development of computational resources for generative AI, etc. [69.0 bn] (185.6 bn including the Support fund for ensuring stable supply (cloud programs))
- Promotion of the "GIGA School Program" (renewal of terminal units, etc.) [276.1 bn] etc.

2. Support for startups that lead innovation **506.8 bn**

- Space Strategy Fund [300.0 bn] ○ Promotion of the Global Startup Campus Initiative [58.1 bn] etc.

IV. Overcoming population decline and launching and driving social transformation that turns changes into power **1,340.3 bn**

- Vision for a Digital Garden City Nation promoting Grant [73.5 bn*]
- Maintenance and revitalization of regional public transportation services [27.9 bn]
- Standardization and unification of local government information systems [516.3 bn]
- Promotion of use of and improvement of the environment for "My Number Cards" as health insurance certificates [88.7 bn]
- Improvement of the environment for acquisition of "My Number Cards", etc. [89.9 bn]
- Promotion of use of and improvement of the environment for electronic prescriptions [25.1 bn]
- Measures to achieve innovation in logistics [15.9 bn] ○ Measures related to dementia [40.9 bn*]
- Trial program for the full-fledged implementation of the program for all child-rearing households to use daycare centers [9.1 bn] etc.

V. Ensuring People's Safety and Security (building national resilience and disaster prevention and mitigation) **4,282.7 bn**

- Recovery from disasters [425.9 bn] ○ Appropriate response to a changing security environment by JSDF, etc. [808.0 bn]
- Measures for disaster prevention and mitigation and national resilience (public work expenses) [1,302.2 bn] (2.2 tn for the total public work expenses*)
- Urgent comprehensive grants to cope with COVID-19 (securing hospital beds, etc.) [614.3 bn]
- Measures against pollen allergy [6.0 bn]
- Aid for and cooperation with Global South countries (Asia (ASEAN, etc), island countries, Middle East, Africa) [318.2 bn]
- Support for Ukraine and countries around Ukraine [148.1 bn]
- Strengthening support for victims of sexual crime and sexual violence [2.9 bn] etc.

■ Total additional spending of the Supplementary Budget (General Account) **13,127.2 bn**

■ + Expenses for a fixed amount of income tax cut + Related expenses **Between 17 and 17.5 tn**

* The amount includes projects organized under other pillars.

(Reference 1) As part of the financial sources for the additional spending, a total of 2.5 trillion yen obtained by reducing the contingency fund for COVID-19 and measures to address soaring crude oil and commodity prices and the contingency fund for economic emergency (including the impact from the Ukraine Crisis) will be used.

(Reference 2) In the supplementary budget for FY2023, additional financial demand, such as fuel purchase expenses [446.0 bn], is recorded in addition to the expenses related to the economic stimulus measures mentioned above.

(Reference 3) Additional spending of 1,165.2 billion yen is also recorded in the Special Account for Energy Measures.