

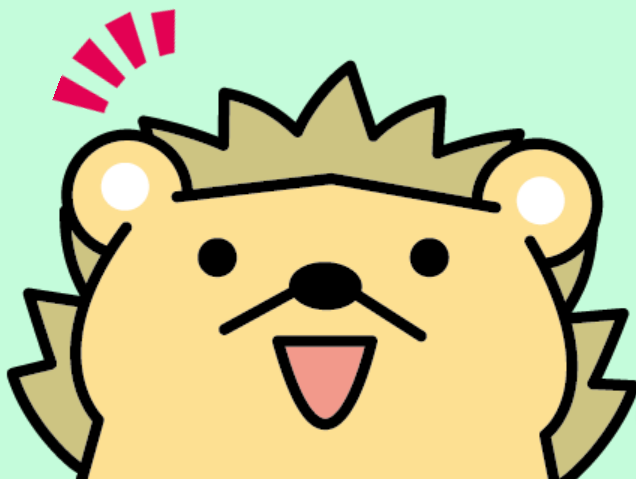
Meri



All you need is
just **5** minutes!

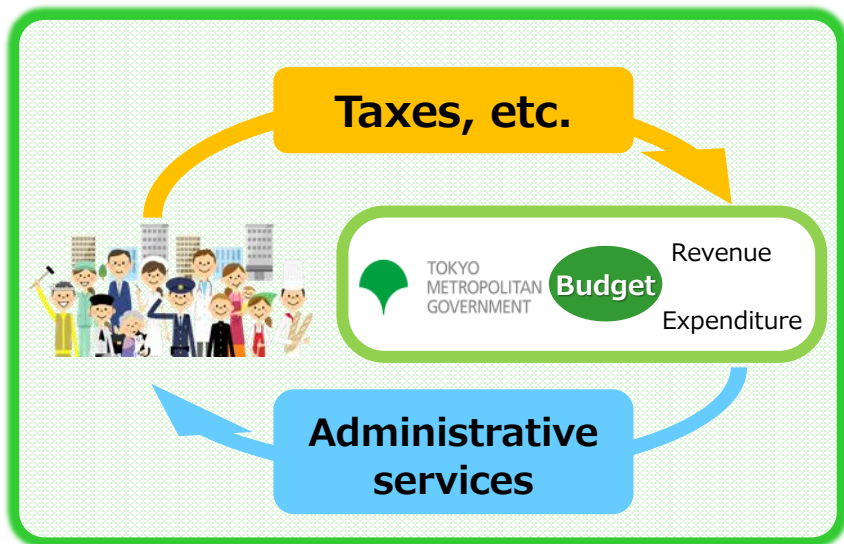
\\ Learning with Meri and Hari /

The Guide to Tokyo's FY2025 Budget Proposal



Hari

What is Tokyo's budget?



The estimated revenues and expenditures for one fiscal year are compiled in a budget.

The Tokyo Metropolitan Government (TMG) uses the taxes paid by the residents of Tokyo to provide administrative services, including disaster prevention and welfare measures.



I see.

It's like an annual business plan!



How big is the budget?

About the same size as some national budgets: **17.8 trillion yen**

| Account Type | FY2025 Budget | Remarks |
|----------------------------|------------------|--|
| Total accounts | JPY 17.8T | |
| General account | JPY 9.2T | For administrative services such as disaster prevention and welfare measures, based on taxes |
| Special accounts | JPY 6.7T | For specific objectives such as management of metropolitan housing |
| Public enterprise accounts | JPY 2.0T | For water supply and sewerage and other enterprises managed by the TMG |

Compared to,
for example,



Switzerland's budget
14.7 trillion yen



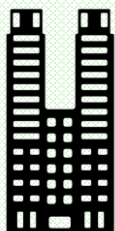
Sweden's budget
20.0 trillion yen

※ Budget amounts in yen are calculated at the exchange rates as of January 2025.

The general account budget, which is mainly prepared from taxes, is now **9.2 trillion yen**. Next, let's take a look at **the overall picture**.



Budget overview



Budget size

General account total expenditures

9.1580 trillion yen

(+705.0 billion yen, +8.3%)



General expenditures

Policy related spending

6.8978 trillion yen

(+527.6 billion yen, +8.3%)



Tax revenue

The TMG tax revenue amount, including corporate inhabitant and enterprise taxes, and fixed assets tax

6.9296 trillion yen

(+543.1 billion yen, +8.5%)



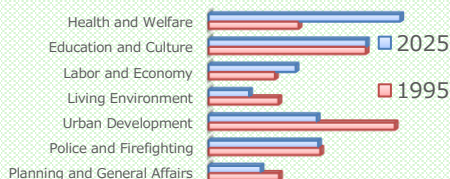
So, the FY2025 budget is bigger than last year's. Where is all that money going?

for FY2025

※The numbers in brackets () are the changes from the FY2024 budget.

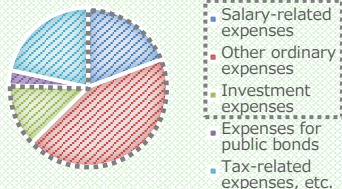
- **A budget increase over the previous year**
- **Aggressive implementation of measures (712 new projects)**

 Budget per Tokyo resident



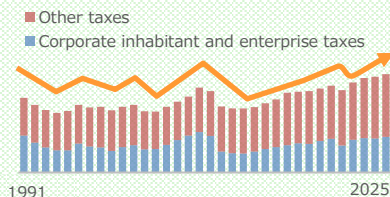
- **Increase of 527.6 billion yen** for building measures that include making Tokyo the best city in the world

 Breakdown **General expenditures**



- **Increase of 543.1 billion yen** mainly due to increases in corporate inhabitant and enterprise taxes from steady business revenues, and increases in metropolitan inhabitant tax on individuals

 Changes in metropolitan tax revenue



The budget is **primarily allocated** to measures contributing to **the three key aspects:**
Diverse City, Smart City, and Safe City.



What approaches are taken

Promotion of TOKYO meri-hari Review (policy review, project review and group cooperation project review)



✓ Policy review

✓ Project review

10 policy groups
(105 projects in total)

1,558 reviews

130.3 billion yen

※Policy review: Published policy reviews

※Project review: Published project reviews (top), Amount of finances secured (bottom)

Utilization of funds



Money is set aside in funds for future expenditure increases and other needs

✓ Balance of funds (※) : **1.6570 trillion yen**

※Based on the ordinary account

Utilization of TMG Bonds



To adjust financial resources between fiscal years and strive for intergenerational equity

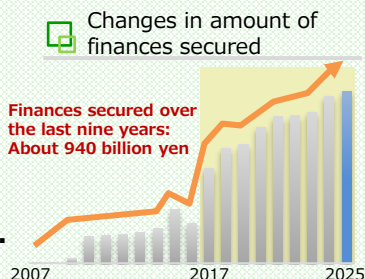
✓ TMG bonds issued : **203.4 billion yen**

✓ TMG bonds balance : **4.4431 trillion yen**

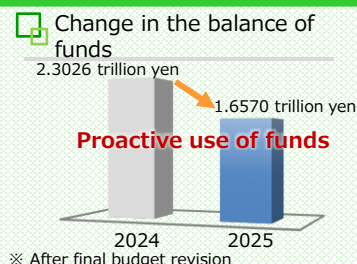
It's a budget to advance Tokyo's steps toward a sustainable future! But it seems like that will take a lot of money. **How does Tokyo secure its fiscal resources?**

in budget compilation?

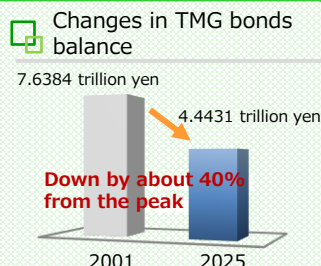
- Integrally implementing policy reviews, project reviews, and group cooperation project reviews to **build highly efficient and effective measures and projects.**



- To steadily promote greater urban resilience, etc., **funds are withdrawn and actively used as financial resources.**



- By curbing the issuance of TMG bonds, **the bonds (debt) balance has decreased by about 40% from the peak.**



That's done through various approaches in fiscal management, such as promoting TOKYO meri-hari Review, and utilizing funds and TMG bonds.



Eight Pillars of the FY2025 Budget

In order to realize a sustainable city that balances maturity and ongoing growth, the key measures to pave the way to a future Tokyo where everybody shines have been arranged under eight pillars.

A City Full of the Smiles and the Hopes of Children and Youth

Inclusive Society where Everyone Can Utilize Their Individuality and Be Successful as They Are

Financial and Economic City Driving Global Transformation and Growth

A City Full of Sophisticated Attractivity which Stimulates the World and Increases Psychological Wellness

World Model as a Decarbonized City

The World's Safest, Most Secure and Resilient City

Promotion of **Smart Tokyo** and **SHIN-TOSEI**, (Structural Reform of the TMG)

Promotion of the Tama Area and the Tokyo Islands

※The budget for each pillar includes projects that are also covered under other pillars.



Can you tell me what specific projects will be undertaken?

Okay, let's take a look at each of these **eight pillars to check out some specific projects included in the budget.**



A City Full of the Smiles and the Hopes of Children and Youth

JPY **610.3** bn

Through the provision of support that allows residents to feel more comfortable about having and raising children, and through the fostering of talent for the future, Tokyo will transform into a society where children and young people are the principal actors.



Key new and expanded projects

- Painless Delivery Expense Subsidies
- Free Childcare Fees (for the First Child)
- TMG version of the Study Abroad Program (for University Students)

etc.



Inclusive Society where Everyone Can Utilize Their Individuality and Be Successful as They Are

JPY **187.5** bn

Through the development of an environment where all can feel comfortable engaging actively in work and through the provision of support for the livelihoods of older adults, Tokyo will transform into a society where all individuals can actively participate in their own unique way.



Key new and expanded projects

- **Promotion Project for Creating the “take-home time” and Enhancing Engagement**
(support for companies that are working to introduce systems for 4-day work weeks and flex-time)
 - **Promotion Project of Measures to Prevent Customer Harassment**
 - **Issuance of Silver Pass (Discount Bus Pass for Elderly) (Reduction in User Burden)**
- etc.

Financial and Economic City Driving Global Transformation and Growth

JPY **399.4** bn

Through support for the growth of startups and for the revitalization of SMEs, Tokyo will become a city that generates innovation and drives the world.



Key new and expanded projects

- GX Innovation Promotion Support Fund (provisional name)
- Support Project for Strengthening Industrial Capabilities through Business Integration
- Growth Support Project Triggered by Business Succession

etc.



A City Full of Sophisticated Attractivity which Stimulates the World and Increases Psychological Wellness

JPY **323.8** bn

Through the active promotion of Tokyo's diverse charms,
and through efforts to build a sustainable city where
everyone can live comfortably, Tokyo will become the
“world's city of choice.”



Key new and expanded projects

- **Project to Promote the Utilization of Edo-era Cultural Properties in Tourism City Development**
- **Support for Fostering Animators Aiming for Global Expansion**
- **Promotion of Affordable Housing Supply through Financial Schemes**

etc.



World Model as a Decarbonized City

JPY **301.1** bn

Through accelerating energy conservation promotion and renewable energy adoption, Tokyo will achieve “carbon half” by 2030 and continue on to realize a “Zero Emission Tokyo.”



Key new and
expanded projects

- Project of Comprehensive Measures to Promote the Tokyo Zero Emission Housing and Environmental Building Reporting Program
- Project for Concentrated Promotion of Insulation and Renewable Energy in Rental Housing
- Project for Promotion of GX in the Global South etc.



The World's Safest, Most Secure and Resilient city

JPY **857.1** bn

Tokyo will become the world's safest, most secure and resilient city, where the lives and livelihoods of residents are protected from such threats as an evolving criminal landscape and natural disasters including storms, floods, and earthquakes.



Key new and expanded projects



- **Starting projects for new regulating reservoirs**
(Myoshoji River Upstream Regulating Reservoir (provisional name), Yanase River Upstream Regulating Reservoir (provisional name))
 - **Support for Wards and Municipalities to Improve Shelter Environments and Secure Toilets During Disasters**
 - **Project for Emergency Subsidies for the Purchase of Security Equipment**
- etc.



Promotion of “Smart Tokyo” and “SHIN-TOSEI” (Structural Reform of the TMG)

JPY **234.7** bn

Through the streamlining of administrative procedures resulting from digital transformation efforts, Tokyo citizens will enjoy increased the “take-home time” and perceive improvements in the quality of government services.



Key new and expanded projects

- **Project of Promotion for Business Process Reengineering (BPR)**
- **Official Tokyo Metropolitan Government App (Tokyo app)**
- **Project for Promotion of Joint DX among Ward and Municipal Governments**



etc.



Promotion of the Tama Area and the Tokyo Islands

JPY **296.3** bn

To raise the vitality and appeal of the Tama area and the Tokyo islands, and achieve sustainable development, we will promote initiatives that leverage the resources and unique characteristics of the communities.



Hachijo Island

Key new and expanded projects

- **Project for Support of Municipal Governments on Promotion for Immigration and Domiciliation**
- **Life Experience and Vacant House Study Tours of the Tokyo Islands and Mountain Areas**
- **Project to Support the Improvement of Barrier-free Tourism on the Tokyo Islands etc.**



Revenues and Expenditures (General Account)

Revenues

| Category | F Y 2 0 2 5 | F Y 2 0 2 4 | Difference |
|---------------------------------|-------------------|-------------------|-------------------|
| Metropolitan taxes | 6,929.6 bn | 6,386.5 bn | 543.1 bn |
| Local transfer taxes | 82.8 bn | 63.8 bn | 19.0 bn |
| National treasury disbursements | 424.0 bn | 378.5 bn | 45.5 bn |
| Funds transfers | 729.7 bn | 714.6 bn | 15.1 bn |
| Miscellaneous revenues | 619.4 bn | 396.2 bn | 223.2 bn |
| TMG bonds | 203.4 bn | 312.7 bn | — 109.3 bn |
| Other revenues | 169.1 bn | 200.7 bn | — 31.6 bn |
| Total | 9,158.0 bn | 8,453.0 bn | 705.0 bn |

Expenditures

| Category | F Y 2 0 2 5 | F Y 2 0 2 4 | Difference |
|-----------------------------|-------------------|-------------------|------------------|
| General expenditures | 6,897.8 bn | 6,370.2 bn | 527.6 bn |
| Ordinary expenditures | 5,736.7 bn | 5,298.3 bn | 438.4 bn |
| Salary-related expenses | 1,762.0 bn | 1,723.1 bn | 38.9 bn |
| Other ordinary expenditures | 3,974.7 bn | 3,575.2 bn | 399.5 bn |
| Investment expenses | 1,161.1 bn | 1,071.9 bn | 89.2 bn |
| Expenses for public bonds | 287.2 bn | 323.8 bn | — 36.7 bn |
| Tax-related expenses, etc. | 1,973.1 bn | 1,759.0 bn | 214.1 bn |
| Total | 9,158.0 bn | 8,453.0 bn | 705.0 bn |

※Tabulated figures are rounded to the nearest hundred million.

Reference: Metropolitan Tax Revenue Breakdown by Categories (General Account)

| Category | F Y 2 0 2 5 | F Y 2 0 2 4 | Difference |
|--|-------------------|-------------------|-----------------|
| Two corporate taxes | 2,536.2 bn | 2,301.6 bn | 234.7 bn |
| Other taxes | 4,393.4 bn | 4,084.9 bn | 308.5 bn |
| Metropolitan inhabitant tax on individuals | 1,245.1 bn | 1,091.1 bn | 154.0 bn |
| Metropolitan inhabitant tax on interest income | 31.0 bn | 9.3 bn | 21.7 bn |
| Local consumption tax (post settlement) | 815.9 bn | 752.4 bn | 63.5 bn |
| Real estate acquisition tax | 102.7 bn | 97.3 bn | 5.4 bn |
| Motor vehicle tax | 119.3 bn | 116.0 bn | 3.3 bn |
| Fixed assets tax | 1,528.4 bn | 1,489.4 bn | 39.1 bn |
| Establishment tax | 131.7 bn | 119.9 bn | 11.7 bn |
| City planning tax | 296.2 bn | 290.1 bn | 6.1 bn |
| Accommodation tax | 6.9 bn | 4.8 bn | 2.1 bn |
| Miscellaneous taxes | 116.2 bn | 114.7 bn | 1.5 bn |
| Total | 6,929.6 bn | 6,386.5 bn | 543.1 bn |

Reference: Expenditure Breakdown by Categories (General Account)

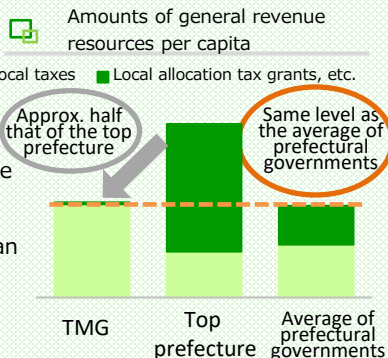
**FY2025 budget by category, assuming that
the total budget is 10,000 yen**

| Category | Breakdown of 10,000 yen |
|---|----------------------------|
| Health and Welfare e.g., measures to address the falling birthrate and the graying population | 1,934 yen |
| Education and Culture e.g., the enhancement of school education | 1,589 yen |
| Labor and Economy e.g., revitalization of industry | 878 yen |
| Living Environment e.g., climate change countermeasures | 409 yen |
| Urban Development e.g., road development | 1,091 yen |
| Police and Firefighting e.g., police and fire fighting activities | 1,106 yen |
| Planning and General Affairs e.g., staff training and welfare | 525 yen |
| Public Bonds e.g., principal and interest redemption of TMG Bonds | 314 yen |
| Tax-related Expenses, etc. e.g., subsidies to municipalities | 2,154 yen |
| Total | 10,000 yen |

※ Figures are rounded off to the nearest one yen.

■ Money that can be used for one resident

- When grants provided by the national government to cover tax revenue disparities among local governments are added to each local government's tax revenues, the amount of money that can be used for one resident in Tokyo is at about the average of prefectural governments and is definitely not high.



■ Unreasonable Local Corporate Taxation Reviews

- Despite this fact, repeated unreasonable revisions of the taxation system have deprived Tokyo of tax revenues amounting to 1.5 trillion yen in FY 2025—a whopping total of 10.8 trillion yen since FY 2008.

Just how much is 10.8 trillion yen?



More than the cost of the TMG's earthquake countermeasures through the 2040s.



Taxes per Tokyo citizen of about 100,000 yen annually and about 800,000 yen on a cumulative basis have been lost!



- For achievement of sustainable growth of all of Japan, it is more important to have a tax and fiscal system that considers the roles local governments should play, rather than having local governments scramble for a larger share of limited financial resources.



We need a tax and fiscal system that facilitates the growth of all of Japan!

Wow, I understand Tokyo's budget a lot better now! Tokyo is using lots of ingenuity in advancing efforts to become an even better city!



That's right, Hari! Tokyo has to keep on firmly managing its finances. And it's not just for us, but for the future of our children!

That's so true! Now I'm curious to learn more about Tokyo's finances!



I like your enthusiasm!
You can find more information on the TMG website.
[Check it out here!](#)

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