



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

Hari

\\ Learning with Meri and Hari /

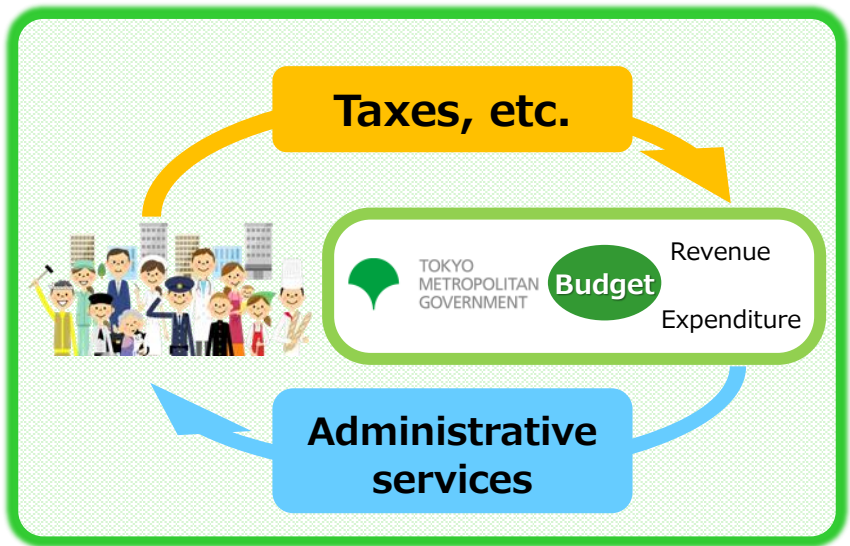
The Guide to Tokyo's FY2026 Budget Proposal



Meri



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 taxes paid by Tokyo residents to provide administrative services, such as disaster preparedness and welfare measures.



Oh, so it's like an annual business plan!



How big is Tokyo's budget?

Comparable to the size of some national budgets: **18.7 trillion yen**

Account Type	FY2026 Budget	Remarks
Total accounts	JPY 18.7T	
General account	JPY 9.7T	For administrative services such as disaster preparedness and welfare measures, based on taxes
Special accounts	JPY 7.0T	For specific objectives such as management of metropolitan housing
Public enterprise accounts	JPY 2.0T	For enterprises managed by the TMG such as water supply and sewerage

Compared to:



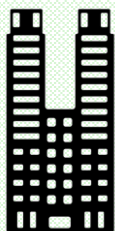
Switzerland's budget
17.2 trillion yen

*Budget in yen is calculated at the exchange rate as of January 2026.

Tokyo's general account budget, which is mainly prepared from taxes, is now **9.7 trillion yen**. Next, let's take a look at **the overall picture**.



Budget overview



Budget size

General account total expenditures

9.6530 trillion yen
(+495.0 billion yen, +5.4%)



General expenditure

Policy-related spending

7.2678 trillion yen
(+370.1 billion yen, +5.4%)



Tax revenue

Revenue from metropolitan taxes, including corporate inhabitant and enterprise taxes, and the fixed assets tax

7.3856 trillion yen
(+456.0 billion yen, +6.6%)



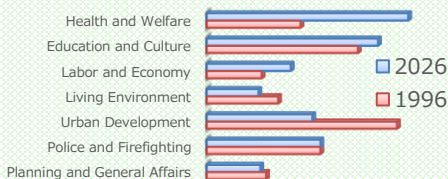
It looks like the FY2026 budget is bigger than last year's.
Where's all that money going?

for FY2026

*Figures in parentheses () show changes from the FY2025 budget.

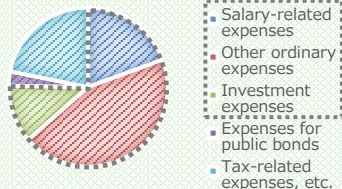
- **An increase over the previous year**
- **Aggressive implementation of measures (657 new projects)**

Budget per Tokyo resident



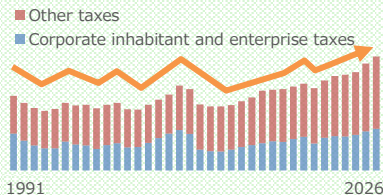
- **Increase of 370.1 billion yen** for building measures to further develop Tokyo into a safe, secure, and vibrant city where people shine

Breakdown General expenditure



- **Increase of 456.0 billion yen** due to trends such as increases in corporate inhabitant and enterprise taxes from steady business revenues, and increases in metropolitan inhabitant tax on individuals.

Metropolitan tax revenue by year



The budget will be used to dynamically carry out measures laid out in the **“Tokyo 2050 Strategy”** to make Tokyo **the best city in the world!**



What approaches are taken

Promotion of project review, policy review, and review of projects undertaken in collaboration with TMG group organizations



✓ Project review

1,604 reviews
135.0 billion yen

✓ Policy review

10 policy groups
(98 projects in total)

*Project review: Published project reviews (top), Finances secured (bottom)

*Policy review: Published policy reviews

Utilization of funds



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

✓ Balance of funds : **1.4505 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 : **222.6 billion yen**

✓ TMG bonds balance : **4.2372 trillion yen**

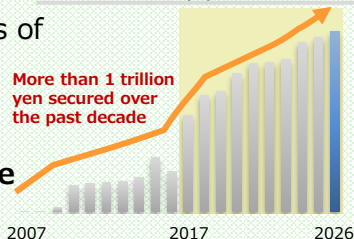
So the budget is to advance Tokyo's steps toward a sustainable future! But it seems like that will take a lot of money.

How does Tokyo secure its fiscal resources?

in compiling the budget?

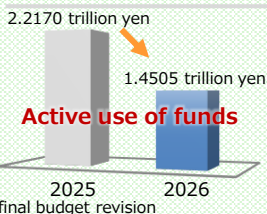
- Consistently conducting project reviews, policy reviews, and reviews of projects undertaken in collaboration with TMG group organizations to **build highly efficient and effective measures and projects.**

Financial resources secured by year



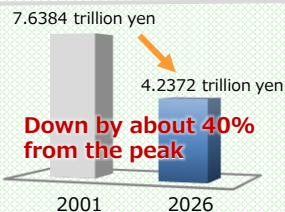
- Funds are actively used as financial resources** for steadily promoting urban resilience measures and other purposes

Balance of funds



- By striving to curb the issuance of TMG bonds and issuing bonds in accordance with the amount of metropolitan tax revenue and other factors, **the bonds (debt) balance has decreased by about 40% from the peak.**

TMG bonds balance



That's done through various approaches in **fiscal management**, like promoting review systems including project review, and utilizing funds and TMG bonds.



Eight Pillars of the FY2026 Budget

To swiftly and successfully implement policies laid out in the Tokyo 2050 Strategy, key measures for fully harnessing Tokyo's strengths and paving the way for a bright future have been arranged under eight pillars.

A City Brimming With the Smiles of Children and Youth That Supports Everyone in Achieving Their Life Goals

A Society Where Everyone Can Shine and Demonstrate Their Full Potential

A Financial and Economic Center Vigorously Driving Japan Forward and Leading the World

A World-Appealing, Comfortable and Enriching City That Balances Maturity and Ongoing Growth

A World Model for Environmental Sustainability

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

Next, let's take a look at **some specific projects included in the budget for each of these eight pillars.**



A City Brimming With the Smiles of Children and Youth That Supports Everyone in Achieving Their Life Goals

JPY **1,247.9** bn

By offering support that allows residents to have and raise children with confidence and working to foster talent for the future, Tokyo will transform into a society where children and youth are the principal actors.



Key new and expanded projects

- **2026 marriage support campaign***

*Positioning 2026 (year 8 of the Reiwa era) as “a special year for encouraging marriages” and advancing various projects themed around the lucky number “8” to generate further momentum for marriages

- **Fertility treatment subsidies**

- **Support for overseas study opportunities for metropolitan high school students (three-week overseas study)**

etc.



A Society Where Everyone Can Shine and Demonstrate Their Full Potential

JPY **202.7** bn

Through measures such as developing environments where people can balance their careers with caregiving and parenting, Tokyo will become a city that enables everyone to shine and demonstrate their full potential.



Key new and expanded projects

- Improvement of workplace environments to promote women's empowerment
- Support for working citizens to take *ikugyo*, the "job of parenting"
- Support for the creation of community spaces for people with disabilities through municipalities etc.



A Financial and Economic Center Vigorously Driving Japan Forward and Leading the World

JPY **432.0** 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

- **Promotion of business reforms**
- **Support for the establishment of production and R&D centers in Tokyo to develop new industries**
- **Support for businesses to enhance operations through business improvements and new ventures etc.**



A World-Appealing, Comfortable and Enriching City That Balances Maturity and Ongoing Growth

JPY **473.7** bn

Realizing a city that strikes a balance between maturity and ongoing growth, including infrastructure developments that will strengthen Tokyo's competitiveness and the establishment of a housing environment that allows everybody to live with a sense of security.



Key new and expanded projects

- Housing supply promotion for active older adults
- Reinforcement of Tokyo International Cruise Wharf's vessel reception functions
- Promotion of Edo culture etc.



A World Model for Environmental Sustainability

JPY **388.0** bn

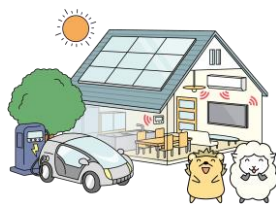
Becoming a world-leading city for environmental sustainability through the acceleration of initiatives to balance decarbonization and energy security.



Key new and expanded projects

- Promotion of household zero-emission actions
- Emergency measures for lithium-ion battery fires at waste disposal facilities
- Production and utilization of green hydrogen at the Central Breakwater Landfill Site

etc.



The World's Safest, Most Secure, and Resilient City

JPY **842.5** bn

Tokyo will become the world's safest and most secure city where the lives and health of residents are protected, by bolstering measures against natural disasters such as storms, flooding, and earthquakes, as well as preparations for when such emergencies occur.



Key new and
expanded projects

- **Strengthening of measures against flooding through sewer system upgrades**
- **Provision of support to municipalities regarding matters such as daily life assistance to evacuees**
- **Support for women's cancer screening**

etc.



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

JPY **443.0** bn

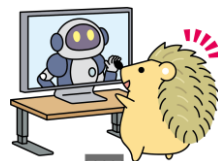
The quality of resident services will be enhanced through DX infrastructure development and the use of AI in various areas of the metropolitan government.



Key new and expanded projects

- Tokyo Metropolitan Government Official App (Tokyo App)
- Establishment of one-stop services for administrative processes by businesses
- Strengthening of cybersecurity measures using AI

etc.



Promotion of the Tama Area and the Tokyo Islands

JPY **302.3** 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.



Key new and expanded projects

Hachijo Island

- Expansion of Silver Pass eligibility to Tama Monorail
- Support for creation of new tourism attractions in the Tama area and Tokyo islands
- Initiatives for rediscovery of the attractions of the Tokyo islands and their branding

etc.



Revenues and Expenditures (General Account)

Revenues

Category	FY2026	FY2025	Difference
Metropolitan taxes	7,385.6 bn	6,929.6 bn	456.0 bn
Local transfer taxes	78.7 bn	82.8 bn	— 4.1 bn
National treasury disbursements	493.7 bn	424.0 bn	69.6 bn
Funds transfers	888.8 bn	729.7 bn	159.1 bn
Miscellaneous revenues	362.8 bn	619.4 bn	— 256.5 bn
TMG bonds	222.6 bn	203.4 bn	19.2 bn
Other revenues	220.8 bn	169.1 bn	51.7 bn
Total	9,653.0 bn	9,158.0 bn	495.0 bn

Expenditures

Category	FY2026	FY2025	Difference
General expenditure	7,267.8 bn	6,897.8 bn	370.1 bn
Ordinary expenditures	6,135.4 bn	5,736.7 bn	398.7 bn
Salary-related expenses	1,873.3 bn	1,762.0 bn	111.3 bn
Other ordinary expenditures	4,262.1 bn	3,974.7 bn	287.5 bn
Investment expenses	1,132.4 bn	1,161.1 bn	— 28.7 bn
Expenses for public bonds	279.9 bn	287.2 bn	— 7.3 bn
Tax-related expenses, etc.	2,105.3 bn	1,973.1 bn	132.2 bn
Total	9,653.0 bn	9,158.0 bn	495.0 bn

*Tabulated figures are rounded to the nearest hundred million.

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

Category	FY2026	FY2025	Difference
Two corporate taxes	2,712.6 bn	2,536.2 bn	176.4 bn
Other taxes	4,673.0 bn	4,393.4 bn	279.7 bn
Metropolitan inhabitant tax on individuals	1,407.1 bn	1,245.1 bn	162.0 bn
Metropolitan inhabitant tax on interest income	44.3 bn	31.0 bn	13.3 bn
Transferred local consumption tax	921.6 bn	815.9 bn	105.7 bn
Real estate acquisition tax	106.8 bn	102.7 bn	4.1 bn
Motor vehicle tax	96.9 bn	119.3 bn	— 22.5 bn
Fixed assets tax	1,553.2 bn	1,528.4 bn	24.7 bn
Establishment tax	131.3 bn	131.7 bn	— 0.3 bn
City planning tax	300.9 bn	296.2 bn	4.8 bn
Accommodation tax	8.1 bn	6.9 bn	1.2 bn
Miscellaneous taxes	102.8 bn	116.2 bn	— 13.3 bn
Total	7,385.6 bn	6,929.6 bn	456.0 bn

*Figures are rounded to the nearest hundred million.

Reference: Expenditure Breakdown by Category (General Account)

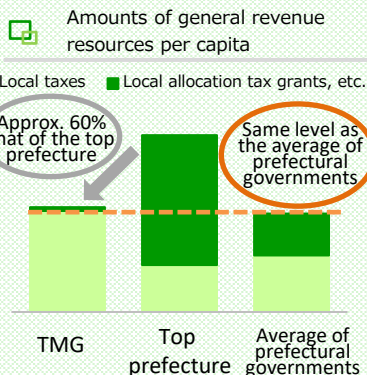
**FY2026 budget by category, assuming that
the total budget is 10,000 yen**

Category	Breakdown of 10,000 yen
Health and Welfare e.g., measures for parenting and older adults	1,940 yen
Education and Culture e.g., enhancement of school education	1,649 yen
Labor and Economy e.g., revitalization of industry	810 yen
Living Environment e.g., waste disposal measures	499 yen
Urban Development e.g., road development	1,018 yen
Police and Firefighting e.g., police and firefighting activities	1,096 yen
Planning and General Affairs e.g., staff training and welfare	517 yen
Public Bonds e.g., principal and interest redemption of TMG Bonds	290 yen
Tax-related Expenses, etc. e.g., subsidies to municipalities	2,181 yen
Total	10,000 yen

*Figures are rounded 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.



■ Local Corporate Taxation Worsens

- Despite this fact, the detrimental measures taken by the national government have deprived Tokyo of tax revenues amounting to 1.6 trillion yen in FY 2026—a whopping total of 12.6 trillion yen since FY 2008.

Just how much is 12.6 trillion yen?



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



About 100,000 yen in taxes per Tokyo citizen for the year, and about 900,000 yen on a cumulative basis have been lost!



- An inward looking struggle to claim a larger slice of the limited pie undermines national interests and offers no viable future for Japan. Working to enhance the local tax and fiscal system as a whole to suit the responsibilities and roles of the local governments is of vital importance.



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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