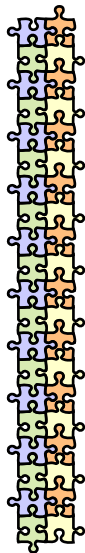


The Special Allowance for Child-Rearing

Purpose

The Special Allowance for Child-Rearing is part of the Measures to Support People's Daily Lives passed on October 30, 2008. Considering the burdens of early childhood education in multi-child households, the measure provides ¥36,000 for each child of early childhood education age, beginning with the second. It is for fiscal 2008 only.



Eligible children

Children within three years of starting elementary school in fiscal 2008 (i.e., those born from April 2, 2002, through April 1, 2005) who are the second or later children in their families are eligible.

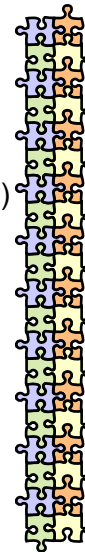
- * Children shall be considered second children if they are second in age among children aged 18 or younger (i.e., born April 2, 1990, or later).
- * If an eligible child lives separately from the first child, confirmation that he or she is a dependent of the same person is required. Documentation such as a copy of a health insurance card is required at the time of application.

Amount of allowance

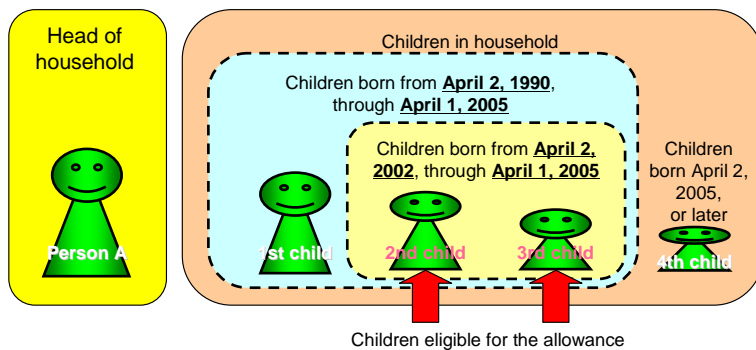
For each eligible child with whom he or she lives, the head of household shall receive ¥36,000. The allowance shall be paid in a lump sum.

How to apply

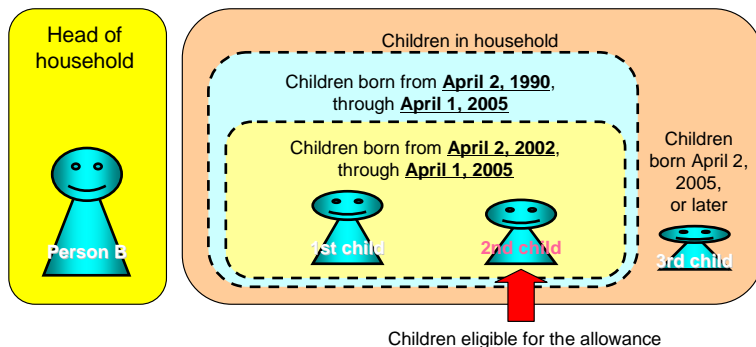
In order to receive the allowance, the head of household living with an eligible child or children must submit an application to the municipality in which s/he lives. In principle, payment shall be made by direct deposit to a bank account.



Special Allowance for Child-Rearing (The examples of Person A and Person B)



Person A's Special Allowance for Child-Rearing
¥36,000 x 2 children
= **¥72,000**



Person B's Special Allowance for Child-Rearing
¥36,000 x 1 child
= **¥36,000**

Different municipalities may begin accepting applications on different dates, so applicants should check with the municipalities in which they live.

The application period shall be six months, beginning on the first date applications are accepted. Eligible persons should make sure to apply.

- * Proof of identity is required when applying, so applicants should be sure to bring their driver's license, Juki card, passport, certificate of alien registration, or other suitable form of identification.
- * Please attach a copy of your bank passbook to your application in order to confirm your account name and number.
- * For deposits into Japan Post Bank accounts, please enter your passbook's code and account numbers.

Q1. Why are second and later children ages 3–5 the targets?

- A1. A comprehensive view was taken in order to ease burdens on multi-child households. Generally, children begin attending daycare or nursery school three years before they start elementary school, and children through age 2 are counted as infants under the allowance for dependent children system.
Children who are not eligible for this allowance may be eligible for the allowance for dependent children and/or cash benefit.

Q2. My child's grandfather lives with us and is the head of household. In this case, will the payment go to the parent?

- A2. The Special Allowance for Child-Rearing is paid to the head of household, regardless of whether that person is the parent of the eligible child or children. In your case, the payment will go to your child's grandfather.

Q3. Do I have to pay taxes on the Special Allowance for Child-Rearing?

- A3. The Special Allowance for Child-Rearing counts as occasional income for income tax and individual inhabitant tax purposes. The first ¥500,000 of occasional income is exempt from taxes, so unless you have other occasional income, you will not have to pay taxes on the Special Allowance for Child-Rearing.

Q4. What happens if I don't meet the application deadline?

- A4. You have to apply for the Special Allowance for Child-Rearing in order to receive payment. The application period shall be six months, beginning on the first date applications are accepted, so be sure to apply. Applications received after the application period ends will be rejected.

Q5. Will the Special Allowance for Child-Rearing be paid every year?

- A5. The Special Allowance for Child-Rearing is part of the Measures to Support People's Daily Lives. Like the cash benefit, it is for fiscal 2008 only.

Q6. If I receive the Special Allowance for Child-Rearing, can I still receive the cash benefit?

- A6. Both the Special Allowance for Child-Rearing and the cash benefit are part of the Measures to Support People's Daily Lives. Their intents and purposes differ, so they may both be received.

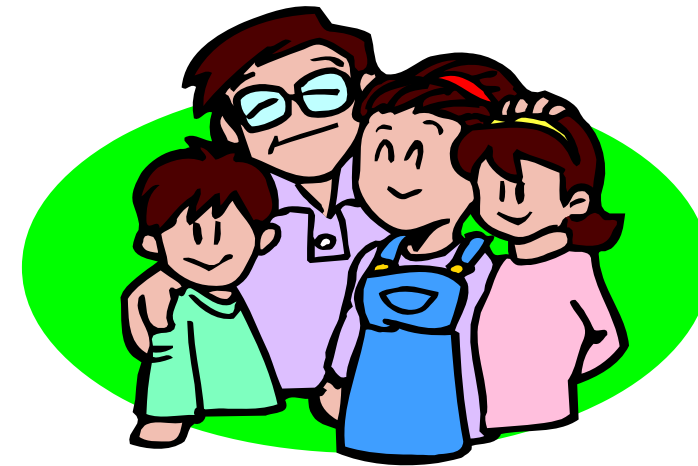
If you have any other questions, please contact **the municipality in which you live.**

Related information is available on the Ministry of Health, Labour and Welfare website.

<http://www.mhlw.go.jp/kinkyu/juyou/kosodate/index.html>

Measures to Support People's Daily Lives Special Allowance for Child-Rearing

You cannot receive the Special Allowance for Child-Rearing unless you apply!



Direct inquiries to:

[Insert municipality contact information here.]